WESTMONT PUBLIC LIBRARY

428 N Cass Ave, Westmont, IL 60559
630 969 5625
westmontlibrary.org

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PUBLIC NOTICE

The Westmont Public Library will hold its Finance Committee meeting on Tuesday, September 15, 2015 at 6:00 P.M. at the Westmont Public Library, 428 North Cass Avenue, Westmont, Illinois 60559

Agenda

(1) Call to Order

(2) Roll Call

(3) Pledge of Allegiance

(4) Approval of the minutes of the finance committee meeting: June 16, 2015

(5) Open Forum

(6) New Business

a) Discussion and recommendation of the transfer of FY15 surplus funds to the special reserves account for a minimum amount of $211,398
b) Discussion of FY17 Levy
c) Discussion of 457 deferred compensation plans for employees

(7) Adjournment

Note: Any person who has a disability requiring a reasonable accommodation to participate in the meeting should contact Julia Coen, Library Director, 9:00 A.M. to 5:00 P.M. Monday through Friday, Westmont Public Library, Westmont, Illinois, 60559; Telephone (630) 969-5625 x 221 or email jcoen@westmontlibrary.org, within a reasonable time before the meeting.

All interested persons in attendance will be allowed to express their views in accordance with policy.

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FINANCE COMMITTEE MEETING
JUNE 16, 2015

MINUTES

The Finance Committee Meeting was called to order at 6:01 p.m. by Committee Chair John Martens on Tuesday, June 16 at the Westmont Public Library.

Roll Call:
Present: Trustee John Martens, Trustee, Annie Delano, Trustee Kerry O'Connor

Also present: Trustee Mark Stern and Trustee Jason Fichtel
Also present: Director Julia Coen, Assistant Director Kate Buckson and Administrative Assistant Theresa Barry
Absent: Trustee Megan Stern

Pledge of Allegiance:

Approval of the minutes of Finance Committee meeting on February 24, 2015:

O'Connor moved to approve the minutes, Delano seconded. All in favor.

Open Forum:

a. **Public – Spencer Parker** – Finance Director Village of Westmont, was present to answer questions.

b. **Staff – Kate** – Shared details about how ALA's *Latino Americans: 500 Years of History* grant money would be spent for upcoming programs.

c. **Trustees** – None.

d. **Director** – Coen congratulated Gail, Carmen and Kate for applying for and receiving a grant of $3,000 from the National Endowment of Humanities and the American Library Association and reported that a $36,000 payment was received from LIMRiCC as a result of JSIP dividends payout for 2013.

New Business:

Discussion of FY16 cash flow projection:

Coen reported that the first page is cash flow projection for operating fund for FY16. The second page shows anticipated Special Reserve expenditures.

Discussion and recommendation of loan payment for July 2015:

Coen recommended paying the loan off in full.

Committee agreed to recommend paying the loan off in full.

Discussion and recommendation of Investment of Public Funds Policy:

Current and revised copies of the policy are available for the committee to review. Changes are highlighted.

Mark Stern suggested adding a disclaimer about the clause on interest bearing accounts. Parker suggested including a clause such as "whenever prudent, funds would be invested in a flexible manner".

Committee agreed to recommend accepting the policy as amended.

Adjournment:

O'Connor moved to adjourn at 6:36p.m., Delano seconded. All in favor.

Respectfully submitted,

Theresa Host Barry

Theresa Host Barry
For and on Behalf of
Kerry O'Connor
Secretary
Westmont Public Library Board of Trustees

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FINANCE COMMITTEE NEW BUSINESS

a) Discussion and recommendation of the transfer of FY15 surplus funds to the special reserves account for a minimum amount of $211,398

Attached is the balance sheet and statement of revenue from the draft FY15 audit report. The board will need to approve the transfer of FY15 surplus funds in order to finalize the audit. At our last finance meeting we discussed the three options for transfer of surplus as detailed below. The committee had agreed to wait until they had final numbers before presenting a recommendation to the board.

1. **Transfer any excess of revenues over expenditures.** This is the method used in the draft, with the estimated transfer of $215,320.

2. **Keep 30% of the concluding year's budget, transfer the remaining.** The FY 2015 Budget for the operating fund was $1,870,315. The target 30% of this would be $561,095. To bring the balance down to this target, the transfer would be $12,881 more than the estimate, for a total transfer of $228,201.

3. **Keep 30% of the next year's budget, transfer the remaining.** The FY 2016 Budget for the operating fund is $1,926,326. The target 30% of this would be $577,898. To hit this target, the transfer would be $3,922 less than the estimated transfer, for a total of $211,398.

