FRANKFORT PUBLIC LIBRARY DISTRICT
FINANCE COMMITTEE MEETING
FRANKFORT PUBLIC LIBRARY
August 11, 2026
10AM

I. Call to Order

The meeting was called to order at 10:03 AM.

II. Roll Call

Present: Trustee Miner and Trustee Otway
Absent: None
Also Present: Director Kowalcze

III. Introduction of Visitors

None

IV. Minutes for Approval

Trustee Miner motioned and Trustee Otway seconded to approve the Minutes from the meeting on May 26, 2026. The Minutes were unanimously approved with no edits.

V. Old Business

None

VI. New Business

A. Draft Budget & Appropriations Ordinance

The Committee reviewed a draft of the Budget and Appropriations (B&A) notice and Budget and Appropriations Ordinance. The plan is to hold the B&A Hearing at the September Board Meeting. Director Kowalcze gave a brief overview of the B&A's role in the Tax Levy cycle, and shared how the figures in the B&A were compiled. The Committee did not have any questions or edits for the B&A Notice or Ordinance.

B. Draft 2026 Tax Levy

The Committee began reviewing the 2026 Tax Levy. Director Kowalcze shared that the Levy represents a 4.9% increase, but that the County will roll the amount back due to tax caps. The Library is capped at the CPI increase (2.7%) plus new growth. New growth for the past two years has been around 1.2%. Director Kowalcze shared that the percentage of the total levied into individual funds has changed, as the Library has been refining levying the appropriate amount into each individual special fund based on estimated expenses for each fund.

The end of year fund balances were shared on the Balance Sheet by Fund Report. Trustee Miner asked about a "Not Specified" column for Accounts Payable on that Report. Director Kowalcze will work with the accountant to see this corrected.

The Committee discussed the Working Cash Fund. This fund must be kept separate under the law and can only be used as last money out, first money in, in the event of a tax delay. The Committee discussed that this fund could be dissolved by Board resolution, and the money it contained put to other uses, if dropping interest rates made keeping it in savings no longer its best use. Potential uses include the Special Reserve Fund for capital projects or additional payments on the Library's debt certificate to pay it off sooner. The Committee discussed how additional payments on the debt certificate might affect the repayment schedule or interest payments. Without that information, it is difficult to have an informed conversation about the Working Cash fund. The Committee discussed the use of a financial advisor, but noted that financial advisors charge fees. Basic information could be obtained from the bank as a first step. Director Kowalcze will speak to the Library's bankers to find out general information about how additional payments would affect the loan's payments or length of the loan, and the Committee will follow up on this information later.

The Committee Meeting was recessed at 10:34AM to shelter during a tornado warning. The Committee Meeting reconvened at 11:09AM.

C. The Committee decided to return to the discussion of the Levy at a future meeting. The Committee tabled the discussion of the Building Maintenance Levy to their next meeting.

D. Next Meeting

1. The Finance Committee Meeting plans to meet next on September 8th at 10am to review the Tax Levy and Building Maintenance Levy, and to continue to discuss the Working Cash fund.

VII. <u>Public Comment</u>

None

VIII. <u>Adjournment</u>

Meeting adjourned at 11:18AM.

Recorded By:
Amanda Kowalcze
Library Director