

New Lenox Public Library District Board of Trustees Meeting

120 Veterans Parkway, New Lenox, Illinois

December 13, 2021

Finance Committee Meeting – 6:30 pm



MINUTES

The meeting of the New Lenox Public Library District Board of Trustees Finance Committee was called to order at 6:30 pm by Trustee Tatro on Monday, December 13, 2021 at the New Lenox Library, 120 Veterans Parkway, New Lenox, Illinois

Trustees Present at the Library Building: President Michelle Monbrod, Trustee Ed Tatro

Absent: Trustee Evans, Trustee Vancina

Staff present: Executive Director: Michelle Krooswyk, Business Manager: Michael Stubler,

Recording Secretary: Mary Beth Windberg

Audience to Visitors

- None

New Business

- The purpose of this meeting is to review updates on the annual audit and budget recommendations from Jamie Rachlin, Meristem Advisors.

Director Krooswyk mentioned that the finalized audit will be completed by mid-January.

Director Krooswyk presented a draft version, prepared by Jamie Rachlin, Meristem Advisors, of a summary of the unaudited actual 2021 costs, projected budget for 2022, and budget projections out for 8 to 10 years. Mr. Rachlin estimates that by 2023 the library will show a surplus of approximately \$550,000, which will continue to grow from that point. He also recommended that the library keep the amount of \$300,000 budgeted for library renovations consistent year to year, and if there is a surplus at year end that money can be transferred to the Special Reserve Fund.

Mr. Rachlin recommended the Library pass a resolution stating that the Special Reserve Fund is for building improvement and capital improvement projects. Legal Counsel will draw up the resolution for the January meeting. Officially designating the Special Reserve Fund for building projects will avoid penalties for a surplus. He also recommended that the General Fund balance be kept at 50 to 100% of annual expenditures as a cushion for unexpected expenses.

Trustee Taro asked for an explanation between the income on the current budget and what was projected on the summary report. Director Krooswyk explained that the Grants Special Income is expected to be higher due to an increase in the per capita grant based on the census, as well as an increase in the Consumer Price Index.

Director Krooswyk also pointed out differences in some of the other categories, specifically Personnel and Health Insurance. Health Insurance was budgeted for a 15% increase but came in at 9%. She also noted that the projected budget was \$3.86 million, and Mr. Rachlin projected it at \$3.76 million. He feels the library is in a good financial position due to how the referendum level funding was budgeted.

Trustee Tatro asked if two separate funds could be created, one for Special Reserve and one for other contingencies.

Director Krooswyk spoke with other libraries, who perform their audits earlier in the fiscal year. She would like to move the audit from January to October to assist with levy preparation. This may involve changing the committee rotation to accommodate that change. She also informed the committee that the HVAC work has finally begun, which will use some of the current surplus. In addition, some renovations budgeted for this year won't be started until next year, so that surplus will be transferred to the Special Reserve Fund for next fiscal year.

Trustee Comments

- None

Adjournment

Trustee Tatro adjourned the meeting at 6:52 pm.

Respectfully Submitted,
Mary Beth Windberg
Administrative Assistant/Recording Secretary