

FRANKFORT PUBLIC LIBRARY DISTRICT

FINANCE COMMITTEE MEETING

FRANKFORT PUBLIC LIBRARY

March 13, 2024

1PM

I. Call to Order

The meeting was called to order at 1:00PM.

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. Minutes for Approval

Minutes from the Finance Committee Meeting on July 10, 2023 were reviewed and approved by the Committee Members.

V. Old Business

None

VI. New Business

a. Draft FY2024-2025 Working Budget Review

1. The Committee reviewed a first draft of the Working Budget for FY2024-2025. The budget in this phase is based on the current year's numbers and internal projections for the next year. Important information such as the tax extension, IMRF rate projection, and health insurance projections aren't typically available until late March or April.
2. The Committee discussed the projected revenues for the coming Fiscal Year. It was decided that the draft budget was being overly conservative on Personal Property Replacement Tax projections, based on totals received over the last five years. This revenue forecast was increased by \$10,000 to \$65,000. Most of the projected revenues were consistent with the current fiscal year, with the exception of Interest income, which was doubled to be more in line with what the Library is currently earning. The Library's savings account interest rates, which are tied to the Illinois Funds investments,

appear to have peaked, but are still proving to be a steady monthly source of income.

3. For the Working Budget expenses, a 6% increase overall is proposed for library materials, to reflect the increasing cost of materials, as well as to respond to insatiable community demand for ebooks. A new materials line for Misc Materials is proposed, to account for non-traditional circulating library materials (Beyond Books collection). Library staff have been discussing circulating items such as automobile error code readers, Kill-A-Watt meter readers, or soil moisture meters. Storage and processing for these items is currently being sorted out, but there will need to be a corresponding budget line to maintain this collection.
4. The Working Budget proposes keeping Programming and Outreach expenditures the same as last year. The opening of a new assisted living facility on Rt. 30 is expected to increase materials demand on large print books, but shouldn't require an increase to the Outreach budget this year. An increase in the following fiscal year may be required.
5. The Budget reflects a significant decrease in the Technology line. However, most of this decrease is due to recategorizing two expenses. The expenditure for the Library's IT Support has been moved to Professional Service Contracts. Additionally, the cost of Internet has been combined with Telephone on the Telephone budget line. We are moving to the same company for these services, and billing will be combined.
6. A new budget line for "Risk Management Program" has been created. This line pulls out expenses from other lines, most notably Building Maintenance, which are paid out of the Liability Fund. These items include annual maintenance and testing of the fire alarm and fire suppression systems, snow removal and salting, security camera maintenance, and security alarm monitoring, along with other liability reducing costs.
7. The Building Maintenance line is being renamed Building Maintenance Contracts to contrast with capital projects, which will be accounted for in a line called Building Projects. One-time high-cost building projects accounted for in the same line as regular annual maintenance makes it harder to track monthly spending in the budget, and separating the two will allow for easier fiscal tracking. The Building Projects line was originally proposed as a Capital projects line, but the Committee determined this might lead to confusion with expenditures out of the Library's Capital Expenditure's Fund.
8. This Working Budget includes the return of a line that has not been included in the last few years: Special Reserve Fund Transfer. This line is for budgeting for end of year savings for future capital projects. The goal is to fund this line at \$100,000 this year, and increase this line annually as funds allow.

9. Personnel Expenditures are currently projected to increase 2% this year. This section of the budget is showing a smaller increase due to the elimination of some contingency built into the Payroll Expenses, an elimination of a contingency in the Health Insurance line, and a decrease in Payroll Taxes, which have been overbudgeted for in past years.
 10. The Committee also discussed additional ways to lower expenditures, such as soliciting donations or sponsorships for large purchases, such as the purchase of a new Adult Services Desk, which is needed due to age and condition.
- b. Next Steps
1. Director Kowalcze will update the Working Budget into a second draft, as important rates and projections are released throughout March and April. The Committee plans to meet again in April to approve a draft budget to bring to the Board at the April Board Meeting.

VII. Public Comment
None.

VIII. Adjournment
Meeting adjourned at 2:23PM.

Recorded By:
Amanda Kowalcze
Library Director