Algonquin Area Public Library District
2600 Harnish Drive, Algonquin, Illinois
Board of Trustees Budget and Personnel Committee Meeting
OCTOBER 13, 2022
6:30 pm
Minutes

The Board of Trustees of the Algonquin Area Public Library District Budget and Personnel Committee met in person on Thursday, October 13, 2022 at 6:30pm at the Main Library at 2600 Harnish Drive, Algonquin, Illinois.

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

The meeting was called to order at 6:43 pm by President Schaaf. Those answering roll call included Committee Members President Schaaf, Vice President Taylor, and Trustee Medrano-Sanchez. Committee Chair Treasurer Pelke was absent. Trustee Iwinski was also present.
Staff present: Executive Director Murray and Assistant Director Dolin

There were no visitors.

Approval of Minutes of the June 7, 2022 Budget & Personnel Committee Meeting
A motion to approve the minutes of the June 7, 2022 Budget and Personnel Committee Meeting was made by Vice President Taylor and seconded by Trustee Medrano-Sanchez. The motion passed by voice vote with no opposition.

Additions to the Agenda
There were no additions to the Agenda.

Preliminary Information from Financial Advisor
Executive Director Murray met with Financial Advisor Jamie Rachlin from Meristem Advisors about the Library's current and future financial picture. Overall, the Library is in financially healthy condition. The Library has contributed between $500,000 and $1 Million to the Special Reserve over the past few years in anticipation of some large expenses, including possible project for services on the east side of the district. The Debt Certificates that were issued to fund the 2018 Harnish Expansion and Renovation and Eastgate Refresh will be paid off in 2027.

Executive Director Murray reviewed possible scenarios for funding the Eastgate Branch project. The Library could fund up to $4 million from cash. While this is possible, it would deplete the Special Reserve Fund and leave a fund balance of approximately 30-35% of annual spending, which falls within the low end of target by policy. It would cause several lean years with less cushion than the Library typically maintains. The Library could also issue debt of $1.5 Million, which could be structured to pay interest only through 2027 and then when the 2017 debt certificates are paid off, the principle and interest would increase to pay all debt off by 2033.

Committee members will need to see more solid numbers, but agreed that issuing debt of approximately 1/3 of the project costs seemed reasonable at this point.

Levy Discussion and Preparation
Executive Director Murray presented four possible Levy options for the Committee's consideration

- CPI, which is 7% or $6,441,000
- PTELL Max + Estimated New Growth, which is approximately 6.4% or $6,405,573
- PTELL Max, which is 5.0% or $6,320,000
- 4.9% or $6,314,566, the amount which would not require a Truth in Taxation Hearing

The Board discussed possible alternative amounts that would capture all possible revenues while also staying below the CPI. A motion to recommend adoption of a Levy of $6,429,000 or approximately 6.8% increase over the prior year's extension was made by Vice President Taylor and seconded by Trustee Medrano-Sanchez. The motion passed by roll call vote:

Aye: Medrano-Sanchez, Schaaf, Taylor
Nay: None
Abstain: None
Absent: Pelke

Trustee Iwinski thanked the Committee and Executive Director Murray for entertaining her questions and providing such a thorough explanation of the process and reasoning that went into developing the Levy request.

Other Discussion Items
None.

Adjournment
President Schaaf adjourned the meeting by declaration at 7:52 pm.

ATTEST:

Chair