



**Tuesday, September 9, 2025**

Special Board Meeting

6:30 PM

Addison Village Hall

1 Friendship Plaza

Board Room

Addison, IL 60101

1. **Call to Order**
2. **Approval of Agenda**
3. **Public Comment**
4. **Tax Levy**
  - A. Staffing for Sam's Lab
  - B. Employee Health Insurance \_policy change  
The Board will consider a change in the policy on employee health insurance related to HSA contributions and consider approving changes in the HSA contribution limits for the 2026 calendar year.
  - C. General Discussion
5. **Additional Discussion**
6. **Adjournment**

The Creative Studio (and Sound Studio) is and has been staffed by one full-time employee. This employee also serves as the library's webmaster. We will need additional staff to successfully launch the expanded Sam's Lab makerspace. We have 3 scenarios for what that might look like, and the direction we go in should be factored into this year's tax levy.

	<b>New staff positions</b>	<b>Approximate added cost in salary &amp; benefits</b>
<b>Plan A</b>	<ul style="list-style-type: none"> <li>• 1 FT Specialist</li> <li>• 2 PT Assistants (17 hrs. per week)</li> </ul>	\$115,000
<b>Plan B</b>	<ul style="list-style-type: none"> <li>• <b>1 25-hr per week Assistant</b></li> <li>• <b>1 17-hr per week Assistant</b></li> </ul>	<b>\$58,000</b>
<b>Plan C</b>	<ul style="list-style-type: none"> <li>• 1 25-hr per week Assistant</li> </ul>	\$35,000

I don't feel Plan C gives us the staffing level to truly meet community needs and I'd like to take time to assess patron demand and perhaps one day grow into Plan A level of staffing. To start, **my recommendation is that we go with Plan B.**

Through attrition or reassignment, we may be able to shift staffing hours from another area of library operations to Sam's Lab, but no matter where we shift these hours from, it will have an impact on the area where the hours will be lost. Ultimately, the Board will have to decide if this type of shift is a tradeoff we can live with. Here are some examples of where I think such a shift could happen, and what the potential impact will be:

<b>Position to eliminate</b>	<b>Implications</b>	<b>Approximate amount that could be reallocated</b>
IT Associate	No one staffing IT Help Desk for 10 hours each week. These hours become self-service only, or the burden to assist is shifted to Adult Services during	\$19,450

(17 hours)	<p>these hours.</p> <p>Proposed hours based on patterns of lowest use are:</p> <p>9-10 AM Mon – Sat</p> <p>8-9 PM Mon – Thurs</p>	
<p>Library Aide</p> <p>(17 hours)</p>	<ul style="list-style-type: none"> <li>• 17 fewer hours of work from the Library Aides will result in approximately 15 fewer carts of returned materials shelved per week or 60 carts per month. Our most recent tracking showed that on average materials take 1.6 days to get back to the shelf when they are returned. This lag time will increase which may confuse or frustrate patrons.</li> <li>• Library Aide duties such as filling in displays and emptying bins will be reassigned to other departments.</li> </ul>	\$15,028
<p>Business Office Assistant</p> <p>(17 hours)</p>	<ul style="list-style-type: none"> <li>• Duties currently performed by the person in this position will be shifted to the Director, Assistant Director, HR Coordinator, &amp; Business Office Manager. We will work to streamline and create more efficient procedures in our workflow, but tasks such as filing and audit preparation are likely to take longer to complete.</li> </ul>	\$22,675
<p>Interlibrary Loan Associate</p> <p>(17 hours)</p>	<ul style="list-style-type: none"> <li>• Elimination of this position will result in a backlog of getting new materials out to the shelves, because of how tasks would have to be reassigned within the Materials Management Department.</li> </ul>	\$20,030
<p>Community Engagement Assistant</p> <p>(17 hours)</p>	<ul style="list-style-type: none"> <li>• APL would participate in fewer outreach events and/or have a lower level of engagement at the events we do attend. By sending 2 or 3 staff members to an event, one staff member can have more in-depth conversations with people and answer questions while the other facilitates the prize</li> </ul>	\$22,100

