

## BOARD OF LIBRARY TRUSTEES

### COMMITTEE OF THE WHOLE

09.18.01 A meeting of the Board of Library Trustees of the Arlington Heights Memorial Library Committee of the Whole was called to order in the Board Room of the Arlington Heights Memorial Library on Thursday, September 6, 2018, at 7:30 p.m. by President Smart.

Upon **ROLL CALL**, the following answered Present: Trustees Brody Garkisch, Supplitt, Thanopoulos, Zyck, and Smart.

Absent: Trustees Medal and Tangney.

Also present: Mike Driskell, Interim Executive Director; Shannon Distel, Director of Customer Services; Mary Hastings, Director of Communications and Marketing; Donna Ekl, Director of Finance; Janet Moravec, Business Office Administrator.

09.18.02 There was no **PUBLIC COMMENT**.

09.18.03 **REVIEW OF THE DRAFT OF THE 2019 BUDGET (Item 1)** – President Smart invited Ms. Ekl to join the table.

#### Budget Summary

Combined funds revenue projection = \$14,489,817

Proposed general fund operating expenditures budget = \$14,953,240

Proposed transfer from general fund to capital projects fund = \$800,000

Proposed capital projects fund expenditures budget = \$157,090

Proposed total expenditure budget = \$15,110,330

Difference between total revenue and proposed total expenditure budget = (\$620,513)

Per the 2019 budget targets, the maximum increase in the operating budget, excluding property is 2.5%. The proposed 2019 budget for operating expenditures, net property is \$14,953,240, or \$11,612 below the target.

#### Revenue Projections

For real estate taxes, the budget assumes a 2018 levy equal to a 0% increase on the 2017 extended levy. Overall, the budget reflects a 1% revenue increase in 2019 compared to the 2018 budget.

#### Personal Services and the Full-Time Equivalency (FTE)

The budget target for personal services set by the board was a maximum increase of 3%, excluding medical insurance. While making adjustments to the overall staffing structure

to accommodate changing priorities, services and usage patterns, the 2019 budget shows an increase in the budgeted full-time equivalency by 5.58, to 159.58, compared to the 2018 budget. Personal services is proposed to increase by 3% for the 2019 budget compared to the 2018 budget.

#### Overtime

Overtime budgets for all departments are based on 2018 experience through June and consideration of the 2019 proposed staff increase of 5.58 FTEs.

#### Medical Insurance

Based on a recommendation from the Village, the 2019 budget includes a medical insurance premium rate increase of 9.5%. The Village is in the process of reviewing current medical insurance options for 2019 with an insurance evaluation contractor.

#### IMRF

The Illinois Municipal Retirement Fund (IMRF) estimate by the Village for 2019 is 10.01%, down from 13.07% in 2018. IMRF costs fluctuate with the rates and increases/decreases in salary.

#### Budget Additions

The Library Administrative Team (LAT) reviewed approximately 200 add-on requests and 35 transfer requests submitted by department managers. An add-on request is required for any increase of more than 1% in a budget account, or for any new service or program. This threshold, set by the board, ensures thorough and consistent analysis of all account lines. Decisions were made on each add-on request to be included in the 2018 budget year based on the availability of funds from year-end projections, included in the draft 2019 budget; deferred to 2020 or later, considered for a request to the Friends of the Library, or denied.

#### Capital Projects

Ms. Ekl highlighted one-time projects recommended in the library's engineering assessment. Staff has also done a thorough assessment of potential needs and areas of concern that fall outside of the scope of the engineering assessment. Ms. Ekl highlighted these proposed one-time projects as well.

#### Services and Collections

Expenditures in services and collections for 2019 will reflect the board's priorities of timely access to new and popular materials, technology instruction, inclusion, and popular programs for all populations represented in Arlington Heights. The strategic plan was a top consideration while evaluating this area. Ms. Ekl highlighted items of note: Library of Things, tech bar, hot spot service, electronic databases, One Book One Village, signage, author visits, and exhibits. Staff intends to work with the Friends of the Library to provide supplementary funding for programming events not included in the 2019 budget.

### Travel and Training

The budget for travel and training for large conferences is centralized in the administrative budget to help determine appropriate staff attendance at the conferences based on the library's needs. Historically, this account has been underspent. In 2018, travel and training expenses are expected to match the 2018 budgeted figure of \$127,000. We anticipate a 5.5% increase in 2019.

Mr. Driskell and Ms. Ekl reviewed department budgets and explained items of note in the accounts.

### Long Range Fiscal Plan

The committee reviewed a preliminary draft of the long range fiscal plan. The draft includes:

- Rounded actuals for 2017
- Amended 2018 budget
- Estimates for 2019 through 2028, assuming 0% increase on prior years' extended levy throughout
- Estimates for 2019 operating expenditures based on 2018 budget actuals through June 2018
- Maximum budget target shows a 2.5% annual increase in operating expenditures in 2019 and a 0.5% increase in the following years and a current 1% loss/cost factor for tax revenue
- Estimated uncollected taxes are at 1.5%
- Projects from the engineering assessment and those recommended by staff are estimated and tentatively scheduled through 2028

09.18.04 There were no **OTHER** items to be discussed.

09.18.05 Trustee Supplitt moved **THE COMMITTEE ADJOURNS TO CLOSED SESSION IN ACCORDANCE WITH 5 ILCS 120/2 (C) (5) FOR THE PURPOSE OF DISCUSSING THE PURCHASE OR LEASE OF REAL PROPERTY FOR THE USE OF THE PUBLIC BODY AND MR. DRISKELL, MS. DISTEL, MS. EKL, MS. HASTINGS, AND MS. MORAVEC BE INVITED TO ATTEND.** Trustee Tangney seconded. All were in favor and the motion carried. The committee went into closed session at 9:02 p.m.

The committee returned to open session at 9:42 p.m.

Trustee Brody Garkisch moved **APPROVAL OF THE WRITTEN CLOSED SESSION MINUTES OF SEPTEMBER 6, 2018.** Trustee Zyck seconded. All were in favor and the motion carried. The written minutes and audio recording were sealed until further action by the board.

There being no further business to discuss, Trustee Thanopoulos moved **ADJOURNMENT**. Trustee Brody Garkisch seconded. All were in favor and the meeting was adjourned at 9:43 p.m.

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Janet Moravec, Recorder