

FRANKFORT PUBLIC LIBRARY DISTRICT
SPECIAL MEETING OF THE BOARD OF TRUSTEES
FRANKFORT PUBLIC LIBRARY
November 13, 2023
4:00 PM

I. Call to Order

President Look called the meeting to order at 4:06 p.m.

II. Pledge of Allegiance

Attendees recited the Pledge of Allegiance.

III. Roll Call

Trustee Knutson called the roll call.

Present: Trustee Look, Trustee Veach, Trustee Wagner, Trustee Schneider, Trustee Knutson, & Trustee Drisko

Absent: Trustee Karabis

Also Present: Amanda Kowalcze and Denise Wargowsky

Citizens Advisory Committee: Mary Lynne Paris, Jacqueline Freitag, Tracy Bohl, & Brooks Stenoish

IV. Introduction of Visitors

None.

V. Public Comment—Agenda Items Only

Mary Lynne Paris is impressed with the amount of work going into finding funding in budget for needed building repairs. She expressed concerns about whether cuts to the operating budget would diminish the library's value to the community in the meantime.

VI. Old Business

A. Funding Options for Library's Needed Repair and Replacement Projects

1. Current available funds—Trustee Schneider presented a snapshot of the Library's current financial status. Special Reserve fund is at \$135K, due to operating below budget for several years in a row. Line of credit has \$210K available. Potential \$50K available in maintenance budget. Based on YTD spending, there may be approximately \$15K left over at the end of the fiscal year. The library has an estimate of \$445K in funding available, through these sources. Unallocated funds in FY23–24 budget total \$527,420. Estimated to have \$1.1M in working cash at the end of FY23–24. Board

members noted that projected total of \$3.4M in deferred maintenance is flexible and subject to change.

2. Budget Cuts—two plans developed: one to save \$200K per year for 5 years, one to save \$700K per year for 5 years. Plans involve reductions of programming, staff, materials, operating hours, and more. Trustee Look noted that the proposed budget cuts are not realistic to enact, while still providing adequate value to the community.
3. Loan—Wintrust Bank confirmed loan for west end inhibits the building being used as a security against other debts, due to the loan being commercial. Loan due to renew in 2025, with potential 6% interest rate, versus current 2.9% interest rate. Loan repayment scheduled to end in September 2034. Director Kowalcze recommends putting extra funding toward principal on current loan to minimize impact of extra interest when loan reprices.

Action Items:

- **Director Kowalcze to add discussion of paying extra on principal amount of loan to a future board meeting, as a vote will be required to take action.**
 - **Director Kowalcze to request service rates from bond attorney with Chapman and Cutler to make sure current loan is compliant with statutes. Director Kowalcze will present quoted rate for approval at December meeting.**
4. Grants—President Look mentioned that some grants for energy or efficiency may help with some health-related maintenance items.
 - a) *Illinois State Library. Director Kowalcze noted that libraries that have not received a grant in over three years will be prioritized to receive the grant. Library received \$25K grant in 2021 from Illinois State Library for siding. The Illinois State Library grant is a matching grant, which would match the Library's funding for project up to \$125K. Many requirements to submit application, due January 15.*
 - b) *ComEd grants available for efficiency repairs.*

Action item: Staff to research possible grants for board review at December meeting.

5. Foundation—Friends of the Library are a good source, but annual contribution is typically \$25K. Trustee Knutson noted that foundations are a separate entity from the business they fund, and employees must request grants to utilize the funds. This would restrict the Library's ability to use the funds as needed.

6. Referendum—Very costly and requires a large group of people. It was noted that the Library has not had an operational tax increase since the library opened in the 1970s.
7. Scope of work—Director Kowalcze reminded board members to consider whether addressing deferred maintenance items could conflict with any future building or remodel projects. She recommends focusing on items that are health and safety concerns first. Director Kowalcze has a list of priority items, such as employees having to flip the breakers for the lights on and off at open and close, due to lack of light switches in building. Items include: regrading ground outside reading room (est. \$50K), installing light switches (est. \$10K), repaving parking lot (in phases over several years, est. \$500K), exterior railings, rooftop safety hatch (some staff do go on roof), east end bathroom ceiling replacement, chiller and air handler for east end. President Look asked Director Kowalcze to provide a status update on the air handler for the east end, which was installed in 1978, with an estimate life of 20 years. HVAC maintenance company said the air handler is still managing fine. Issues expected to arise could be motor and shaft. Refrigerant the chiller uses has been phased out, and would likely require replacement of whole unit, if chiller breaks. Estimate is around \$140K to replace air handler and chiller.
Action Item: Director Kowalcze to provide a ranking of health and safety maintenance items, as reviewed by Dan Eallonardo and Building & Grounds committee, for trustees to consider.
8. Timing—President Look noted that timing is important, and some funds will not be available immediately through many of the sources other than the cash on hand.
9. Incurred expenses so far—\$27K on building assessment, Dan Eallonardo as owner’s representative, financial advisor, & building proposals from four architectural firms.

VII. New Business

- A. Building Design Project Proposals—Discussion tabled, but board members are debating whether they are ready to proceed with considering proposals, based on how long the proposals are valid.

Action item: Director Kowalcze will contact architectural firms to see how long the proposals are valid.

VIII. Public Comment

Jacqueline Freitag expressed how grateful she is for all the work the board and director do. Tracy Bohl says that community members aren't aware of the building's needs, and those needs should be communicated to the patrons. Mary Lynne Paris mentioned that she managed a not-for-profit organization and that there was a good discussion.

IX. Trustee Comment

Trustee Veach requested that the minutes from board meetings include all talking points. She also asked for revisions to be made to minutes for Building & Grounds committee meetings.

Trustee Drisko expressed that the meetings are public and full transcriptions of meetings are not necessary.

Trustee Schneider reminded the other board members that there will be more upcoming maintenance costs in the next few years, and the board should be considering how the building plans fit with the new strategic plan.

Trustee Drisko reminded the board members that replacement of items will be less costly if they are planned, rather than addressing them in an emergency. He pointed out that maintenance items with an estimated useful life should be expected to be replaced at the end of the estimated useful life.

Action Item: Yearly maintenance schedule requested by board.

Trustees asked for action items to be called out in minutes.

X. Adjournment

Motion made by Trustee Veach and seconded by Trustee Schneider to adjourn the meeting. All trustees voted "Aye." Motion carried.

President Look adjourned the meeting at 6:24 p.m.

Respectfully Submitted:

Recorded By:

Jennifer Knutson
Secretary

Jessica Stacy
Recorder