

FRANKFORT PUBLIC LIBRARY DISTRICT

FINANCE COMMITTEE MEETING

FRANKFORT PUBLIC LIBRARY

May 13, 2024

1PM

I. Call to Order

The meeting was called to order at 1:04PM.

II. Roll Call

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

Absent: None

Also Present: None

III. Introduction of Visitors

None

IV. Minutes for Approval

Minutes from the Finance Committee Meeting on March 13, 2024 were reviewed and approved by the Committee Members.

V. Old Business

a. Draft FY2024-2025 Working Budget Review

1. The Committee reviewed a second draft of the Working Budget for FY2024-2025. Several projections from the first draft have been firmed up with additional information for the second draft. Property tax projections for Will County have been received, but not for Cook County, so Will County's estimated revenues are more accurate. Will County estimated revenues are around 7% over the previous year. Additional changes to the estimated revenues are the inclusion of the balance of the ARPA grant funds, since they must be expended by December 2024. This revenue is balanced by Grant Expenses. Estimated Interest income has been projected upward based on recent interest income in the current fiscal year.
2. For Expenditures, a line has been created for Misc. Circulating Materials, which will include spending for Library of Things items and the annual costs associated with the circulating hotspots. This will keep all circulating materials spending together. No other changes to materials or programming spending since the first draft.

3. For Operating Expenditures, the Library is signing a new 5 year lease for copiers and printers, and a proposal will cut estimated costs to one third of our current costs. The new Fiscal Year Budget is at 50% of the current year to account for transitional costs and a buyout. Library Furniture & Fixtures was increased to accommodate the misc. spending that cycles through, such as new office chairs, etc.
 4. The Committee discussed why Operations Expenditures seemed so much higher than the previous years. The combination of the planned Special Reserve Fund Transfer and the creation of the Building Projects Fund alone accounts for close to \$220k, which explains where the additional funds are going. The Committee discussed the importance of saving funds for future building needs, such as the parking lot and the HVAC.
 5. For Personnel Expenditures, Health Insurance renewal rates are projected very high based on early information at 25%. The Committee discussed that these continued high renewal rates are unsustainable and Director Kowalcze will investigate potential options for the Library. The IMRF rate is now projected lower than originally estimated, which helps keep the budget in line.
 6. The Committee agreed that the Draft was ready to be brought to the full Board at the May Board Meeting. Since both Director Kowalcze and Business Manager Wargowsky will not be at the May Board Meeting, Director Kowalcze has put together a list of Budget Highlights for the Board. The Committee reviewed this list and felt there wasn't anything else needed.
- b. Investment Opportunities
1. As part of the Draft Budget Review, the Committee discussed estimated Interest Income and how they anticipate it trending in the future. It is likely that interest rates will continue to drop. Rates are currently around 5.1% down from 5.6% in the past. The Committee discussed other ways that money could be saved to generate interest, such as certificates of deposit, treasuries, and municipal bonds. Director Kowalcze will reach out to the bank for a discovery conversation about what options the Library has and at what threshold of interest rates those alternatives begin to make more fiscal sense.

VI. New Business
None.

VII. Public Comment
None.

VIII. Adjournment

Meeting adjourned at 1:36PM.

Recorded By:

Amanda Kowalcze

Library Director