	<p>wheel or other activity being offered to draw people in. In depth situations often include issuing new library cards, giving overviews of library services, and responding to a resident's concerns.</p> <ul style="list-style-type: none"> <li>• CE staff would also be less available to collaborate with other departments on library wide initiatives like Summer and Winter Reading and Día de los Niños, and would be less available to provide back-up desk coverage and back-up for things like notary services.</li> </ul>	
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My intent, if we move forward with any of these changes, would be to ensure that no employee is laid off or terminated as a result of these changes. Staff who have suitable skills could be reassigned to a new position in Sam's Lab. Otherwise, I propose these changes be made through attrition when a vacancy occurs.

There is also the possibility of eliminating things from other areas of our budget in order to make up some or all of the costs needed to increase staffing for Sam's Lab. Some examples of this include:

<b>Change</b>	<b>Impact</b>	<b>Cost Savings</b>
Drop our participation in the Village newsletter	One less opportunity each quarter to "Share our Story" with the community. ("Sharing our Story" is a current priority in our strategic plan.)	\$4,380
Cut our library newsletter back to 4 issues per year instead of 6	Again, fewer opportunities to "share our story". Programs will need to be planned and scheduled even further in advance or promoted in some other way.	\$17,000
Eliminate or reduce our level of participation in the annual community parade	This would be another reduction in our level of engagement with the community. Our float has definitely made us stand out in recent years as the total # of floats has declined. The book giveaways have been extremely popular. I should also note that we	Float - \$1250 Books - \$3,000 Adult giveaways - \$1,000 Shirts - \$1,300

	have been using Per Capita grant funds to help cover the cost of the parade for the last several years.	Float Décor & supplies - \$1,000
Eliminate the book giveaway as part of summer reading	This has become something that sets are program apart and has been highly popular with participants. I anticipate patrons being disappointed if we eliminate this. Many children in our community do not own a lot of books, and being able to select a book they can keep has been very impactful.	\$12,295
Reduce Staff Development Days from 2 per year to just 1	These days are an important way for many of our staff to meet their requirements for continuing education each year and have been an essential part of our team building and development of camaraderie among staff.	\$5,000

Another approach would be for the Board to direct me to find \$XXXX (you can specify the amount) in the budget that can be shifted into the salaries and wages budget line. I can then work with Department Heads to identify ways to do this, and report back to the Board. For example, maybe we continue to offer 2 staff development days each year but eliminate breakfast and reduce the amount of money we spend on speakers or supplies in order to lower the overall cost. Perhaps we can keep the same # of newsletters per year but print on a lower quality of paper or have fewer pages. I am confident that staff can look closely at all of our spending and come up with places to cut that will minimize the impact on our users and the community. If we can find incremental savings across several different budget lines to hit the target the Board sets for us to shift, that is likely to have a lower overall negative impact than complete elimination of specific programs or services or events.

# Plan A

## What the Library Gets

<b>BUSINESS MODEL</b>	Service Desk - 2 staff members <u>simultaneously</u> . "On Desk" except for Sundays
Staffed Lab Hours	34
One-on-Ones	Only for the Sound Studio, Spanish help, or most advanced projects
Programs (by Staff)	2 programs weekly; with 2-3 in Spanish a month
Programs (by Guest Presenters)	1 per month
Special Events (by Staff & Guest Presenters)	<ul style="list-style-type: none"> <li>● Maker-in-Residence</li> <li>● Maker Fest</li> </ul>

