

Algonquin Area Public Library District
2600 Harnish Drive, Algonquin, Illinois
Budget & Personnel Committee Meeting
November 6, 2023
7:00 pm

The Board of Trustees of the Algonquin Area Public Library District Budget & Personnel Committee met Monday November 6, 2023 at 7:00pm at the Main Library at 2600 Harnish Drive, Algonquin, Illinois.

An agenda was posted at least 48 hours prior to the meeting

Call to Order

The meeting was called to order at 7:01pm by Committee Chairperson Pelke.

Roll Call

Committee members: Chairperson Pelke, Vice President Medrano-Sanchez, and President Taylor. Secretary Sharkey was absent.

Trustees present: Trustee Johnson

Also present: Executive Director Murray, Assistant Director-Public Services Parmele, and Assistant Director-Operations Husak.

Audience to Visitors

Nick Bava from Sikich was present.

Additions to the Agenda

Executive Director Murray added the Budget and Appropriations Ordinance Document Review

Approval of Minutes from the June 27, 2023 Budget & Personnel Committee Meeting

A motion to approve the minutes of the June 27, 2023 Budget & Personnel Committee Meeting was made by Vice President Medrano-Sanchez and seconded by President Taylor. The motion passed unanimously with a voice vote.

Presentation of Draft Audit for FY23 by Nick Bava (Sikich)

Nick Bava is the partner that oversees the library's audit. Two separate documents for review were presented to the Committee.

The library has received a clean opinion, which is the highest level of opinion the auditors can provide. In working with the accountants and the library, the auditors strive to be compliant with new reporting standards. Each year the auditors review account changes, and this year there was a newly implemented GASB standard relating to IT subscription based multi-year contracts.

The Management Discussion and Analysis (MD&A) is prepared by Executive Director Murray and reviewed by the auditors to provide written context to the information provided for the fiscal year.

General and Special Reserve funds are reviewed. The library is in compliance with the Board's policy. This year the IMRF net pension is a liability due to a shift in the market, and this shift was also experienced by other IMRF government agencies. Chairperson Pelke asked if the library is responsible for filling the liability. Executive Director Murray explained the annual process of the library's IMRF contributions and the the library will continue to follow their contribution requirements. Trustee Johnson asked if there is a cap to limit how high the rate can be raised annually. Executive Director Murray will look into this. The auditor verified Executive Director Murray's explanation.

Concerns about the new low (<20) hour paid time off mandate were raised. The number of staff members affected will not have a great financial impact on our budget as we are already providing some kind of paid leave for all employees.

Trustee Johnson inquired about the account line for the \$1 land lease to the Village of Algonquin. Executive Director Murray explained the history and purpose of the lease.

Presentation of Levy Options for FY23

Executive Director Murray provided a spreadsheet and a draft levy document for review. Five options were presented: 4.95%, 5%, 5% +NG (New Growth), 5%+NG+Buffer and 7.5%.

Executive Director Murray explained the recommendation to choose 5%+NG+Buffer. Focus is on the Eastgate Branch Renovation Project. The buffer will likely cover any changes to the estimates provided by the counties.

The 6 Funds were discussed. Levy amounts for the special funds (*) are recommended to keep the fund balances in those funds as close to zero at the end of the year as possible. Since corporate funds are unrestricted and can be used for any purpose, we will use corporate funds to cover any shortfall in the special funds.

Corporate

Building Sites and Maintenance*

Audit*

Liability*

IMRF*

FICA*

The committee favors the 5%+NG+Buffer option. Chairperson Pelke would like the full board to vote on the final amount at the next Regular Board Meeting on November 15, 2023. Vice President Medrano-Sanchez prefers the 6.5% increase due to the library's healthy financial position. Executive Director Murray discussed the fund balance levels and that maintaining a 25-50% corporate fund balance is responsible. With the upcoming Eastgate Branch Renovation Project, it is prudent to collect all the tax dollars we are legally able to collect to avoid having to issue debt to cover project costs. The levy requested in 2023 will be spent during FY2024-2025.


Addition to Agenda: Budget and Appropriations Ordinance Document Review

Executive Director Murray shared a new proposed format for the B&A document. In response to a question from Chairperson Pelke, Executive Director Murray explained that the proposed format is a more streamlined version of the same information that more accurately reflects our fund structure.

Adjournment

Chairperson Pelke adjourned the meeting at 8:01 pm by declaration.

ATTEST:



Chair

5/13/2024
Date