

Finance Committee Meeting Minutes  
December 5, 2009

Meeting was called to order at 11:00 a.m.

Present: Board Members: Jeffrey Rivlin (Chairperson), Ken Abosch, Sunday Mueller, Staff: Mary Pergander-Library Director, Carol Dolin-Business Manager

Because the Library's levy request exceeds a sum increase of 5%, law requires that a public hearing be held. The hearing will be held Monday, December 7 at 7:30 p.m. The Village's budget, which includes the Library's budget, will be presented for a first reading at the hearing. The hearing is an opportunity for the public to comment on the levy request. No action is anticipated at this meeting. Typically the ordinance for the levy is read following the hearing and the ordinance is voted on at the next meeting, scheduled for two weeks later. Ms. Pergander outlined the information presented in the agenda for the tax hearing and levy ordinance.

The Library's budget as presented by the Village looks substantially different because the Village categorizes expenses differently than the Library. Ms. Pergander provided an itemized comparison of the budget as presented in the Village ordinance and the appropriations budget approved by the board. Ms. Pergander then pointed out that the Village received 2-4% of its overall budget from property tax while the Library relies almost exclusively on property tax for its revenues.

The effects of the expiring TIF district funding and final TIF distribution make it appear as if the Library is requesting a total increase of over 15%. The TIF funding is not new money coming in. The funds represented by the TIF recapture and distribution are shifting from one revenue path to another, but represent the same tax dollars paid in previous years. The expiring TIF district will now be counted in the EAV of the Village so tax dollars will flow in as they do from all non-TIF district properties. The Library's levy request includes a one-time TIF surplus distribution of \$100,000 and TIF recapture funds of \$147,000, which represents 40% of the overall increase. Without the TIF funding, the Library's budget increase is 10%. The Library's tax levy request restores the 2005 tax rate.

The finance committee revisited the reasoning behind approving the appropriations budget presented to the Village. The budget will allow the Library to 1) have the least impact on the Reserves, which will be needed for the future, 2) use \$600,000 for capital improvement-related architect and pre-construction fees, 3) continue to support improvements in services and collection during dramatic increases in library use (58% over the past two years), and 4) maintain liquidity for the unknown as we anticipate future debt service.

Ms. Pergander and finance committee members will plan to attend the budget hearing on Monday evening to provide information as needed.

Hicks Scholarships applications:

The board received four applications for Hicks Scholarships. Each of the applicants is in good standing with the library. Three of the four requested the maximum amount of \$500 and provided information about specific coursework they have planned. The fourth applicant was less specific and requested \$300 to \$500. Mr. Abosch made a motion to approve the applicants in the following amounts: three at \$500 and the fourth at \$100. Ms. Mueller seconded. The motion was approved and will be presented to the full board at the December meeting.

The meeting adjourned at 12:08 p.m.