

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 in the first floor meeting room at the Library

September 13, 2022 at 7:00 p.m.

ROLL CALL

Trustees Present:

Co-Chair: Gregg Rusk and David Somheil; Josh Kiem; Danielle Powers; Lauren Rapisand; Theresa Renaldi, Joseph Steinfelds,

Trustees Absent: Alexandra Hanba, Deepika Thiagarajan

Others Present: Joanna Bertucci, Library Director; Angela Berger, Alyson Doubek, Staci Greenwald, John Priala, Library Staff

Alderman Charlie Melidosian

Treasurer Somheil opened the Budget and Finance Committee meeting at 7:16 p.m.

PUBLIC COMMENT

None

Trustee Powers made a

MOTION: to approve the minutes of August 9, 2022

Trustee Kiem seconded the motion.

Roll Call Vote: Yes: Kiem, Powers, Rapisand, Rusk, Steinfelds

Abstain: Renaldi, Somheil

Motion passed

ADP CONTRACT

Director Bertucci referenced the memo in the packet that provides background information on the City's conversion to MUNIS payroll which necessitates the Library's transition to ADP as a standalone entity. She noted one change to the memo which is that she asked ADP to provide pricing for a three year contract in addition to two year pricing.

The result is that ADP has quoted the same price for year three as that quoted for year two. It is her recommendation that the Board enter into a three year contract with ADP.

Trustee Kiem inquired about requirements in the Board's Purchasing Policy with regard to multi-year contracts.

Director Bertucci replied that the policy allows for multi-year contracts, with Board approval.

Trustee Steinfelds made a

MOTION: to approve the ADP Payroll Software Conversion Agreement in the amount of \$26,830.10 for year one and the annual amount of \$19,455.10 for year two and year three

Trustee Somheil seconded the motion.

Roll Call Vote: Yes: Kiem, Powers, Rapisand, Renaldi, Rusk, Somheil, Steinfelds

Motion passed

FY23 DRAFT BUDGET REVIEW

Director Bertucci began by thanking Trustees Rusk and Somheil for their input in reviewing and discussing the draft budget with staff prior to tonight's meeting. She then reviewed the current consolidated year to date revenue and expenditure report noting the current status of revenues and expenditures for FY22 as a starting point for FY23 budgeting. She noted that currently the Library has received 58% of budgeted revenue with the next tax receipts expected in January, 2023 due to the delay in issuance of tax bills. With regard to Capital Expenditures, it was noted that the telephone replacement project and the masonry wall project should be completed prior to year-end and will spend down that FY22 budget line. With regard to the Library's Fund Balance, it is now at approximately seven months of expenditures and will continue to be spent down while waiting for tax receipts.

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Director Bertucci then directed the committee's attention to the memo on page 36 of the packet which provides a high level overview of the draft FY23 budget. With regard to budgeted FY 23 revenues, she stated that she had spoken last week with the City's Finance Director, Chris Lipman, who informed her of an expected increase in Personal Property Replacement Tax (PPRT). It is expected that the Library will receive approximately \$215,000 in PPRT which is a significant increase over prior years and will partially offset the additional expenses being assumed by the Library as a result of the change in assumptions for City provided services, i.e., the City has historically levied for employer IMRF contributions and employer payroll taxes for Library employees and will now transfer those expenses to the Library's budget, approximately \$314,000, in FY 23. As a result of this expected increase in revenue, Director Bertucci is recommending that the Library's 2022 levy remain at the same level as the 2021 levy, \$4,088,160.

Trustee Rapisand asked if given the proposed flat levy, is the understanding reached with the City that the Library would be assuming additional costs (approx. \$314,000) and thus would need to levy for those costs still in place. Her concern is that although there is an anticipated increase in PPRT receipts in 2023, that may not always be the case and the Library may in the future increase the levy to cover the additional costs being assumed.

Director Bertucci acknowledged Trustee Rapisand's concern and added that it will be important to emphasize this point when presenting the Library's budget and levy to the City Council. The Library's levy in future years may increase due to these additional costs.

Trustees Rusk and Somheil stated that an excellent job had been done in preparing the packet of budget materials presented in the packet. Director Bertucci added that the delay in tax receipts makes a strong case for the Library maintaining adequate reserves to cover this circumstance.

With regard to Capital Projects, Director Bertucci noted that a new strategy is being implemented to provide funding for technology related projects. The Bruce Michel trust was established to fund technology upgrades and the FY23 budget anticipates using \$50,000 from this trust for necessary upgrades. Discussion ensued related to other planned capital projects being budgeted for in FY23 followed by discussion of Capital carryforwards into FY23.

Director Bertucci noted that in the future, the Board may want to consider the way in which the carryforward of funds from the Fire Suppression project is handled. Possible options include continuing to carry those funds forward as has been done in the past, using these funds as seed for HVAC work included in the FY24 Capital Budget or moving the funds forward as a Capital restriction.

2022 LEVY REQUEST

To conclude the discussion of the FY23 proposed budget, Director Bertucci noted that some changes might occur in various line items but that for the most part, the values presented in the packet will remain unchanged.

Director Bertucci then reviewed the memo on page 47 of the packet that discusses the 2022 Levy Resolution along with a chart showing the history and forecast of Property tax receipts. Trustee Rusk asked Director Bertucci to update the chart using the assumption that the second tranche of property tax receipts is not received in January as expected. Director Bertucci replied that she would bring that information, along with a three year forecast, to the October meeting.

Trustee Somheil made a

MOTION: to approve the Library 2022 Levy Resolution in the amount of \$4,088,160

Trustee Rusk seconded the motion.

Roll Call Vote: Yes: Kiem, Powers, Rapisand, Renaldi, Rusk, Somheil, Steinfels

Motion passed

This item will not be included on the Consent Agenda for the September Board meeting but will instead be on the agenda as New Business.

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OTHER

None

Treasurer Somheil adjourned the meeting at 7:59 p.m.