

FRANKFORT PUBLIC LIBRARY DISTRICT
FINANCE COMMITTEE MEETING
FRANKFORT PUBLIC LIBRARY
April 12, 2022
9AM

I. Call to Order

The meeting was called to order at 9:20AM.

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 January 11, 2022 were reviewed and approved by the Committee Members.

V. Old Business

None

VI. New Business

A. FY2021-2022 Third Quarter Working Budget Review

1. Income—The combination of greater than budgeted for PPRT, Developer's Fees, and Donation revenue has put the Library in a good position heading into the last quarter of the year. In light of the additional income some projects that would have been moved to the next budget year are being considered for this year, including new furniture funded by a generous donation, having the grounds remulched, and a potential needed upgrade to the Library's security cameras.

2. Expenses—At the third, it has become clear that expenditures will exceed the budget in a few lines. Under recommendation from the auditors, the Library is no longer using prepaids to split regular costs across fiscal years, which has made the Periodicals line seem very inflated for this fiscal year. Other lines, such as Outreach and Learning Lab Supply & Equipment appear to be over budget, due to spending targeted donation money. Going forward, we will be creating and utilizing a Donation Expenses line, to help keep spending funded by donation more clearly delineated. Legal Fees and Ads is also running over budget, due to increased newspaper costs to post required legal ads. We will adjust next year's budget accordingly. Finally, due to Health Insurance increases exceeding budget estimates, that line will be slightly over budget by the end of the year. However, due to other lines coming in under budget, the Library is on track to finish the fiscal year still in the black.
3. Recommended Adjustments—After discussion, the Finance Committee is not recommending any adjustments to the Working Budget.
4. Overall Discussion—The Working Budget looks positive heading into the Third Quarter.

B. FY2022-2023 Working Budget Planning

1. The Committee reviewed a draft of the Budget for FY2022-2023. Director Kowalcze has increased estimated revenues for areas like Personal Property Replacement Tax and Developer's Fees, using a six year average for budgeting purposes. Trustee Karabis cautioned that 2023 may see Developer's Fees slow down if the housing market changes. Estimated tax revenue increases are around 3% higher than last year's budget. Overall estimated revenue increases are around 5% higher than last year's budget, including a higher Per Capita Grant, due to new Census information.
2. The Committee reviewed areas where the budget layout is changing for next year's budget. These areas include the creation of a new Donation Expenses line, and an umbrella budget for Youth AV purchasing. This was requested by selectors in Youth Services to allow them to be more flexible in their budgeting when there are fewer high demand DVD or other AV releases in a fiscal year.
3. The Committee reviewed areas of notable budget increases or decreases over last year's. Electronic Resources is being increased to reflect the increased costs of Overdrive, a very popular eBook platform. Automation is being decreased, since it was increased for the current fiscal year to accommodate the purchase of new public computers. Printing and General Ads and the Professional Services lines were increased to accommodate potential spending related to the creation of a new Strategic Plan. The Building Maintenance line has a marked increase, due to the rising costs of service contracts at this time.

4. Personnel Expenditures were discussed for next year. Due to paying of the IMRF Early Retirement Incentive early, the elevated IMRF rates will be decreasing in calendar year 2023. The Committee discussed the budget for the Payroll Expenses line, and the creation of a new Salary Schedule. Trustees Schneider and Karabis requested that Director Kowalcze investigate additional methods by which businesses could allocate any potential salary changes.

5. The Committee discussed the presentation of the draft budget to the Board of Trustees. The decision was made to focus on any budget areas with more than 5% deviation from the current budget year.

VII. Public Comment
None.

VIII. Adjournment
Meeting adjourned at 10:18AM.

Recorded By:

Amanda Kowalcze
Library Director