## Staffing Needs

<b>TOTAL HOURS PER WEEK</b>	109 (with 64.5 hours "On Desk" and 44.5 hours for programs, program prep, meetings, training, website work, etc.)
Creative Services Coordinator (37.5 hours)	<ul style="list-style-type: none"> <li>● Writes majority of class materials, trains staff, manages equipment, webmaster</li> <li>● "On Desk" for 12 hours per week and as the weekend fill-in</li> </ul>
Creative Services Specialist (37.5 hours)	<ul style="list-style-type: none"> <li>● Spanish-English bilingual, helps write/translate class materials in addition to teaching classes, and does Spanish one-on-ones</li> <li>● "On Desk" averages 18 hours per week with a weekend rotation</li> </ul>
Creative Services Assistant #1 (17 hours)	<ul style="list-style-type: none"> <li>● "On Desk" 15 hours per week</li> <li>● Weekend rotation</li> </ul>
Creative Services Assistant #2 (17 hours)	<ul style="list-style-type: none"> <li>● "On Desk" 15 hours per week</li> <li>● Weekend rotation</li> </ul>

## Staffed Lab Hours

<b>Total hours open:</b>	34 hours
<b>Sunday</b>	1:00 - 4:30
<b>Monday</b>	Closed (3:00 -5:00 Teen Maker Monday or 6-8 Adult Evening Program)
<b>Tuesday</b>	10:00 - 6:00 (7:00 - 8:00 Evening Class in Spanish)
<b>Wednesday</b>	1:00 - 8:30
<b>Thursday</b>	Closed (10:00 - 12:00 Adult Morning Class or 6:00 - 8:00 Evening Class)
<b>Friday</b>	9:00 - 4:00
<b>Saturday</b>	9:00 - 4:00

These hours were picked so "Staff Lab Hours" wouldn't conflict with programs or time for machine maintenance. Thursday is closed for programs and LLT. Monday is closed for "Maker Mondays" with Teens. Friday-Sunday match Library hours. Tuesday has morning availability for patrons and Wednesday has evening availability.

# Plan B

## What the Library Gets

<b>BUSINESS MODEL</b>	Service Desk (1 staff member "On Desk" except for Sundays)
Staffed Lab Hours	29.5
Programs (by Staff)	2 programs weekly, with 1 in Spanish (To add Special Events here?)
Programs (by Guest Presenters)	1 per month
Special Events (by Staff & Guest Presenters)	<ul style="list-style-type: none"><li>● Maker-in-Residence</li><li>● Maker Fest</li></ul>

## Staffing Needs

<b>TOTAL HOURS PER WEEK</b>	79.5 (w/ 34 hours "On Desk" and 45.5 hours for programs, program prep, meetings, training, website work, etc.
Creative Services Coordinator (37.5 hours)	<ul style="list-style-type: none"><li>● Writes class materials, trains staff, manages equipment, webmaster</li><li>● Weekend fill-in</li></ul>
Creative Services Assistant (25 hours)	<ul style="list-style-type: none"><li>● Spanish-English bilingual, helps translate class materials in addition to teaching classes</li><li>● "On Desk" 19 hours per week (including Spanish one-on-ones)</li><li>● Weekend rotation</li></ul>
Creative Services Assistant (17 hours)	<ul style="list-style-type: none"><li>● "On Desk" 15 hours per week</li><li>● Weekend rotation</li></ul>

## Staffed Lab Hours

Sunday	Closed
Monday	Closed (3:00-5:00 Maker Monday or 6:00-8:00 Adult Evening Program)
Tuesday	10:00 - 6:00 (7:00-8:00 Evening Class in Spanish)
Wednesday	1:00-8:30
Thursday	Closed ( 10:00-12:00 Adult Morning Class or 6:00-8:00 Evening Class)
Friday	9:00 - 4:00
Saturday	9:00 - 4:00

