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
3rd Floor Meeting Room – Tuesday, January 14, 2020 at 8:21 p.m.

CALL TO ORDER

Committee Chair Dobrilovic called the meeting to order at 8:21 p.m.

ROLL CALL

Trustees Present: Gareth Kennedy, President; Lauren Rapisand, Vice-President; Stevan Dobrilovic, Treasurer; Joshua Kiem, Secretary; Alexandrea Hanba, Patrick Lamb, Michael Reardon, David Somheil

Trustees Absent: Karen Burkum

Others Present: Heidi Smith, Library Director; Barbara Larson, Library staff; Alderman Charlie Melidosian, City Council Liaison

MINUTES

President Kennedy made a

MOTION: to approve the minutes of December 10, 2019.

Vice President Rapisand seconded the motion.

Voice Vote: Yes: Dobrilovic, Hanba, Kennedy, Kiem, Lamb, Rapisand, Somheil
Abstain: Reardon
Absent: Burkum

Motion passed.

REVIEW DRAFT FY21 OPERATING AND REVISED CAPITAL BUDGETS

FY21 Draft Operating Budget

Director Smith reported that many items unchanged from the November version. Listed here are some of the more significant changes.

- City Finance Director noted that the City budgets at 98.3% of the property tax revenue for a more accurate budget figure of what will actually be collected; this is referred to as the net levy.
- For the Personnel property replacement tax – Illinois Department of Revenue posted estimated increase of 15%.
- Budgeted Gift Revenue from Friends of the Library; Friends approved request at their meeting last night.
- Benefits costs went down based on information from the City, and may change based on rate adjustment from insurance.
- Director Smith proposed a new initiative, introducing a staff appreciation budget line. Friends of Library had annually contributed funds for the holiday party, birthday cards. She is proposing $1,000 from the operations fund for staff appreciation.
- Building maintenance was revised slightly – door lock project phase 1.
- Staff withdrew copier lease funds, will consider for FY22. Staff will be looking into options and consider leasing versus purchase.
- Audit cost – changed from $10,000 to $8,200 based on the contract the City approved.
- Included the expense of programs and reading club materials from Friends Request as well as Marion's Mark Gift Funds.

Also of note:

- Treasurer Dobrilovic asked about the large increase in the gas expenditure. Director Smith responded that staff anticipated due to age and effectiveness of system, we will need to run heat in the summer to get balance with the air conditioning and that they anticipate an evaluation of the entire system.
- Will hold 4 staff in-service meetings per year on Friday mornings; will include staff and department meetings.
- RFID maintenance agreement take effect in January 2021; A. Daskalos negotiated a free year.
- Public Relations includes funding for signage; newsletter has been reduced from 6 to 4 and added pages.

- Furniture, fixtures and equipment were adjusted with use of per capita funds; added adult computer tables.
- Separated out non-capital vs. capital for technology.
- Capital budget includes additional $40,000 for ceiling sound project post-sprinkler project.
- Internal service fund for Technology Replacement fund, but it was Director Smith proposed using operating fund for non-capital. Use operating fund for non-tech; internal service fund – can use restriction during budget process. Track reserves at the same time.
- Previously proposed $100,000 restriction for Capital Technology; increased to $150,000 reserve in case we do decide to purchase copiers we do have sufficient reserves.
- For the sprinkler project, Green Associates previous estimate was $920,000; the revised estimate for FY21 $1.13 million. Green Associates provided an updated detailed budget for sprinkler project. Estimate includes processional services, fees, and 10% contingency. The Board approved contract and fees for Green in December 2019. $40,000 is budgeted in FY20 for professional fees so the project can start this year.

The Board reviewed the Year-End Projections including forecast for FY20 year-end and FY21 year-end in terms capital facility reserve, capital technology reserve, gifts in reserve, unrestricted library fund balance.

Director Smith noted that the numbers do not include Michel Technology trust. In FY20, the Library used $27,000 FY20 maker space equipment. The total fund value is $224,000. Vice-President Rapisand attended orientation for The Studio and said that staff did an excellent job of noting where the funding for the project came from.

Trustee Reardon made a
MOTION: to approve the revised capital budget from $920 to $1.17 million.
Trustee Somheil seconded the motion.
Voice Vote: Yes: Dobrilovic, Hanba, Kennedy, Kiem, Lamb, Rapisand, Reardon, Somheil
Absent: Burkum
Place on consent agenda.

AUDIT SERVICES

The City of Park Ridge included the Library in their contract for audit services. President Kennedy asked if the Library could accept the contract for 3 years since there was a limit of two years in the library purchasing policy. Director Smith said that it is the City's contract. Treasurer Dobrilovic asked Director Smith to confirm that the Library will save money on its audit by participating with the City.

President Kennedy stated that he thought it should be noted in an open meeting that this is not in compliance with Library's purchasing policy, but it is in compliance with City's own policy. Treasurer Dobrilovic stated that the Library's purchasing policy states that the Library can only enter into contracts that are 2 years or less. He stated the Library is not entering into the contract, we are piggy-backing onto the City contract.

Director Smith stated that the City suggested having the Library Board approve participation in the contract. Secretary Kiem suggested approving each year separately.

Trustee Reardon made a
MOTION: to approve Library participation in the City contract for Audit Services with LAUTERBACH & AMEN LLP for the period of one year at the cost of $8,200.
President Kennedy seconded the motion.
Voice Vote: Yes: Dobrilovic, Hanba, Kennedy, Kiem, Lamb, Rapisand, Reardon, Somheil
Absent: Burkum

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APPROVE FY20 BUDGET AMENDMENTS

Director Smith requested a budget amendments for FY20. One amendment was due to an increase in interest income and library bank service charges.

Another transfer was to the public relations budget. The newsletter costs had been reduced due to moving from 6 issues to 4 issues. The Library had added expenses for the purchase of additional signage. She asked that the Board move $3,600 out of newsletter and into Public Relations.

President Kennedy made a
MOTION: to approve FY20 Operating Budget Amendments as proposed.
Trustee Somheil seconded the motion.
Voice Vote: Yes: Dobrilovic, Hanba, Kennedy, Kiem, Lamb, Rapisand, Reardon, Somheil
Absent: Burkum

ADOURNMENT

The meeting was adjourned at 9:05 p.m.