BOARD MEMBERS PRESENT: Lowell Berg, Donna Marvin, Herb Schimek, Herb Friedman. Absent - Martha Florence, Kathy McKillip, Carol Speicher. A quorum was present.

OTHERS PRESENT: Pat Leach, Library Director; Julee Hector, Assistant Library Director; Barbara Hansen, Administrative Aide; Paul Jones, Business Office Accountant; Brenda Ealey, Gere Branch Manager; Sheila Jacobs, Eiseley Branch Manager; Carolyn Dow, Polley Music Librarian; Denise Pearce, Mayor’s Office.

The meeting was called to order at 6:03 p.m. by President Schimek. It was announced the Open Meetings Law of the State of Nebraska was posted.

APPROVAL OF AGENDA: The Meeting Notice/Agenda was posted according to the Open Meetings Law of the State of Nebraska. Friedman moved the agenda be approved as posted. Second by Marvin. Roll Call Vote: Berg, Friedman, Marvin, Schimek, – aye; Florence, McKillip, Speicher – absent. Motion carried 4-0

PUBLIC COMMENT ON AGENDA ITEMS: None.

APPROVAL May 20, 2014, MEETING MINUTES: Marvin moved to approve the minutes of the May 20, 2014, Library Board meeting as published. Second by Friedman. Roll Call Vote: Friedman, Marvin, Schimek, Berg, Friedman – aye; Florence, McKillip, Speicher – absent. Motion carried 4-0.

FISCAL YEAR 2014/15 & 2015/16 BUDGET DISCUSSIONS:

Operational Budget: Library Director Pat Leach reported the preliminary budget shows no cuts in hours, services, or staff. The budget was prepared to continue current level of service as directed by the Mayor’s Office. The total budget amount for fiscal year 2014/15, $8,450,998, represents a 1.93% increase. The second year in the budget cycle, 2015/16, indicates a 1.02% increase for a total of $8,537,493. It was noted that increases in salaries or benefits are not known at this time as union negotiations are in process. The Finance Department will adjust department budgets when these dollar amounts are known. The adjustment for increased personnel costs will not impact other line items. The operating budget includes 104.04 full time equivalents supporting 470 hours of public service per week.

Leach also distributed and reviewed the program cost summary as it relates to the priorities set as part of the Mayor’s outcomes based budgeting process.

Polley Music Library: The Polley Music Library budget supports the service plan adopted by the Library Board in November 2013, and approved by the Polley Music Advisory Board. The service is supported by the Polley Trust. The projected expenditures for FY 2014/15 are $100,960 with an estimated distribution from the trust of $94,992. The deficit will be covered by fund balances from previous years where income was greater than the expenses. The FY 2015/16 budget is very similar, with projected expenses of $102,903 and income from the trust projected at $100,000. The projected deficit would again be covered by fund balances. The Foundation for Lincoln City Libraries has established a Polley Endowment Fund and continues to work to increase its balance so that future Polley Music Library budgets can benefit from
additional income. The Polley Music Library is staffed by one full-time Librarian covering 20 hours of public service per week and outreach activities.

**Heritage Room:** Leach reviewed the budget for the Heritage Room service indicating that the projected expenditures for FY 2014/15 are $37,127 and for FY 2015/16 are $37,846. The Heritage Room service is funded through the Heritage Room Endowment Fund with revenue projected at approximately $33,000 each of the two fiscal years. The deficit in FY 2014/15 can be covered by fund balances from previous years but fund balances are not great enough to cover the FY 2015/16 deficit. An additional $3,000 will be needed to cover the deficit. Leach and staff are working to develop a plan to balance this budget. The Heritage Room is staffed with one part-time librarian working 20 hours per week covering 15 hours of public service per week and outreach activities.

**ADJOURNMENT:** There being no further business, the meeting was adjourned at 6:32 p.m.