

FRANKFORT PUBLIC LIBRARY DISTRICT
FINANCE COMMITTEE MEETING
FRANKFORT PUBLIC LIBRARY
January 11, 2022
10AM

I. Call to Order

The meeting was called to order at 10AM.

II. Roll Call

Present: Trustee Schneider, Trustee Karabis, Business Manager Wargowsky, and Director Kowalcze

Absent: None

Also Present: None

III. Introduction of Visitors

None

IV. Old Business

None

V. New Business

A. FY2021-2022 Half Year Working Budget Review

1. Income—At the half-year, we have received funds higher than budget for in our Per Capita, Personal Property Replacement Tax (PPRT), and Developers Fees lines. The combined additional income from those lines is \$34,337. We have also received several generous donations from community members this year, and are evaluating special projects for those funds.

2. Expenses—At the half-year, it has become clear that expenditures will exceed the budget in a few lines. A higher insurance rate increase and a higher IMRF rate increase than budgeted for accounts for much of the overage. We also had a rate increase on our Library copiers, which impacts the Office & Library Equipment Line. Overdrive, our most popular eBook platform, recently informed us that we have been being undercharged per our population level. We will be charged at a new, higher rate, starting in January 2022.

3. Recommended Adjustments—After discussion, the Finance Committee decided to recommend to the Board the following mid-year Working Budget adjustments: Increase Digital Materials & Hosting by \$6000, increase Office & Library Equipment by \$3000, increase IMRF by \$28,000, increase Payroll Taxes by \$10,000, increase Legal Fees & Ads by \$1000. These increases will be balanced by the additional income to date, as well as by a decrease in the Payroll Expenses line of \$14,000. Adjustments to the income lines will be recommended at the March Board Meeting, after any additional PPRT or Developers Fees.

4. Overall Discussion—The Committee further discussed that Line of Credit Expenses went up in December, due to the completion of the siding project. There was also discussion that Payroll Expenses seemed higher in December 2021. Director Kowalcze will investigate.

B. FY2022-2023 Working Budget Planning

1. The Committee discussed what lines would need to be closely evaluated for the FY22-23 Working Budget. Looking at five year trends, it was felt that income lines for Developers Fees, Personal Property Replacement Tax, and Per Capita Grant could be conservatively increased in the budget. Since FY21-22 had budgeted for increased hardware replacements that will not be needed in FY22-23, the Automation line will be decreased.

Trustee Schneider encouraged adding a higher contingency to the Building Maintenance budget, over the current projected 15%, as CPI rate increases may be reflected in higher vendor costs. Trustee Karabis asked after the status of the Line of Credit and the Special Reserve Fund, and future building repairs. A discussion about the aging building systems occurred. Additional discussion will be needed once the Building & Grounds Committee completes the Capital Needs Assessment.

Director Kowalcze highlighted that the increasing minimum wage would be directly effecting some Library positions, and causing wage compression in several others. She is working on a plan for salaries, but with rising IMRF and insurance rates, we should anticipate Personnel Expenditures lines to increase in the FY22-23 budget.

A full FY22-23 Working Budget Draft will be developed at the March Financial Committee Meeting, with the goal of having a draft to the full Board at the March Board Meeting. The Final Draft should be approved by the May Board Meeting.

Trustee Schneider will be unable to attend the January Board Meeting, as he will be out of town. He suggests investigating a policy to accommodate virtual trustee attendance at future Board Meetings. Director Kowalcze will look into the possibility, contingent on Illinois Open Meetings Act parameters.

VI. Public Comment

None.

VII. Adjournment

Meeting adjourned at 11:43AM.

Recorded By:

Amanda Kowalcze
Library Director