# Plan C

## What the Library Gets

<b>BUSINESS MODEL</b>	By Appointment, plus "Drop-in" Lab Hours
Staffed Lab Hours	<ul style="list-style-type: none"><li>● Routine "Drop-in" Lab Hours (listed under Programs)</li><li>● Seasonal "Drop-in" Labs (listed under Programs)</li></ul>
Programs (by Staff)	1 weekly program in English. 1 monthly program in Spanish.
Programs (by Guest Presenters)	2 per month
Special Events (by staff & guest presenters)	<ul style="list-style-type: none"><li>● Maker-in-Residence</li><li>● Maker Fest</li></ul>

## Staffing Needs

<b>TOTAL HOURS PER WEEK</b>	62.5 hours (24 hours for one-on-ones, 6 hours for programs, average 6 hours for Drop-in Help, 24 hours for program prep, meetings, committee work, and training.)
Creative Services Coordinator (37.5 hours)	<ul style="list-style-type: none"><li>● Writes class materials, trains staff, manages equipment</li><li>● Weekend rotation (for programs and one-on-one appointments)</li></ul>
Creative Services Assistant (25 hours)	<ul style="list-style-type: none"><li>● Spanish-English bilingual, translates class materials in addition to teaching classes, and does Spanish one-on-ones.</li><li>● Weekend rotation (for programs and one-on-one appointments)</li></ul>
Need to reallocate the webmaster role	Need to reallocate the webmaster role to Community Engagement and IT Backend.

## Drop-In Lab Hours (to be listed under Programs)

Saturday (every other)	9:00 - 1:00
Friday	1:00 - 5:00
Other	Varies (in the format of drop-in programs)

The cost of employee health insurance is going up for 2026.

In the insurance industry, a loss ratio is the percentage of earned premiums an insurer pays out in claims and other loss-related expenses. These are our loss ratios for the last few years:

- 2022: 81%
- 2023: 86%
- 2024: 117%
- 2025 (Jan – July): 116%

For 2024 and now in 2025, Blue Cross Blue Shield of Illinois has paid out more than they've earned from us, so it is no surprise that they are seeking to raise their rates.

Their renewal for 2026 came in at 38.7% over this year. Our broker negotiated this down to 24.8% over this year's rates. And they offered an alternative renewal of only a 16.7% increase if we moved all employees into the high-deductible plan.

We will see a 6.37% increase in our dental insurance rates next year. There will be no increase in the rate for vision or life insurance.

Our employees can currently choose from an HMO, a \$1000 deductible PPO, and a high-deductible plan which also comes with a Health Savings Account or HSA. The high-deductible plan has a \$4500 deductible for single coverage and \$9000 deductible for family coverage.

A Health Savings Account (HSA) is a pre-tax savings account for qualified medical expenses, available only to individuals with a high-deductible health plan (HDHP). Employees can use it to cover the cost of their deductible or for other qualifying out-of-pocket health care related expenses.

Our broker has gone out to market to solicit bids from other carriers.

- United Healthcare declined the invitation to bid.
- Cigna had not submitted a bid as of September 3 when Sundae and I most recently met with the Village and our insurance brokers.
- Aetna offered a bid for coverage identical to what we currently receive from BCBSIL for the high-deductible plan only at 15% over our current rate, and after multiple rounds of negotiation with our broker, they have dropped that to 6.7%.

These changes will be voted on by the Village Board on September 15, and this is what I know at this point:

- We will see an increase in medical insurance costs in the coming year, plus a 6.37% increase in dental coverage.
- We will very likely move to a single plan offering – a \$4500 deductible plan that is coupled with a health savings account (HSA).
- It is very likely we will be switching from BSBSIL (who we've been with for at least the last 29 years that I've been employed at APL) to Aetna.

Our current policy specifies:

*The Library's typical contribution to employees' HSA will be set as the difference between the \$1000 PPO plan premium and the \$4,500 High-Deductible Plan premium, up to the statutory annual limit for individual coverage plus 50% of the difference between the \$1000 PPO plan premium and the \$4,500 High-Deductible Plan premium for dependents.*

Since we will no longer have the \$1000 PPO plan, we cannot use the difference in cost of those two plans as the basis for the HSA contribution. Instead, I recommend we change our policy language to be more general, stating:

*The library will contribute to eligible employees' Health Savings Accounts, on a bi-weekly basis. The contribution amount is subject to annual approval by the Library Board and is subject to change.*

This language is similar to the current Village of Addison policy.

