



St. Charles Public Library
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**MINUTES
 FINANCE COMMITTEE
 BOARD OF TRUSTEES
 ST. CHARLES PUBLIC LIBRARY DISTRICT
 JUNE 5, 2023**

The Finance Committee Meeting of the Board of Trustees of the St. Charles Public Library District was held on Monday, June 5, 2023 at 9:00 am at the Library. Present: President Robert T. Gephart, Trustees Michael J. Hill and Shane Hampton, Director Katherine G. Buckson and Administrative Assistant Virginia Tsipas. Staff present: Business Office Manager Mary Merritt.

I. CALL TO ORDER

Trustee Gephart called the meeting to order at 9:00 am, and determined there was a quorum with a roll call vote.

II. DISCUSSION OF FY 2023/2024 TENTATIVE BUDGET AND APPROPRIATION ORDINANCE

- a. Tax Extension Report**
- b. Anticipated Income from all Sources**
- c. First draft of Tentative 2023/2024 Working Budget**
 - i. Discussing the General Fund Budget**
 - ii. Special Reserve Fund & Other Fund Budgets**

Ms. Merritt provided a 2023/2024 budget presentation for tax extensions, anticipated income and Library funds. The upcoming fiscal year income includes 2022 tax dollars. In 2022, the Library requested \$8,552,325 and received \$8,590,138 which included revenue recapture overage.

The breakdown of city resident tax bills places the Library sixth behind other levying districts, with the Library receiving 3.8%. The levy value was held constant for four years from 2017 to 2020. The EAV has been recovering from the 2008 downturn in the economy. It has been increasing since 2014.

The anticipated income for the Library is \$8.6 million in tax revenue, with non-tax dollars of \$386,000. Additional income is from the revenue recapture, potential revenue from TIFs, non-resident fee cards, meeting room fees, copier fees and lost material fees. Two TIFs in our district closed in FY 2022/2023 and we expect two TIFs to close in FY 2023/2024.

The Library is requesting a budget of just over \$60,000 from the Foundation for projects for the terraced garden shades, programming, replacement of outdated materials, shelving, bags for outreach and the public art to be installed in the terraced garden.

The Operating Fund/Personnel is for staff salaries and health insurance. The budget is anticipated for 105 staff. The budget is increased due to collective bargaining. There is a back pay from January 2023 increases for staff anticipated at \$300,000, because the contract has not been finalized.

The Operating Fund/Professional Development is a little higher and includes virtual training and conferences with PLA, ALA, ILA and IPELRA as primary training venues. Ms. Buckson wants all managers to attend training with IPELRA. There will be two tuition reimbursements for staff with a budget line of \$2,500.

The Operating Fund/IT Expenses is for proactively updating technology for public computers, staff computers, equipment for STC Creative and new Trustee iPads.

The Operating Fund/Programs and Supplies covers concerts, speakers, historical portrayals, education, business in both English and Spanish, book clubs, story times, and Summer Reading. Funding includes adult programming specific to people in the Fox Valley Special Recreation Association. Library programs are free to patrons and are very popular, many times there is a waiting list. The Foundation funds the Classical Concert Series.

The Operating Fund/Professional Services is for legal, accounting, IT consultant and travel expenses.

The Operating Fund/Other Operating is for Library vehicles, debt certificates and administrative expenses. Payment five for the debt certificates will be made and all payments will be completed in 2030. In FY 2021/2022 utilities were moved from this fund to the Building and Maintenance Fund.

When the budget is set, it includes realistic estimates of the revenue and expense funds that the Library has to work within. Appropriation, on the other hand, is the Library's authority to spend overall. If expenses go over the appropriated amount, the Library is required to notify the public and publish the reason(s) why expenses came in higher. The Board is updated monthly on the Library's actual revenue received and items expensed.

The Operating Surplus last year was small and it will be smaller this coming year because of back pay for staff and contract negotiations. The current balance for the Special Reserve Fund is \$775,000. The balance goal for the Special Reserve Fund is \$1.5 million. The replacement of the roof will be the next large project. In 2018, the inspection of the roof provided a five-to-ten year life expectancy. In 2030 when the debt certificates are completed, the \$500,000 will be back in the budget and there will be a higher surplus. Ms. Merritt stated that at the end of 2024 there should be over \$1 million in the Special Reserve Fund.

The Operating Fund/Per Capita of \$82,000 is used for rebranding, facilities improvement, door operations, furniture and fixtures, and Summer Reading prizes.

The Audit Fund is a balanced budget.

The IMRF/FICA Fund, specifically to IMRF, is the employer rate which is expected to go up from 10.69% to 11.45%. FICA is based on wages.

The Liability Fund is increased expenses for liability/casualty and worker's comp insurance with rates going up.

The Gift and Special Trustee Fund is non-taxpayer dollars. This fund is for Board and employee appreciation and the Board retreat. One thousand dollars was allocated for costs associated with two new Trustees for training, supplies and membership.

The committee members thanked Ms. Buckson and Ms. Merritt for a great presentation.

Motion by Trustee Gephart, second by Trustee Hampton, to recommend the Board approve the Tentative Annual Budget & Appropriation Ordinance, FY 2023/2024 at the June 14, 2023 Board meeting. Carried unanimously.

III. BUILDING AND MAINTENANCE TAX OF .02% FOR FY 2023/2024

Motion by Trustee Gephart, second by Trustee Hampton, to recommend the Board approve the Building & Maintenance Tax of .02% for FY 2023/2024 at the June 14, 2023 Board meeting. Carried unanimously.

V. ADJOURNMENT

Motion by Trustee Hill, second by Trustee Hampton, to adjourn the meeting at 10:00 am. Carried unanimously.


Robert T. Gephart
Chair, Finance Committee