The meeting of the Finance Committee of the Library Board of Control was called to order on Thursday, September 17, 2020 at 5:00 pm with the following:

PRESENT: Bennie Smith
        Selma Malcomb
        Robert Rome

ABSENT: N/A

Also present were Laura Sanders, Library Director; Sherry Lucas, Finance Manager and Dana Clement, Administrative Assistant for the Library.

The Pledge of Allegiance was said in unison.

Ms. Smith, Committee Chair, stated after roll call, we have a quorum and can move forward with our committee meeting.

A motion to accept the LBC Finance Committee agenda was made by Mr. Rome, seconded by Mrs. Malcomb, and the motion carried unanimously.

Business:
Item 1- Discussion and approval of revising 2021 Budget recommendations to full board;
Mrs. Sanders explained that at the September 8th Council meeting, there was an attempt to roll back the Library’s primary millage from 4 mils to 2 mils by a last minute amendment and with no notice to the Library or the public. The amendment was pulled due to Council members being concerned it was not legal. At the same meeting it was misrepresented to the Council and in turn to the public that the Library Board has approved an 8% staff pay increase for 2020, which is not accurate. We are required to submit our budget for the next year very early and are not always certain what, if any, funds need to be allocated for staff pay increases, so we include a cushion as a contingency. In February, the Finance Committee recommended an up to 4% merit increase based on evaluation scores. Library staff have not had a COLA or merit increase since 2018, while other entities of the Parish have continued to receive increases annually. With COVID’s impact on the local economy, the full board repeatedly deferred the discussion and vote on a merit increase until more was evident about economic conditions. Mrs. Sanders went on to explain that in May, Parish HR instructed us to submit a projection allowing for an 8% increase to account for two possible 4% increases over the two years in question. Our maximum projections were entered in MUNIS, but are clearly flagged as high-end projections covering two years and are not approved increases. Anyone using these projections to state that the Library Board has approved an 8% pay increase for all staff for 2020 is purposely misleading the public.

Mrs. Sanders stated the purpose of this Finance Committee meeting is to discuss amending our 2021 Budget Personnel section to better represent what we expect actual salary numbers to be at this point in time and without anticipating any COLA or merit increases. A point brought up by Parish Administration is that the Library gives out longevity awards. That is true. Some 20 years ago, the Library Board instituted a longevity increase schedule that provides for a permanent increase as employees reach each 5-year milestone. The current board and Library administration have inherited this schedule, and employees take great pride in working their way up the longevity schedule. Mrs. Smith questioned how a longevity award was possible given the current scale already accounts for years of service, so that could be considered a bonus which is not allowed. Mrs. Lucas clarified that employees do not advance steps on the current pay scale based on years of service. Entry level of the scale shifts based on COLA awards authorized by the board. The ranges on the scale are tied to particular job titles and attained education. Employees advance steps on the scale based on board-granted merit increases, longevity awards, or by Director discretion if more job duties are assigned. Mrs. Smith stated that perhaps the longevity award schedule should be eliminated if it came down to our funding being cut and jobs being lost. Mr. Rome indicated that he does not feel inclined to cut anything until absolutely necessary. He expressed his disappointment in how Parish Administration has allowed deceptive information to be recited at Council meetings as fact and how they were willing to support a significant millage reduction without giving any opportunity for the Library to respond. The Library took care of the children of Lafourche during COVID when both the Parish and the school system abandoned them. Mrs. Sanders continued, at this point we need to be proactive and plan for our community and staff. I recommend us reducing the salary and payroll tax lines of the 2021 budget to better match what we expect actual amounts to be if there are no increases. We also have the opportunity to reduce the budgeted
amount for health insurance, but we are expecting the Parish to switch us to a much higher cost plan next year. Once we have more information, we will likely need to consider reducing the Library’s cost health insurance share with employees in November.

After further discussion, Mrs. Smith asked the Finance Committee for motions on the proposed changes.

1. A motion was made by Mr. Rome, seconded by Mrs. Malcombe, to recommend to the full board reducing the 2021 Budget line item Payroll Expense from $3,600,000.00 to $3,242,500.00. A roll call vote was taken: Mr. Rome yes, Mrs. Malcombe yes and Ms. Smith yes. Motion passed 3-0-0.
2. A motion was made by Mrs. Malcombe, seconded by Mr. Rome, to recommend to the full board reducing the 2021 Budget line item Payroll Taxes from $288,000.00 to $259,500.00. A roll call vote was taken: Mr. Rome yes, Mrs. Malcombe yes and Ms. Smith yes. Motion passed 3-0-0.
3. Mrs. Smith asked twice if there was a motion to eliminate the longevity award schedule. No one was willing to make a motion, so the discussion ended.

Recommendations:
The Finance Committee recommends to the full Library Board of Control for review and consideration:

1. Reducing the 2021 Budget line item Payroll Expense to $3,242,500.00
2. Reducing the 2021 Budget line item Payroll taxes to $259,500.00

With no further business to discuss, a motion for adjournment was made by Mrs. Malcombe, seconded by Mr. Rome, and the motion carried unanimously. The Finance Committee adjourned at approximately 6:27 pm.