Details on where the majority of the surplus came from within the FY15 budget:

- $20,000 was earmarked for Special Reserves
- $83,000 from salaries - $50,000 was set aside by the board for potential increases in salary during the director search and was not to be used without board approval, the majority of the remainder surplus was from interim vacancies
- $26,000 in employee benefits
- $11,000 from board & staff development - we lowered this budget line by approximately $12,000 in FY16
- $22,000 from collection budgets – we plan to hit our target budget this fiscal year
- $31,000 from building and grounds maintenance - we lowered this budget line by $24,000 in the FY16 budget (with the exception of the newly added budget line of $165,000 for the facility improvement project)
- $4,400 from equipment maintenance - we lowered this budget line by approximately $3,400 in FY16
- $8,900 from professional services - we lowered this budget line by approximately $7,000 in FY16

b) Discussion of FY17 Levy request

At the October board meeting, the board will vote to approve the FY17 levy request. The levy request is then submitted to our corporate authority, the Village of Westmont, for approval by the Village Board and then submitted to DuPage County.

A few things to note:

- This is the first step in a long process. We submit the initial levy request, go through the budgeting process beginning in January/February, receive tax rate information from the county in March, and then finalize the levy request before the start of the FY17 fiscal year.

- In March, the County will tell us the total amount we can levy for under PTELL and at that point the library board will assess the fiscal climate and the proposed budget before finalizing the levy request.
- The final levy amount will be off-set by anticipated additional income – grant money, fines and fees, donations, etc.
- We cannot receive more than we levy for so if the board wants to capture any potential CPI increase, the levy request should reflect that.

I will provide more details and actual numbers at the October board meeting. I will also present a document similar to the one I presented last year during the levy discussion (see attachment). If there more information that I can provide that would be helpful to the board during this process, I would welcome that feedback.

c) Discussion of 457 deferred compensation plans for employees

After speaking with some staff and village employees, I have begun researching 457 plan options for library staff. The 457 plan is a type of qualified tax deferred-compensation retirement plan that is available for governmental employees. As the employer, the library would offer this option to employees at no cost to the library and the employee would elect to contribute compensation on a pre-tax basis. Before I move forward with researching plans and options, I'd like to get feedback from the finance committee.

As an FYI: IMRF employees (those who work more than 19.5 hours per week) also have the option to contribute up to an additional 10% of earnings to the Voluntary Additional Contribution program. These contributions are after tax—they are not tax-deferred like usual IMRF member contributions or the 457 plans.

WESTMONT PUBLIC LIBRARY

STATEMENT OF NET POSITION
AS OF APRIL 30, 2015

	GOVERNMENTAL ACTIVITIES
Assets	
Cash and cash equivalents	$ 103,562
Investments	1,052,898
Receivables (net of allowance for uncollectibles):	
Property taxes	1,770,555
Intergovernmental	2,269
Other	210
Prepaid items	17,785
Capital assets	
Capital assets not being depreciated	450,000
Capital assets being depreciated, net of depreciation	2,547,291
Total assets	5,944,570
Liabilities	
Accounts payable	16,858
Accrued payroll	31,794
Unearned revenue	275
Accrued interest payable	1,130
Noncurrent liabilities	
Due within one year	105,984
Due in more than one year	36,090
Total liabilities	192,131
Deferred inflows of resources	
Property taxes levied for a future period	1,770,554
Total deferred inflows of resources	1,770,554
Net position	
Net investment in capital assets	2,891,410
Restricted for capital improvements	553,822
Unrestricted	536,653
Total net position	$ 3,981,885

PRELIMINARY DRAFT - FOR DISCUSSION PURPOSES ONLY

The notes to the financial statements are an integral part of this statement.

WESTMONT PUBLIC LIBRARY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2015

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION: GOVERNMENTAL ACTIVITIES
Primary Government				
Governmental activities				
Culture and recreation	$ 1,758,059	$ 70,852	$ 352	$ (1,686,855)
Interest	8,595	-	-	(8,595)
Total governmental activities	$ 1,766,654	$ 70,852	$ 352	(1,695,450)
General revenues:				
Property taxes				1,747,010
Replacement taxes				11,284
Investment income				298
Miscellaneous				8,461
Total general revenues				1,767,053
Change in net position				71,603
Net position, beginning of year				3,910,282
Net position, end of year				$ 3,981,885

