



NEW LENOX PUBLIC LIBRARY DISTRICT BOARD FINANCE COMMITTEE MEETING April 04, 2016

The meeting of the New Lenox Public Library District Board of Trustees Finance Committee was called to order at 10:17 a.m., by Trustee Evans on Monday, April 4, 2016, at the New Lenox Library, 120 Veterans Parkway, New Lenox, Illinois

Present were Trustees: Bonnie Ulstad, Ann Podoba, and Linda Evans

Absent: None

Staff present: Pilar Shaker, Director and Michael Stubler, Business Manager

Audience to Visitors

None

New Business

Director Shaker shared and explained the draft working budget for the 16/17 fiscal year. Noted changes:

- The Youth Services budget for fiction books has been moved from the Developer Fee fund to the general budget and it has been replaced with other lines of equal value, this allows for us to count the dollars spent on books towards our target of spending 12% of the budget on materials.
- The B&G Reserve fund will not be drawn from as heavily this year as we don't have as many building projects earmarked for FY 16/17.
- The State of Illinois Per Capita grant is being funded at 67% of what we received last year; this eliminates about 18,000 from our income.
- The Coffee Shop will produce less income from rent due to a recent rent reduction
- The levied tax income will increase by about 90,000 this year
- JSIP payouts are significant but can only be used for insurance expenses
- Director Shaker added expected income from the Mini Golf fundraiser onto the budget in order to add the Digital Media Lab to the budget. For the FY 16/17 the DML will use a funds balance already in its account so no money has been budgeted for this year.
- Materials lines have been increased as much as possible
- Shifts in salary lines were noted due to staffing changes
- The total budget projected for salaries in FY 16/17 is an increase of about 2% but includes a projected 3% increase for staff salaries although the raises will be merit based so not all staff will receive a 3% increase.

Alternate raise models were discussed including a smaller across the board raise plus bonuses for staff that have performed in an "outstanding" capacity. Director Shaker expressed that there are other benefits that come with merit rate increases over bonuses including increasing base salaries that professionals use in future positions to negotiate salaries.

- Committee members agreed that merit model raises were preferable

- B&G Reserve Fund balances were discussed. Director Shaker shared that although the fund is currently healthy, it won't last forever. Due to the current climate with regards to library referendums in our area and the situation with other taxing bodies in our district Director Shaker feels that it is prudent to try to save money annually whenever possible in preparation for not having an operating rate increase in the foreseeable future. To this end Director Shaker stressed the importance of having a healthy contingency fund every year.
- Trustee Podoba questioned whether or not the library has been achieving its goal of spending 12% of the tax income on materials for the patrons. Director Shaker shared that it has been several years since the library had achieved that goal but this year we should hit about 11% which is a significant increase over prior years.
- Trustee Evans asked about future plans for the Wilhelm Estate donation. Director Shaker shared that she hopes to use those funds to improve the YS department over the next several years in ways that our regular budget wouldn't allow for.
- Rates for water, electricity, gas and garbage have increased so additional funds have been earmarked for those expenses.
- Director Shaker pointed out that a significant budget increase was included for the Publicity and PR line because it was a goal of the Board and Director to see if the budget could tolerate funding a mailed newsletter. The costs have been researched for multiple different mailing models and the expected dollar amount (about \$5000) has been allotted for. Director Shaker shared that she felt that the Contingency fund is too low for FY 16/17 for her to feel that this is a wise decision but asked that the Finance Committee weigh in because it was a goal set by the Board. The Committee agreed that they would feel more comfortable with the merit raise model if the \$5000 earmarked for a newsletter was moved to contingency.
- Trustee Podoba expressed concern about the Café's viability and wondered if we could really count on the 3300 of expected rent. Director Shaker pointed out that this is even more reason to have a healthy Contingency budget.

Adjournment

Trustee Evans adjourned the meeting at 10:58 a.m.

Pilar Shaker, Director

Respectfully Submitted,
Pilar Shaker
Library Director