In addition to a motion approving the policy change, the Board would then need to pass a motion setting the HSA contribution limits for 2026.

For 2026, I recommend contributions at the limit shown in the table below:

HSA CONTRIBUTIONS		
Proposed for 2026	APL Contribution	2026 IRS Limit
Single coverage/Employee only	\$1500	\$4400
Employee + 1 dependent	\$3000	\$8750
Family	\$4,500	\$8750

The total cost for this, if everyone currently on our plan maintains their current status with single coverage, 1 dependent, or family (2 or more dependents) coverage will be \$69,000.

I want to note that this proposal is a reduction in the current level of contribution. The following table shows the 2025 contribution amounts, based on the difference in policy premiums as described in our current policy.

HSA CONTRIBUTIONS		
Current (2025)	APL Contribution	2025 IRS Limit
Single coverage/Employee only	\$4,180	\$4300
Employee + 1 dependent	\$5,092.26	\$8550
Family	\$6,004	\$8550

We currently have 10 employees enrolled in the HSA with single coverage, 1 employee in the HSA with one dependent, and 1 employee who has family coverage, and so our costs this year for HSA contributions total \$52,896.26.

Nearly 2/3 of our full-time employees will be switching from one of the other plans currently offered into the high-deductible plan next year.

I'd like to be as generous as possible with the HSA contribution this year, because so many of our employees will be moving to this plan for the first time if this is the only choice we offer them and so they will be starting off the year with \$0 in their account. That \$4500 deductible is going to be daunting until they can build up funds in their HSA accounts. Having to change to the high-deductible plan and switch from Blue Cross to Aetna is going to be a lot of change at one time. If we continue to see premium increases in future years, we can re-examine the contribution amounts or the employee contribution amounts toward the policy premiums, but I believe this is an appropriate level for 2026.

# Medical Marketing Financial Analysis - Library

Medical	Enrollment	BCBS Current	BCBS Initial Renewal	BCBS Negotiated Renewal	BCBS 4500 HDHP (Initial)	Aetna 4500 HDHP (Initial)	Aetna 4500 HDHP (Illustrative)	Aetna 4500 HDHP (Negotiated)	Aetna 4500 HDHP (Negotiated FIRM)
<b>Total Annual</b>	<b>284</b>	<b>\$4,811,701</b>	<b>\$6,673,397</b>	<b>\$6,005,013</b>	<b>\$5,616,366</b>	<b>\$5,531,778</b>	<b>\$5,290,526</b>	<b>\$5,290,526</b>	<b>\$5,131,829</b>
<b>Annual \$ Difference from Current</b>			<b>\$1,861,696</b>	<b>\$1,193,312</b>	<b>\$804,665</b>	<b>\$720,077</b>	<b>\$478,826</b>	<b>\$478,826</b>	<b>\$320,128</b>
<b>Annual % Difference from Current</b>			<b>38.7%</b>	<b>24.8%</b>	<b>16.7%</b>	<b>15.0%</b>	<b>10.0%</b>	<b>10.0%</b>	<b>6.7%</b>
<b>Premium Holiday / Credit</b>			<b>\$0</b>	<b>-\$40,000</b>	<b>-\$40,000</b>	<b>-\$25,000</b>	<b>-\$25,000</b>	<b>-\$158,000</b>	<b>\$0</b>
<b>Total Annual Less Credit</b>			<b>\$6,673,397</b>	<b>\$5,965,013</b>	<b>\$5,576,366</b>	<b>\$5,506,778</b>	<b>\$5,265,526</b>	<b>\$5,132,526</b>	<b>\$5,131,829</b>
<b>Annual \$ Difference from Current</b>			<b>\$1,861,696</b>	<b>\$1,153,312</b>	<b>\$764,665</b>	<b>\$695,077</b>	<b>\$453,826</b>	<b>\$320,826</b>	<b>\$320,128</b>
<b>Annual % Difference from Current</b>			<b>38.7%</b>	<b>24.0%</b>	<b>15.9%</b>	<b>14.4%</b>	<b>9.4%</b>	<b>6.7%</b>	<b>6.7%</b>
<b>Annual Total (Library Only)</b>	<b>33</b>	<b>\$407,676</b>	<b>\$565,854</b>	<b>\$509,187</b>	<b>\$465,513</b>	<b>\$458,504</b>	<b>\$438,508</b>	<b>\$438,508</b>	<b>\$425,353</b>
<b>Annual \$ Difference from Current</b>			<b>\$158,178</b>	<b>\$101,510</b>	<b>\$57,837</b>	<b>\$50,827</b>	<b>\$30,831</b>	<b>\$30,831</b>	<b>\$17,676</b>
<b>Annual % Difference from Current</b>			<b>38.8%</b>	<b>24.9%</b>	<b>14.2%</b>	<b>12.5%</b>	<b>7.6%</b>	<b>7.6%</b>	<b>4.3%</b>

