

**MINUTES OF THE SPECIAL MEETING OF THE FINANCE
COMMITTEE OF THE BOARD OF LIBRARY TRUSTEES
OF THE VILLAGE OF CAROL STREAM**

DATE: February 9, 2011

Time: 6:30 p.m.

PLACE: Discovery Room

1. Call to Order

Trustee Wade called the Special Meeting of the Finance Committee to order at 6:30 p.m

2. Roll Call

The roll was taken by recognition.

Present: Trustees Wade, Hudspeath, and Douglas (Ex-officio)

Also Present: Trustee Arends, Library Director Ann Kennedy, Assistant Director Pam Leffler

3. Approval of Minutes of October 21, 2010

Minutes were approved as presented by consensus.

4. Discussion on Possible Grants

The Committee reviewed the list prepared by Trustee Wade of possible grants. Grants for which the Carol Stream Public Library would not qualify were eliminated. Director Kennedy will collect more information on the grants which were not eliminated. She will report back to the Board on the what the grants are for, qualifications, and possible projects.

Trustee Wade presented information on a lending library kiosk. It was the consensus that this would be a good service at the Outreach Community Center. Director Kennedy will gather more information.

Trustee Wade also presented information on an Espresso Book Machine which prints books on demand. It was the consensus that although the machine was intriguing the Library is not in the business of selling books and competing with local booksellers.

5. Discussion on Preliminary Budget Numbers

Trustee Wade had prepared a spread sheet comparing the levies for the different funds and preliminary expenses going forward three years. It is anticipated that without a levy increase the Library will have a deficit budget of \$267,455 in three years. Various ways of cutting expenses were discussed including reducing percentage of raises and reducing the

salary allowance from 2% to 1%. It was suggested that expenditures for the collection not be increased for three years. Director Kennedy mentioned that the Board will have to chose between increasing revenues, and thereby raising the levy, or reducing expenses. To reduce expenses the Board will have to decide which services to cut. President Douglas suggested that small line-by-line reductions be planned. Kennedy explained that most of the fat had already been taken out of the proposed budget and that increases were minimal.

Trustee Wade questioned the paragraph in the budget resolution which stated that expenditures would be \$3,675,967. He felt it was misleading to state expenditures one year and then change the amount the following year. It was suggested that the word “anticipated” be added to the sentence. Legal counsel will be asked to review the resolution.

Discussion was held on the excess \$407,000 income over expense for FY2010. President Douglas suggested that the amount could be abated back to the taxpayers. It was felt that a one year cut in the tax levy could take three to four years to recover.

Kennedy informed the Board that whereas the Wade spreadsheet showed a scenario for the next three years, at the end of those three years the reserves in most funds would be at an 8 month level. The Board would need to increase the levy substantially for the next year to properly fund expenses. A large increase may be difficult because increases would be limited by the Consumer Price Index. Although the Board does not want to increase taxes, small increases now would be better than large increases later which could not be achieved.

6. Adjournment

There being no further business to come before the Finance Committee, the Meeting was adjourned at 8:30 p.m.

Approved (date)

Ann Kennedy, Library Director
for the Finance Committee