

Meeting called to order 7:04pm on 3/7/2023

Trustee Roll Call:

Bonnie Shaul

Matthew Zaute

Additional Attendees:

Renee Grassi

Bettina O'Connell (Finance Director, Village of Lake Bluff)

Approval of previous meeting notes 1/23/23:

Motion: Zaute

2nd: Shaul

Bettina described previous process and transition to outside firm for budget reconciliation.

Question: Trustee Shaul: Are we self-insured or is this a 'traditional' premium payment.

Answer: O'Connell: We are not self-insured. Municipalities are represented at bond as an organization.

Several issues presented in template number: transition of Eric's (former director) family, addition of Renee, changes in premium costs (eg dental)

Insurance premium is set on a calendar year. Bettina uses 10% inflation assumption for four months of our fiscal year that are part of new calendar year.

Estimated medical insurance is \$86k for calendar year 2022, which covers last four months of library's fiscal 2022 and first eight months of 2023. Assumes no changes in staffing, family size, etc.

Allocation of medical, dental and life is summarized in library's budget allocation.

Expectation is that allocated budget for 22/23 (calendar year) will not exceed budgeted amount.

Escalator of premium expense (estimate) is 10% for remainder of calendar year and for 2024/2025 fiscal year.

10% escalator is net of changes in employee circumstances (eg removal of Eric's family, addition of Renee individual), such that the overall increase forecast for calendar year 2024 is \$5,954. (\$86k to \$91.954k).

Budget reconciliation assumed templated number of 10% increase to last month of calendar year, such that it did not reflect changes in employee elections, changes to staff, or changes in premium estimates. Premium amounts are the same whether employee elects insurance as primary or secondary coverage. Only option to affect Library premium is if employee opts out.

7:30pm O'Connell left the meeting.

Estimate for FY 23/24 budget increased for Passport fees to \$20k (from \$18k).

Estimate for FY 23/24 budget increased for Interest income to \$20k (from \$10k).

Estimate for FY 23/24 budget decreased for Miscellaneous Income from \$10k to \$3k.

Version 3 of FY 23/24 Budget:

Medical (includes life, dental): Current FY 23/24 Budget increased to \$100k (from \$95k). Bettina's estimates are for ~\$83.5k. Overage allows for flexibility if additions to staff or premium changes.

Librarian Salary line for FY 23/24 increased to \$220

Renee assumed 6% increase to compensation for FY 23/24 for staff salaries.

- Result is increase in librarian and staff salaries (Admin and Staff) from \$534k to \$566k.

Budget reflects \$600k to allow for additional salary adjustment for benchmarking/industry standards as well as potential add to staff.

IMRF: increased from \$26k to \$35k; proposed to revisit at \$30k. Renee will redistribute budget with revised allocation.

Staff Salaries: decreased from \$385k to \$379.8k.

Libraries Salaries: increased from \$215k to \$220k.

Social Security: increased from \$43k to \$44k.

Building maintenance: decreased from \$40k to \$37k; proposed to increase by the \$4k of the \$5k decrease in IMRF to \$41k. Renee will redistribute with revised budget.

Elevator Maintenance: increased from \$1.6k to \$1.75k

Grounds Maintenance: increased from \$8k to \$9k

Miscellaneous Expenditures: increased to \$3k from \$2k.

Utilities: decreased from \$14k to \$13k.

Transfer to reserve: decreased from \$20k to \$15k.

Library Furnishings rounded down to \$6k (from slightly higher).

Additional discussion focused on whether the increase of Medical to \$100k is warranted.

Recommended to hold budget for medical at the level of version 2 budget (\$95k) and return Transfer to Reserve to \$20k (from v3 \$15k).

Renee will upload recording of this call for Trustee review and circulate revised budget for review prior to March meeting.

Additional line item to delineate postage expenses for passports is being incorporated.

Staff recommended an additional expense line for passport supplies.

Contemplated to make these changes effective May 1 (FY).

Discussion on structure for staff recognition and associated budget allocation. Village manager includes a budget line for merit, spot, one-time bonus to staff (precedent). Proposal includes letter to each individual staff member notifying them of the monetary bonus. The funding would come from salary budget (actuals under budget) in current fiscal year (22/23).

Renee will follow-up with reference point of what amounts/percentages Village uses in their budget allocation. This will be included in March discussion.

Motion to adjourn: Trustee Shaul

Second: Zaute

Meeting adjourned at 8:10pm 3/7/23