\* Enrollment updated with census information pulled 8/26/2025

# 2025 Employer Funded HSA Cost Impact - Library

IRS Limits / Contribution Type	2026	2025	2024	2023	2022	2021	2020	2019	2018	Change 2025:2026
HSA Contribution Limit (Self-Only)	\$4,400	\$4,300	\$4,150	\$3,850	\$3,650	\$3,600	\$3,500	\$3,500	\$3,450	Additional \$100
HSA Contribution (Family)	\$8,750	\$8,550	\$8,300	\$7,750	\$7,300	\$7,200	\$7,100	\$7,000	\$6,900	Additional \$200
HSA Catch-Up Contribution (age 55+)	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	No Change

Proposed Employer HSA Funding (Library)						
\$0 Premium for EE's; Maintain Current HSA Funding Level						
Tier	Enrollment	\$4500 HDHP Premium	EE Contribution	Employer HSA Funding	EE Contribution	Employer HSA Funding
Employee Only	24	\$782.36	\$0	\$4,180.20	\$156.47	\$4,180.20
Employee + 1	5	\$1,535.81	\$0	\$5,092.26	\$307.16	\$5,092.26
Family	4	\$2,247.59	\$0	\$6,004.32	\$449.52	\$6,004.32
<b>Total</b>	<b>33</b>	<b>\$425,353</b>	<b>\$0</b>	<b>\$149,803</b>	<b>\$85,071</b>	<b>\$149,803</b>
<b>VOA Cost Impact \$575,156</b>						

Proposed Employer HSA Funding (Library)						
EE's pay 20% of Premium; Maintain Current HSA Funding Level						
Tier	Enrollment	\$4500 HDHP Premium	EE Contribution	Employer HSA Funding	EE Contribution	Employer HSA Funding
Employee Only	24	\$782.36	\$782.36	\$4,180.20	\$156.47	\$4,180.20
Employee + 1	5	\$1,535.81	\$1,535.81	\$5,092.26	\$307.16	\$5,092.26
Family	4	\$2,247.59	\$2,247.59	\$6,004.32	\$449.52	\$6,004.32
<b>Total</b>	<b>33</b>	<b>\$425,353</b>	<b>\$425,353</b>	<b>\$149,803</b>	<b>\$85,071</b>	<b>\$149,803</b>
<b>VOA Cost Impact \$490,085</b>						