PRELIMINARY DRAFT - FOR DISCUSSION PURPOSES ONLY

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WESTMONT PUBLIC LIBRARY

BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF APRIL 30, 2015

	GENERAL FUND	SPECIAL RESERVE FUND	TOTAL
Assets			
Cash and cash equivalents	$ 100,488	$ 3,074	$ 103,562
Investments	719,843	333,055	1,052,898
Receivables (net of allowance for doubtful accounts):			
Property taxes	1,770,555	-	1,770,555
Intergovernmental	-	2,269	2,269
Other	106	104	210
Prepaid items	17,785	-	17,785
Due from General Fund	-	215,320	215,320
Total assets	$ 2,608,777	$ 553,822	$ 3,162,599
Liabilities, deferred inflows of resources, and fund balance			
Liabilities			
Accounts payable	$ 16,858	$ -	$ 16,858
Accrued payroll	31,794	-	31,794
Unearned revenue	275	-	275
Due to Special Reserve fund	215,320	-	215,320
Total liabilities	264,247	-	264,247
Deferred inflows of resources			
Property taxes levied for a future period	1,770,554	-	1,770,554
Total deferred inflows of resources	1,770,554	-	1,770,554
Fund balance			
Restricted for capital improvements	-	553,822	553,822
Unassigned	573,976	-	573,976
Total fund balance	573,976	553,822	1,127,798
Total liabilities, deferred inflows of resources and fund balance	$ 2,608,777	$ 553,822	$ 3,162,599

PRELIMINARY DRAFT - FOR DISCUSSION PURPOSES ONLY

The notes to the financial statements are an integral part of this statement.

WESTMONT PUBLIC LIBRARY

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
AS OF APRIL 30, 2015

Total fund balances - governmental funds		$ 1,127,798
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds		2,997,291
Some liabilities, including long-term debt, are not due and payable in the current period and therefore, are not reported in the funds.		
Debt certificates	$ (82,213)	
Compensated absences	(36,193)	
Capital leases payable	(23,668)	
Interest payable	(1,130)	
		(143,204)
Net position of governmental activities		$ 3,981,885

PRELIMINARY DRAFT - FOR DISCUSSION PURPOSES ONLY

The notes to the financial statements are an integral part of this statement.

WESTMONT PUBLIC LIBRARY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2015

	GENERAL FUND	SPECIAL RESERVE FUND	TOTAL
Revenues			
Taxes	$ 1,747,010	$ -	$ 1,747,010
Intergovernmental	30,856	11,284	42,140
Fines and forfeitures	22,752	-	22,752
Charges for services	17,244	-	17,244
Investment income	252	46	298
Miscellaneous	5,171	-	5,171
Total revenues	1,823,285	11,330	1,834,615
Expenditures			
Current:			
Culture and recreation	1,590,625	-	1,590,625
Capital outlay	-	73,793	73,793
Debt service:			
Principal	15,727	81,000	96,727
Interest and fiscal charges	1,613	6,982	8,595
Total expenditures	1,607,965	161,775	1,769,740
Excess (Deficiency) of revenues over expenditures	215,320	(150,445)	64,875
Other Financing Sources (Uses)			
Transfers in	-	215,320	215,320
Transfers (out)	(215,320)	-	(215,320)
Total Other Financing Sources (Uses)	(215,320)	215,320	-
Change in fund balance	-	64,875	64,875
Fund balance, beginning of year	573,976	488,947	1,062,923
Fund balance, end of year	$ 573,976	$ 553,822	$ 1,127,798

PRELIMINARY DRAFT - FOR DISCUSSION PURPOSES ONLY

The notes to the financial statements are an integral part of this statement.

WESTMONT PUBLIC LIBRARY

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2015

Net change in fund balances - total governmental funds	$	64,875
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of net assets the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities. This is the amount by which depreciation exceeds capital outlay in the current period.		(94,160)
The net effect of various miscellaneous transactions involving capital assets (sale, disposal, transfer, etc.) is to decrease net position		(2,296)
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets		
Principal repayments		81,000
Capital lease repayments		15,727
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Compensated absences		5,169
Accrued interest payable		1,288
Change in Net Position - governmental activities	$	71,603

PRELIMINARY DRAFT - FOR DISCUSSION PURPOSES ONLY

The notes to the financial statements are an integral part of this statement.

