

**FINANCE COMMITTEE MINUTES**  
**Deerfield Public Library Board of Trustees**  
**Deerfield Public Library**  
**6:15 pm**  
**March 8, 2011**

1) ROLL CALL AND CALL TO ORDER

The meeting was called to order at 6:25 p.m.

Attending: Board: Sunday Mueller – Chair, Jeff Rivlin. Staff: Library Director Mary Pergander, Business Manager Carol Dolin

2) OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD, and CORRESPONDENCE  
None.

3) CONSENT AGENDA – The following items are proposed for approval as a group without further discussion. Prior to the motion to approve these, any Board member may request an item be removed from the Consent Agenda and discussed later in the agenda.  
None.

4) TREASURER REPORT

Ms. Mueller requested that the meeting proceed with New Business to be followed by a discussion of the municipal bond market.

5) OLD BUSINESS

a) Discussion of municipal bond market  
Discussed after New Business

Ms. Mueller proposed a meeting with herself, Ms. Pergander, Ms. Dolin, Mr. Larson from Ehlers and Associates, and Mr. Fialkowski from the Village to discuss the timing for issuing bonds for the Library and what, if anything, has changed considering Mr. Fialkowski's success in receiving the large allocation of Qualified Energy Conservation Bonds (QECB). Municipal bond rates spiked higher in January and February, but are coming back down somewhat. Mr. Rivlin said refunding in January and June affect rates somewhat and the situation with the State of Illinois is not likely to improve significantly in the near future. The Library could benefit by input from Mr. Fialkowski and Mr. Larson about when is the most advantageous time to issue the Library's bonds. Ms. Mueller discussed the potential carrying cost of getting the funding before it is needed, balanced by issuing bonds when it is most advantageous from a rate standpoint. She proposed asking the Village if they would pass the required resolution to issue the bonds so we are ready to go should the rates dip. Mr. Rivlin said issuing bonds in two issues could provide an advantage because if the issue is less than \$10 million, the rates can be better. In addition, if the remaining \$3 million QECB is still available, we could be ready to try for them in a second issue. There may be a time limit on how long the recommended resolution would be considered active before utilized. Ms. Pergander will contact Mr. Fialkowski and Mr. Larson to try to set a meeting for March 17. Ms. Mueller said the Library should consider how to invest the funds to minimize carrying costs. Mr. Rivlin suggested T-bills and laddered Treasuries and said Mr. Larson could advise us using tools he has at his disposal. The Village uses a money manager to manage the investment of funds. Ms. Pergander will ask Mr. Fialkowski for a recommendation. Mr. Rivlin said the Library needs to investigate establishing a Foundation at a later date. Mr. Rivlin and Ms. Mueller briefly discussed Construction Manager (CM) at Risk and the probable legality of the Guaranteed Maximum Price if the CM is brought on later in the process. A list of responsibilities for the Owner's Representative and CM is needed.

6) NEW BUSINESS

a) Annual review of Financial Policies

i) Petty cash

Ms. Dolin proposed several revisions to the Petty Cash Policy, including reducing the amount of cash on hand, allowing for reimbursement by Petty Cash Check for less than \$25 if too little cash is available in the cash box to reimburse in cash, and allowing funds transfer from the General Fund to replenish the Petty Cash Checking Account along with formatting changes. The committee approved the amended and reformatted policy and recommended including it in the consent agenda for the March 16 Regular Board meeting.

ii) Purchasing (with Credit Card Agreement revision)

Ms. Dolin proposed reformatting of the Purchasing Policy and removal of the final paragraph from the Credit Card Agreement. The committee agreed the language should be revised for legal reasons. Mr. Rivlin suggested alternative language to investigate. Ms. Dolin will check with The Management Association and revise language for inclusion in the regular Board Meeting Packet. Assuming this language is accepted, the committee recommended the revised and reformatted Purchasing Policy be sent to the full board for approval.

iii) Investment

The committee reviewed and recommended for approval the formatting changes in the investment policy.

b) Proposed Resolutions

i) Reserve Fund transfer

The committee reviewed and recommended for approval a resolution regarding the planned funds transfer from the Reserves to the General Fund for the RFID and pre-construction costs. The recommendation to approve will be included in the Treasurer's Report at the March 16 Regular Board Meeting.

ii) Revision to Resolution about Bank Financial deposits (FDIC versus collateralization)

The committee reviewed a resolution revising the standards for balances held in the Bank Financial Spectrum Money Market account. When the account was established, it was not collateralized, so to meet the standards in the Investment Policy, FDIC limits were imposed. The account is now collateralized, so the FDIC limits can be removed. The proposed resolution requires that the account meet the standard set forth in the investment policy rather than FDIC limits. The committee recommended this resolution for approval by the board. It will be included in the consent agenda for the March 16 Regular Board Meeting.

7) Proposed changes to Board financial reports and approvals

The committee discussed the current Revenues and Expenditures (R&E) report to the Board. Ms. Dolin asked if personnel expenses should be presented with the checklist and approved by a voice vote rather than contained within the consent agenda. Personnel expenses are reported on the revenues and expenditures with a comparison to the previous year and percent of budget spent, so the committee prefers to maintain current practice. Ms. Dolin asked if there were any changes the committee would like to make to the budget lines in the R&E. The committee prefers a higher level of detail in the automation and library materials lines and less detail in the Hicks Scholarship lines. A separate detail report would be best for the Library Renovation and Expansion project. Ms. Dolin will discuss potential formats with the Mr. Burk and present some sample reports in April.

Ms. Mueller returned to Old Business to discuss the municipal bond market and timing of issuing bonds for the building project.

8) EXECUTIVE SESSION

The Board may go into Executive Session (closed to the public) to discuss personnel, legal, real estate and other matters as allowed by Illinois law.

None.

9) ADJOURNMENT

The meeting adjourned at 7:37 p.m.