Proposed Employer HSA Funding (Library)						
\$0 Premium for EE's; Benchmark HSA Funding Level						
Tier	Enrollment	\$4500 HDHP Premium	EE Contribution	Employer HSA Funding	EE Contribution	Employer HSA Funding
Employee Only	24	\$782.36	\$0.00	\$1,500	\$156.47	\$1,500
Employee + 1	5	\$1,535.81	\$0.00	\$3,000	\$307.16	\$3,000
Family	4	\$2,247.59	\$0.00	\$4,500	\$449.52	\$4,500
<b>Total</b>	<b>33</b>	<b>\$425,353</b>	<b>\$0</b>	<b>\$69,000</b>	<b>\$85,071</b>	<b>\$69,000</b>
<b>VOA Cost Impact \$494,353</b>						

Proposed Employer HSA Funding (Library)						
EE's pay 20% of Premium; Benchmark HSA Funding						
Tier	Enrollment	\$4500 HDHP Premium	EE Contribution	Employer HSA Funding	EE Contribution	Employer HSA Funding
Employee Only	24	\$782.36	\$782.36	\$1,500	\$156.47	\$1,500
Employee + 1	5	\$1,535.81	\$1,535.81	\$3,000	\$307.16	\$3,000
Family	4	\$2,247.59	\$2,247.59	\$4,500	\$449.52	\$4,500
<b>Total</b>	<b>33</b>	<b>\$425,353</b>	<b>\$425,353</b>	<b>\$69,000</b>	<b>\$85,071</b>	<b>\$69,000</b>
<b>VOA Cost Impact \$409,282</b>						



**September 2025  
Tax Levy Overview**

For the last several years, the Library has pursued little or no increase in the property tax levy. Due to the increase in EAV for the community and a growing tax base with new development, our property tax rate has dropped in each of the last 5 years while the annual rate of inflation has steadily gone up as shown in the following table:

Year	Increase over prior year	Annual Inflation Rate*	Tax Rate	Total Extension
2020	1.07%	1.12%	.4232	\$5,536,762.46
2021	1.5%	4.7%	.4122	\$5,619,883.22
2022	3.0%	4.1%	.4041	\$5,793,134.01
2023	2.8%	2.9%	.3893	\$5,958,229.94
2024	0.12%	2.7%	.3587	\$5,965,527.50

\*Inflation rate data source: US Bureau of Labor Statistics for Chicago-Naperville-Elgin statistical region.

As the table shows, our tax rate has declined in each of the last 5 years, our revenue has increased by less than \$500,000 in that time, and we have not kept pace with inflation. As shown in the attachment marked Exhibit 4, which came from the presentation by the Village Finance Director to the Village Board last year, the Library's portion of the tax levy for the current year was a **decrease** of approximately \$6.70 on the tax bill for a property owner with a property assessed at a market value of \$350,000.

As operational costs continue to rise, the Library has had to continually shift money within our budget to maintain appropriate levels of service, and this minimal level of growth will not be sustainable for much longer without more dramatic changes including cuts to programs and services for our patrons.

I strongly encourage the Board to consider an increase in this year's tax levy of at least 3-5% over last year's extension.

In actual dollars:

- a 3% increase = \$178,968.82 in additional revenue for the library.
- a 4% increase = \$238,625.10 in additional revenue.
- a 5% increase = \$298,281.28 in additional revenue.

Property taxes in Illinois are local taxes imposed or levied by units of local government (school districts, municipalities, park districts, libraries, etc.). Property taxes are the primary source of income for the library. In the current year, taxes represent 93% of our projected revenue. This is actually lower than usual, because we have included the Gunda family donation for Sam's Lab in

our projected revenue. In years when we don't expect to receive such generous donations, taxes account for 95% or more of our overall revenue. Other revenue, such as printing and copying fees, are designed to just cover the costs of those services. They are not a reliable source of funding for general library operational costs.

The levy itself is a formal document, submitted by us to the Village and by the Village to the County, which asks the County to collect taxes on our behalf. The library portion is a separate tax and the revenue from it comes back directly to the library even though the request is submitted by the Village on our behalf and appended to its own levy request.

