

COMMITTEE NOTES

Finance & Audit Committee Meeting Kansas City Public Library Board of Trustees June 10, 2025

The Finance and Audit Committee of the Board of Trustees of the Kansas City Public Library, pursuant to official notification, met Tuesday, June 10, 2025, at 4:00 p.m. at the Central Library, 14 West 10th Street, Kansas City, Missouri.

MEMBERS PRESENT: Laura Dominik (Chair)
Pete Browne (ex officio)
Claudia Oñate Greim

BOARD MEMBERS PRESENT: Jonathan Kemper

STAFF PRESENT: Abby Yellman, Interim Chief Executive
Candice Butler-Titus, Executive Services Senior Manager
Qun Fang, Senior Director of Finance / Chief Financial Officer
Pritha Hariharan / Assistant Director / Chief Operating Officer
Sharla Harris, Administrative Officer
*Full list of staff in attendance available by request

Dominik called the meeting to order at 4:01 p.m.

Yellman welcomed the committee and board members and expressed appreciation for Fang's leadership throughout the budgeting process. Yellman noted that the budget format had been updated to be more transparent for the Board, but also for staff and the community. Yellman also noted that despite the adoption of a new budget format, the information remained consistent from past years and welcomed any questions from the Board to provide further clarity.

Yellman highlighted a cautious budget approach due to the uncertainty surrounding continuing legislative conversations regarding property tax frameworks in Missouri, and a special session related to the stadiums. Yellman noted the Library remains committed to flexibility, fiscal responsibility, and being a careful steward of taxpayer funds.

Yellman invited Fang to present the Preliminary Annual Budget for Fiscal Year 2025-2026. Fang discussed the Fund Balance Statement, which represents the available financial resources at the beginning of the fiscal year. The Library has identified several one-time expenditures: \$1 million transfer to the Capital Development Fund, Compensated Absences, 1% Payroll Adjustment, Comprehensive Facilities Planning, a Compensation and Total Rewards Study, and Laptop Replacement. After these allocations, the unrestricted balance is \$13.1 million, which will be used to cover the first five months' operations before tax revenue arrives in December.

Fang provided an overview of the transfers in and transfers out on the budget summary. Fang noted \$50,000 from the Parking Garage Fund to the Operating Fund, \$1 million from Operating

Fund to Capital Development Fund, \$120,000 in estimated interest income from Endowment to the Gifts and Grants Fund, and \$400,000 from Grants and Gift to the Operating Fund. Fang referenced the Library Board's current purchasing policy, which requires Board approval for any purchases over \$50,000. For future consideration, Fang suggested revising this policy so that only unbudgeted purchases over \$50,000 would require Board authorization.

Fang discussed the detailed budget of General Fund expenditures and revenues with historical data for comparison, noting there is a 4–5% increase when comparing the budget year to year. The budget-to-actual comparison shows a decline, and the Library is budgeting conservatively for the coming year based on these factors. Fang highlighted an increase in payroll benefits, reflecting two new FTEs, higher insurance costs and transition of public safety officers from contracted services to personnel salaries, 17% increase in budget for Library materials which will now be separated into digital and physical materials for transparency, tax rate trends, and other Library funds. Fang noted that next year the Library will make the final lease payment for the Central Library, which is reduced from \$500,000 to just under \$34,000.

Yellman briefly noted no changes had been made to the Library salary schedule, as the Library will await recommendations from the compensation and total rewards study to determine any changes to the schedule.

Fang also noted that once Jackson County assessments have been received, all projections will be updated for the final budget for approval in September 2025.

Motion by Dominik to refer to the Board the recommendation of the Chief Executive to adopt a Preliminary Library Annual Budget for FY 2025-2026 Library Operating Budget (General Fund) of \$33,216,107, Gifts/Grants Fund Budget of \$800,000, Capital Development Fund Budget of \$450,000 and Library Parking Garage (Enterprise Fund) budget of \$553,000 and approve fund transfers and Salary Schedule as noted on the attached schedules. (LBM 4767) Second by Browne. Approved unanimously.
Motion by Browne to adjourn. Second by Kemper. Unanimously approved.

The meeting adjourned at 4:50 p.m.

Laura Dominik, Chair
Finance & Audit Committee

Date