

FRANKFORT PUBLIC LIBRARY DISTRICT
FINANCE COMMITTEE MEETING
FRANKFORT PUBLIC LIBRARY
July 22, 2025
3:00PM

I. Call to Order

The meeting was called to order at 3:02PM.

II. Roll Call

Present: Trustee Miner and Trustee Otway

Absent: None

Also Present: Director Kowalcze & Business Manager Wargowsky

III. Introduction of Visitors

None

IV. Old Business

None

V. New Business

A. End of Fiscal Year 2025 Review

1. Committee reviewed financials for fiscal year ending on June 30, 2025. Highlights included that revenue was notably overbudget in Fines & Fees, Donations, and Reimbursements, and underbudget in Personal Property Replacement Tax. Highlights of expense lines included that Technology was overbudget due to planned additional spending to avoid tariff impacts. Telephone & Internet was overbudget due to delay in applying e-rate discount, which has now been credited back, which will result in savings in Fiscal Year 2026.

Committee discussed that certain individual material spending lines may come in over or under budget based on availability of popular materials of various types. When viewed as a whole, materials spending typically comes in near budgeted amounts.

Wages & Salaries, among other personnel spending, is underbudget due to unexpected retirement and normal delays between staff departing and new hiring.

2. The Committee reviewed the Principal and Interest Payment lines, and discussed the recently discovered error that Wintrust Bank was under

withdrawing funds, out of synch with the approved amortization schedule.

Director Kowalcze explained that the Library's concern and disappointment with this error was communicated to the Bank, and outlined the steps taken to correct this error and return the Library to the approved amortization schedule.

3. The Committee reviewed that since the Library is on a modified accrual accounting style, there will still be some payments applied to the ending fiscal year for goods and services received in that year. The reports will be officially closed in August.

4. The Committee discussed a potential transfer to the Special Reserve Fund in August, and the purpose and value of a Special Reserve Fund for funding large scale building maintenance projects that would otherwise be difficult to tackle using only the annual Operating Budget. The Committee discussed that a goal of around 15% Operating Fund being planned for the Special Reserve Fund/Capital Projects is recommended.

B. Draft Budget and Appropriations Ordinance

1. The Committee reviewed the legal requirements of the Budget and Levy cycle, and how the Levy process works in the State of Illinois, including how the Property Tax Extension Law Limit (PTELL), colloquially known as "Tax Caps" interacts with this process.

2. The Committee reviewed the draft Budget and Appropriations Ordinance, noting that this sets the legal spending limit for the Library. The Appropriation amounts are primarily based on inflating budget lines by an additional 25%, to account for any unanticipated windfalls or emergency spending.

C. Draft Levy Ordinance

1. The Committee reviewed draft versions of the Building and Maintenance Levy and the regular Tax Levy. The Committee how the Levy process works and the formula used by the counties to determine the annual Tax Extension. The Levy is based on the previous year's extension, plus the previous year's Consumer Price Index value of 2.9%, plus the average new growth in the District of 2%.

2. The Committee discussed how new growth in the District impacts the Library, both through changes in services and financially, through the Levy and Developer's Fees.

D. Next Steps

1. The Committee discussed how the draft documents would be presented to the Board at the August and September Board Meetings. Trustees Miner and Otway suggested looking for available webinars or other training on the Levy process for new trustees. They also suggested trying to come up with a visual to try to help explain the Levy process for those unfamiliar with it.

VI. Public Comment
None

VII. Adjournment
Meeting adjourned at 4:22pm

Recorded By:
Amanda Kowalcze
Library Director