

FRANKFORT PUBLIC LIBRARY DISTRICT
FINANCE COMMITTEE MEETING
FRANKFORT PUBLIC LIBRARY
February 18, 2025
2:00PM

I. Call to Order

The meeting was called to order at 2:01PM.

II. Roll Call

Present: Trustee Karabis, Trustee Schneider, Business Manager Wargowsky, and Director Kowalcze

Absent: None

Also Present: None

III. Introduction of Visitors

None

IV. Minutes for Approval

The Committee reviewed the Minutes from the meeting on November 18, 2024 and unanimously approved them with no edits.

V. Old Business

None.

VI. New Business

A. FY2025-2026 Draft Working Budget

1. The Committee reviewed a draft Working Budget for Fiscal Year 2025-2026. Director Kowalcze explained that the structure of the Working Budget was being reorganized to be sorted by the Fund the expense lines corresponded to. This mirrors the Budget and Appropriation and Levy, and also allows for a clearer understanding of how the expenses correspond to income, when funds are budgeted to be spent out of the Special Reserve Fund.

2. The Committee reviewed the income projections. These will be clearer in Mid-March, when Will County traditionally sends out the Tax Extension notices. At this time, the revenues are based on educated guesses. Significant changes from last year include the Donation line, which reflects potential income from the Outreach Vehicle fundraiser, and the Grant Expenses line, which anticipates the potential Reading Room grant. Both of these lines are balanced by equal spending in the Donation Expenses and Grant Expenses lines, respectively. The

Committee discussed the interest income line, and felt that the income may be too conservative. Director Kowalcze will recalculate this line using the Committee's suggestions. The Personal Property Replacement Tax budget will be reduced from last year, to reflect reducing income. This line peaked several years ago, but now funds are being split differently by the State between PPRT and municipal funds.

3. Minimal budget changes are suggested for Collection Expenditures. A one-time spend to align a database fiscal year will cost an additional \$2000. Several Youth material lines are being combined, to reflect how the collections are being developed. Overall, Director Kowalcze is recommending a 6% increase in Collection Expenditures. Director Kowalcze noted that if additional income is projected, she would recommend continuing to increase Collection Expenditure lines, in order to continue to work to align with the State Standard, which suggests that the Library budget 8% of the budget to Collections.

4. Programming Expenditures are staying the same as last year, with the exception of the addition of an Outreach Vehicle Expenses line. Although these funds are unlikely to be needed for the coming fiscal year, it is important to have a place in the budget for expenditures to be assigned to when the Vehicle becomes operational.

5. The Committee reviewed the Operations Expenditures budget. Significant lines include Technology, which is being increased 44%, in part to accommodate the purchase of 10 new computers to replace older models that cannot be upgraded to Windows 11. It was noted that the Technology line decreased significantly in the current fiscal year, so this increase is a return to a more typical budget. The Library Furniture line is being increased to account for the planned new Adult Services Desk. As discussed during Revenues, Donation Expenses and Grant Expenses have been significantly increased to mirror the planned income lines. A Special Reserve Fund Transfer of \$135k is budgeted for, as part of the plan to complete the parking lot work out of this line in a future fiscal year. Overall, the Operations Expenditures budget has increased 26%, but if accounting for the Donations Expenses, Grant Expenses, and Special Reserve transfer, the budget is only increasing 1%.

6. The Committee reviewed Personnel Expenditures. The Health Insurance line is a best guess until late spring, when renewal costs for calendar year 2026 are projected. The Profession Development line is being increased to reflect the return of many area conferences and continuing education events, following a COVID slow-down. Wages and Salaries is being budgeted at a 3% increase. Overall, total Personnel Expenditures is up 3% over last year.

7. The Building & Site Fund Expenditures are up 2% over last year, with increases anticipated for Building Utilities and Building Maintenance Contracts,

and decreases in Building Projects. Building Maintenance Contracts reflected a few one-time projects. The Committee discussed the difficulty of showing one-time vs recurring costs in the budget.

8. The Liability Insurance Fund Expenditures are up 13% over last year. The previous budget did not anticipate the significant insurance premium increases happening industry-wide. Audit Fund Expenditures show an increase of 25%, as our three-year locked in rate is ending, and an increase is anticipated. Social Security / FICA Fund Expenditures are up 3% over last year. Special Reserve Fund Expenditures are planned for \$90k for next year, which would be the Reading Room project, should the grant be secured.

9. The Committee discussed the budget overall, noting that it balances, but because expenditures out of the Special Reserve Fund are not balanced with a matching income line, the budget may appear to be imbalanced. The Committee also discussed the one-time expenses in the Budget vs. ongoing expenses. It was suggested that Director Kowalczke draft a document outlining the one-time expenses and then showing the year over year increases.

B. Next Steps

1. The Finance Committee is hoping to meet in early to mid-March to review another draft of the Budget before it goes to the Full Board. Hopefully, the Will County Tax Extensions will come out in Early March for additional data.

VII. Public Comment

None.

VIII. Adjournment

Meeting adjourned at 2:55PM.

Recorded By:

Amanda Kowalczke
Library Director