

MINUTES

PARK RIDGE PUBLIC LIBRARY

20 S. Prospect Avenue, Park Ridge, IL 60068

Budget and Finance Committee of the Whole Meeting of the Board of Trustees
held via videoconference – May 11, 2021 at 7:00 p.m.

President Rapisand explained that the Library Board was meeting via videoconference and stated that she authorized the Board to meet remotely as per Illinois Public Act 101-0640 which, among other matters, amends Section 7 of the Open Meetings Act to allow meetings of members of a public body subject to the Act to occur without a quorum being physically present at the meeting due to COVID-19.

President Rapisand announced that any public comments or requests to speak may be sent to adoubek@prpl.org or participants could raise their hand virtually.

ROLL CALL

Trustees Present: Lauren Rapisand, President; Karen Burkum, Vice-President; David Somheil, Secretary;
(Via videoconference) Stevan Dobrilovic, Treasurer; Alexandria Hanba; Josh Kiem; Michael Reardon; Joseph Steinfelds; Deepika Thiagarajan

Others Present: Angela Berger, Interim Library Director; Alyson Doubek, Library Finance Manager; Charlie Melidosian, City Council liaison

Treasurer Dobrilovic opened the Budget and Finance Committee meeting at 7:31 p.m.

Trustee Somheil made a

MOTION: to approve the minutes of April 13, 2021

Trustee Burkum seconded the motion.

Roll Call Vote: Yes: Burkum, Dobrilovic, Hanba, Kiem, Rapisand, Reardon, Somheil, Steinfelds, Thiagarajan

Motion passed.

DISCUSSION OF WARRANT PROCESSING CHANGE

Because Library and City tax funds are co-mingled in the same bank account, the City's attorney recommended that the City Treasurer confirm, prior to the issuance of checks, that the Library has sufficient funds to pay warrants. Legal counsel requested this procedural change. Attorney also recommended that funds be physically separated. The proposed separation of funds is waiting until the new library director and new City finance director are in place. This proposed policy amendment adds Step F – City Treasurer reviews and signs the affidavit, verifying that funds are in joint account.

Vice-President Burkum asked if there was a problem that caused this change. Interim Director Berger stated that she had asked Andrea Lamberg that prior to her departure and confirmed that there had not been any problems, this was just an additional control being put into place

Trustee Kiem stated that the Library has specified the back-up internally, but this policy does not indicate who the City's backup would be. He wants to make sure it is clear within the policy. Committee Chair Dobrilovic suggested modifying the policy to state that the warrant must be approved by City Treasurer or his or her designee. In the Library policy, the secretary may sign off on warrants if the Treasurer is not available.

Trustee Reardon asked about item H if that has changed. Interim Director Berger stated there was no change, just looked off because of formatting – the wording was the same. Trustee Reardon asked if the City Treasurer signed every warrant. Finance Manager Doubek replied that they receive the warrant reports and sign the affidavit. He asked to be sure it is worded properly – the policy as written states that they sign each warrant.

Treasurer Dobrilovic said the policy should state what is actually done. Interim Director Berger said they could clean up these changes for next week's Board Meeting. Treasurer Dobrilovic asked for placeholder motion and to have that motion left off of the consent agenda.

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REVIEW OF CAPITAL ASSET POLICY

During last year's audit, the auditor recommended that the Library adopt a capital asset policy. Finance Manager Doubek drafted a policy and had it reviewed by the auditor, Lauterbach and Amen.

Trustee Reardon asked about depreciating values of books and materials under \$1. He asked if this would be a lot of extra work. Ms. Doubek said it was comparable to what she saw in her research in polices at other libraries. He suggested specifying what is meant by Library materials. Doubek said she could add to a clearer definition perhaps "materials offered to patrons or lent to patrons". Trustee Kiem said he thinks things like computers should be separated out, also equipment in maker space. He asked who is the customer for this report and when is it generated. Doubek responded that the customer is the Library. It was suggested by auditors to be completed by the next audit which will take place in July.

Treasurer Dobrilovic said the purpose is to provide a transparent basis for the valuation of the Library's property so that when we prepare the annual report, we have a policy we use to value all of the assets. Since we didn't have this before, it seems the policy should be explicit in how we are valuing property. It is his impression that the useful life for machinery and equipment can range from 3 years to 20 years which gives some discretion in how a computer is valued. We can choose to value it at 3, 5, 7 years, whichever is most appropriate.

Trustee Kiem clarified that depreciation is not being used in cash flow or tax related purpose as you would in a business, not sure what the value in doing it is.

Treasurer Dobrilovic made a

MOTION: to approve the Capital Asset policy with modifications as discussed

Vice-President Burkum seconded the motion.

Roll Call Vote: Yes: Burkum, Dobrilovic, Hanba, Kiem, Rapisand, Reardon, Somheil, Steinfeld, Thiagarajan

Motion passed.

Treasurer Dobrilovic asked that this item not be on the consent agenda so the Board can review the changes.

Treasurer Dobrilovic recalled an issue that came up in the audit that the Library building was included as an asset of the Library which it is not. He asked if the auditors had made that change to the audit. She responded that she believed they would make the change in the following audit. Treasurer Dobrilovic said that seemed odd that they wouldn't change that for the FY20 financial reports. Finance Manager Doubek said she would follow up with the auditor.

Trustee Kiem asked if the building belongs to the City but the Library pays for improvements, how is the cost for those improvements accounted for? Treasurer Dobrilovic said that would be a good question to ask the auditors.

Treasurer Dobrilovic closed the Finance Committee meeting at 7:47 p.m.

OTHER BUSINESS

Trustee Kiem recalled that Mr. Priala had been authorized to conduct an audit of the building with Green Associates. Trustee Reardon said he believed it was to take place after the completion of the sprinkler project. Interim Director Berger said that was also her understanding. Trustee Reardon asked Interim Director Berger to follow up and get back to the Board.

President Rapisand adjourned the Committee of the Whole meeting at 7:49 p.m.