WESTMONT PUBLIC LIBRARY

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2015

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE OVER (UNDER)
Revenues			
Public library			
Taxes			
Property	$ 1,753,313	$ 1,747,010	$ (6,303)
Intergovernmental	52,127	30,856	(21,271)
Fines and forfeitures	28,000	22,752	(5,248)
Charges for services	18,200	17,244	(956)
Investment income	625	252	(373)
Miscellaneous	18,050	5,171	(12,879)
Total Revenues	1,870,315	1,823,285	(47,030)
Expenditures			
Public library			
Culture and recreation			
Wages	910,000	826,945	(83,055)
Health insurance	90,000	77,098	(12,902)
FICA expenditures	66,000	62,207	(3,793)
IMRF expenditures	91,500	87,005	(4,495)
Unemployment insurance	4,000	2,291	(1,709)
Workers' compensation insurance	3,487	-	(3,487)
Conferences and training	18,000	8,423	(9,577)
Professional memberships	2,800	2,301	(499)
Travel	1,500	1,251	(249)
Staff appreciation	2,100	1,973	(127)
Board expenses	1,800	963	(837)
Books	256,356	96,582	(159,774)
Reference	-	2,578	2,578
AV materials	-	84,243	84,243
Electronic resources	-	29,494	29,494
Periodicals	-	18,740	18,740
Kits	-	-	-
Delivery and bindery	100	105	5
RBP IL replacement	1,500	1,407	(93)
Automation services	93,418	69,447	(23,971)
Supplies	27,683	23,570	(4,113)
Postage	7,000	5,730	(1,270)
Custodial supplies	4,000	3,173	(827)
Programs	39,500	18,696	(20,804)
Public communications	26,771	22,672	(4,099)
Maintenance services - building	91,000	59,974	(31,026)
Maintenance services - equipment	28,750	24,287	(4,463)

PRELIMINARY DRAFT - FOR DISCUSSION PURPOSES ONLY

WESTMONT PUBLIC LIBRARY

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2015

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE OVER (UNDER)
Utilities	$ 18,400	$ 19,647	$ 1,247
Copier and printer	17,000	1,932	(15,068)
Furniture and equipment	6,000	5,959	(41)
Professional services	24,850	16,707	(8,143)
Insurance	15,900	15,225	(675)
Miscellaneous	20,900	-	(20,900)
Total Culture and recreation	1,870,315	1,590,625	(279,690)
Debt Service			
Principal	-	15,727	15,727
Interest and fiscal charges	-	1,613	1,613
Total Debt service	-	17,340	17,340
Total expenditures	1,870,315	1,607,965	(262,350)
Excess (Deficiency) of revenues over expenditures	-	215,320	215,320
Other financing sources (uses)			
Transfers out	(20,000)	(215,320)	(195,320)
Total Other financing sources (uses)	(20,000)	(215,320)	(195,320)
Net change in fund balance	$ (20,000.00)	$ -	$ 20,000.00
Fund balance, beginning of year		573,976	
Fund balance, end of year		$ 573,976	

PRELIMINARY DRAFT - FOR DISCUSSION PURPOSES ONLY

WESTMONT PUBLIC LIBRARY

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - SPECIAL RESERVE FUND
FOR THE YEAR ENDED APRIL 30, 2015

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE OVER (UNDER)
Revenues			
Intergovernmental			
Replacement tax	$ 8,900	$ 11,284	$ 2,384
Investment income	100	46	(54)
Miscellaneous	1,000	-	(1,000)
Total revenues	10,000	11,330	1,330
Expenditures			
Capital Outlay	338,000	73,793	(264,207)
Debt Service			
Principal	100,336	81,000	(19,336)
Interest and fiscal charges	11,664	6,982	(4,682)
Total Debt service	112,000	87,982	(24,018)
Total expenditures	450,000	161,775	(288,225)
Excess (Deficiency) of revenues over expenditures	(440,000)	(150,445)	289,555
Other financing sources (uses)			
Transfers in	-	215,320	215,320
Total Other financing sources (uses)	-	215,320	215,320
Net change in fund balance	$ (440,000)	$ 64,875	$ 504,875
Fund balance, beginning of year		488,947	
Fund balance, end of year		$ 553,822	

PRELIMINARY DRAFT - FOR DISCUSSION PURPOSES ONLY

Westmont Public Library
2014 Levy Request for FY16 Levy

Operating Fund	FY15 Budget	FY16 LEVY
Wages	910,000	$ 920,000.00
Benefits (FICA, WC, UI, HI & IMRF)	254,987	$ 260,000.00
Board & Staff Dev.	26,200	$ 18,000.00
Materials	257,956	$ 260,000.00
Automation & Technology	93,418	$ 35,000.00
Supplies	38,683	$ 35,120.00
Programs	39,500	$ 10,000.00
Marketing & Advertising	26,771	$ 15,000.00
Building & Grounds Maint.	91,000	$ 130,000.00
Equipment Maint	28,750	$ 25,000.00
Utilities	18,400	$ 25,000.00
Furniture & Equipment	23,000	$ 49,000.00
Professional Services	24,850	$ 16,000.00
Building Insurance	15,900	$ 16,000.00
Reserves	20,000	$ 25,000.00
Contingency	900	
Total Operating Fund Expenditures	1,870,315	$ 1,839,120.00

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