

Glencoe Public Library
Finance Committee Meeting
Friday, September 7, 2018 - 2:00 PM
Hamil Conference Room, 320 Park Ave., Glencoe, IL 60022

AGENDA

- 1) CALL TO ORDER - 2:00 p.m.
- 2) ROLL CALL
- 3) PUBLIC COMMENT
- 4) ADDITIONS TO THE AGENDA
- 5) NEW BUSINESS
 - a. Discussion and consideration of funding for restroom renovations and water service line replacement and Reserve Fund analysis (ACTION) 3
- 6) ADJOURNMENT



Memorandum

To: Finance Committee of the Glencoe Public Library Board of Trustees
Cc:
From: Andy Kim, Executive Director
Date: September 4, 2018
Re: September 7, 2018 Finance Committee meeting data

Per President Goldman's request, I am delivering the following:

- Forecast of the anticipated FY2019 budget surplus
- Projected Wintrust loan principal payments through the end of FY2019
- Forecast of Reserve Fund at end of FY2019

Anticipated FY2019 budget surplus

Revenue projections are conservative. No revenue item exceeds 100% year-to-date unless it has already exceeded 100% as of end of July.

Expenditure projections are more aggressive. Projections take into account FY2018 spending, pending expenses/projects as well as specific directions taken during the draft budget phase. For example, audiovisual materials accounts were reduced compared to FY2018. Although the end of July 2018 reports indicate that Audio and Video expenditures are below year-to-date, staff have reported that the entirety of the funds will be spent.

Interest Income

In August 2018, the Library received \$5,302.93 in interest revenue. The Library cannot expect interest revenue to be that amount each month from September through February. Traditionally, the Library does not receive much in property tax revenue in the second half of the calendar year. If the Library expected 80% of August interest revenue, the total would be \$25,454.04 from September through February.

Adding \$25,454.04 to Interest Income YTD (\$22,681.49), the final Interest Income projection is \$48,135.53.

Debt Service

Before the end of FY2019, there will be two more scheduled additional loan principal payments; September and December. For this exercise, I still used the original amortization schedule even though Wintrust has to adjust it to reflect the additional loan principal payment in June as well as the one scheduled for September. Wintrust will adjust the schedule again after the December loan principal payment.

Using the current amortization schedule, the Library can expect \$30,916.69 in Debt Service expenses (\$16,896.66 towards loan principal and \$14,020.03 towards interest) – year-end total of \$53,000.04.



Additional loan principal payments are as follows:

	Interest Income	Payment less 1,750.00
March	3,118.12	
April	3,550.36	
May	3,669.49	8,587.97
June	3,436.84	
July	3,603.75	
August	5,302.93	10,593.52
September	4,242.34	
October	4,242.34	
November	4,242.34	10,977.02
December	4,242.34	
January	4,242.34	
February	4,242.34	10,977.02 ¹
Total	48,135.53	30,158.51

Total FY2019 Debt Service expenses would be \$83,158.55.

Forecast of Reserve Fund at end of FY2019

As discussed at the August 21, 2018 Regular Board meeting, I asked the Trustees to consider funding the restroom renovation and water service line replacement project through the Reserve Fund. A high estimate for the project is \$130,000.00. I do not anticipate any other use of the reserves.

Sincerely,
Andy Kim

¹ To be paid in March 2019 – FY2020

Revenue projections are purposely conservative

	FY2019 Budget	YTD Actual (ending July 31, 2018)	41.7% YTD to Budget	FY2019 Project	100% YTD to Budget
REVENUES					
<i>Statutory</i>					
Property tax	2,358,984.00	1,858,216.42	78.8%	2,311,805.00	98.0%
Property tax reserve	(40,000.00)				
Personal prop replacement tax	13,000.00	8,383.31	64.5%	13,000.00	100.0%
Grants	6,000.00	17,676.64	294.6%	17,676.64	294.6%
Total Statutory	2,337,984.00	1,884,276.37	80.6%	2,342,481.64	100.2%

<i>Operating</i>					
Fines & fees	16,000.00	5,109.88	31.9%	12,200.00	76.3%
Video	2,000.00	848.00	42.4%	2,000.00	100.0%
Copier	1,000.00	426.45	42.6%	1,000.00	100.0%
Total Operating	19,000.00	6,384.33	33.6%	15,200.00	80.0%

<i>Other</i>					
Interest income	7,000.00	17,378.56	248.3%	48,135.53	687.7%
Unrestricted gifts	1,000.00	175.00	17.5%	1,000.00	100.0%
Total Other	8,000.00	17,553.56	219.4%	49,135.53	614.2%

TOTAL REVENUES	2,364,984.00	1,908,214.26	80.7%	2,406,817.17	101.8%
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	FY2019 Budget	YTD Actual (ending July 31, 2018)	41.7% YTD to Budget	FY2019 Project	100% YTD to Budget
EXPENDITURES					
<i>Library services</i>					
<i>Print materials</i>					
Books	134,150.00	48,993.04	36.5%	130,000.00	96.9%
Periodicals	25,450.00	15,338.28	60.3%	22,900.00	90.0%
Total Print materials	159,600.00	64,331.32	40.3%	152,900.00	95.8%

Based on FY18 & FY19 trends and DH input

Reference materials						
OCLC	8,700.00	2,638.88	30.3%	6,100.00	70.1%	
Automated resources	62,400.00	11,767.89	18.9%	59,280.00	95.0%	
Total Reference materials	71,100.00	14,406.77	20.3%	65,380.00	92.0%	

\$491.30/month beginning July 2018

Audiovisual materials						
Audio	18,375.00	5,568.47	30.3%	18,375.00	100.0%	
Video	16,250.00	5,625.73	34.6%	16,250.00	100.0%	
Total Audiovisual materials	34,625.00	11,194.20	32.3%	34,625.00	100.0%	

Projecting 100% because AV budgets were cut

	FY2019 Budget	YTD Actual (ending July 31, 2018)	41.7% YTD to Budget	FY2019 Project	100% YTD to Budget
Device subscriptions	3,440.00	0.00	0.0%	3,000.00	87.2%
Downloadable content & players	49,000.00	16,876.84	34.4%	46,000.00	93.9%
Total Digital	52,440.00	16,876.84	32.2%	49,000.00	93.4%

Supplies					
LAN/Computer	14,000.00	3,349.93	23.9%	12,500.00	89.3%
General	10,700.00	3,606.51	33.7%	9,500.00	88.8%
Total Supplies	24,700.00	6,956.44	28.2%	22,000.00	89.1%

Other					
Programs & comm engagement	37,150.00	13,596.37	36.6%	27,800.00	74.8%
Website/digitization	3,150.00	1,604.92	50.9%	3,150.00	100.0%
Internet access	7,200.00	2,984.60	41.5%	7,200.00	100.0%
Children's learning kits	1,500.00	0.00	0.0%	750.00	50.0%
Children's non-circ materials	500.00	0.00	0.0%	250.00	50.0%
Total Other	49,500.00	18,185.89	36.7%	39,150.00	79.1%

Total Library services	391,965.00	131,951.46	33.7%	363,055.00	92.6%
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Operating costs					
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