We request a specific dollar amount, and the County determines the percentage rate needed to collect that amount, distributing the burden among all property owners based on the equalized assessed value (EAV) of their property.

Equalized Assessed Value or EAV is determined by the Township and County assessors and used for determining and allocating taxes paid by individual property owners. In Illinois, counties are required to "equalize" property tax assessments so that the median level of assessment is at 33% of its fair market value. Property is reassessed every 3 years. If the average sales price in the overall market is either higher or lower than 33% of the current assessment, these assessed values will be increased or decreased to what is determined to be the correct level.

The total extension is the product of total EAV, less any exemptions that local property owners qualify for, multiplied by a calculated tax rate and is equal to the dollar amount of the library's levy for that year. The County Clerk calculates the tax rate needed to raise the dollar amount requested in our levy each year.

$$(EAV - \text{exemptions}) \times \text{Tax Rate} = \text{Taxes Due}$$

Increasing our levy over last year's extension does not mean that a property owner's tax bill will go up by the same percentage. Changes in EAV, qualifying exemptions, new development in town, and changes in zoning can all impact the change in an individual property owner's tax bill.

**TAX LEVY SUMMARY  
VILLAGE OF ADDISON/PUBLIC LIBRARY**

**WHAT EFFECT WILL THE 2024 TAX LEVY HAVE ON MY TAXES?**

		Estimating an 8.8% increase in EAV		
		2023 RATE	PROPOSED 2024 RATE	INCREASE/ DECREASE ON TAX BILL
X (TIMES)	MARKET VALUE CLASSIFICATION FACTOR	\$321,691 33.33%	\$350,000 33.33%	
= (EQUALS)	ASSESSED VALUATION	\$107,220	\$116,655	
X (TIMES)	STATE EQUALIZER	1.0000	1.0000	
= (EQUALS)	EQUALIZED VALUE	107,220	116,655	
- (MINUS)	HOMEOWNERS' EXEMPTION	\$6,000	\$8,000	
= (EQUALS)	EQUALIZED ASSESSED VALUATION	\$101,220	\$108,655	
/ (DIVIDED BY)	100	\$1,012	\$1,087	
X (TIMES)	VILLAGE TAX RATE (4.99%)	0.7064	0.6781	
= (EQUALS)	VILLAGE PORTION OF TAX BILL	\$715.02	\$736.79	\$21.77
X (TIMES)	LIBRARY TAX RATE	0.3907	0.3578	
= (EQUALS)	LIBRARY TAX BILL (3%)	\$395.47	\$388.77	-\$6.70
<b>TOTAL VILLAGE &amp; PUBLIC LIBRARY TAX BILL</b>		<b>\$1,110.48</b>	<b>\$1,125.56</b>	
INCREASE IN TAX BILL			\$15.08	

	2023 Rates	2024 Est Rates	Incr(Decr)
Corporate	0.3840	0.3535	(0.0305)
Police Pension	0.2868	0.2939	0.0071
Aggregate Refunds	0.0025		(0.0025)
2017A GOB (Ref 2010)	0.0171	0.0161	(0.0010)
2020 GOB (Lutherbrook)	0.0160	0.0146	(0.0013)
			-
Library	0.3907	0.3578	(0.0329)
Total Rate	1.0971	1.0359	(0.0612)
	2023 Taxes	2024 Est Taxes	Incr(Decr)
Corporate	\$388.68	\$384.06	(\$4.62)
Police Pension	\$290.30	\$319.29	\$29.00
Aggregate Refunds	\$2.53	\$0.00	(\$2.53)
2017A GOB (Ref 2010)	\$17.35	\$17.52	\$0.18
2020 GOB (Lutherbrook)	\$16.16	\$15.91	(\$0.25)
Library	\$395.47	\$388.77	(\$6.69)
Total Increase In Tax Bill	\$1,110.48	\$1,125.56	\$15.08