

Loutit District Library  
Finance Committee Meeting Minutes  
January 7, 2020

Committee members present: Brooks, Derdowski, De Young, Osmun (arrived at 4:00pm), Zink and Martin  
Committee members absent: Craun and Skruch

Meeting called to order by Brooks at 3:05 P.M.

Minutes from the November 7, 2019, Finance Committee meeting were approved as submitted.

1. RAM Construction Concrete repairs – Martin reported on cracks that have appeared on the top two steps at the Columbus entrance. Consulting engineer Ross Smith has been in contact with RAM. The library continues to hold retainage. Smith to present information at a Building and Grounds Committee meeting on January 23.
2. FY2020-2021 Budget Schedule – Discussion of the schedule, from April 20 through June 3, for presentation of the FY20-21 budget. In years past it has seemed rushed to present the budget proposal to committees and the board and then to make changes, present back to committees and board, and then adopt the new budget at the first meeting in June. To try to alleviate some of that stress staff will present the proposed staffing and benefits budget to the Finance and Personnel committees in March with a draft budget presented in early April. If necessary, a special board meeting could be called for mid-June to adopt the final version of the FY20-21 budget.
3. Robbins Road Sale Proceeds – The property was sold at a closing on Friday, December 13, 2019, with the library proceeds totaling \$579,920 after expenses. Three proposals were presented on ways to dispose of the sale proceeds while meeting the intent board's June 27, 2006, Statement of Intent on sale proceeds.

The options presented were, 1) utilize the proceeds to make annual interest payments on bonds A and B; 2) pay a portion of the annual principal payments on either A, B or both, or 3) invest the proceeds and pay the final two years of Bond A principal and final four years of Bond A interest. Additional ideas brought forward were to 4) divide the proceeds evenly by 8 remaining years of payments and applying half to Bond A and half to Bond B, or 5) to divide the proceeds by 8 remaining years and apply even amounts annually to Bond B. It was pointed out that funding to purchase the property originally came from the General Fund and that repaying Bond B would be repaying the General Fund for that original investment.

For the next meeting, staff were instructed to bring proposals showing proceeds divided by eight remaining years with all payments going towards Bond B, Bond A, and evenly split between the two bonds.

4. Due to the regular board meeting beginning at 4:30pm, the committee did not have time to discuss the MERS DB retirement plan. This will be discussed at the next Finance Committee meeting along with proposed wage and salary scale for the Maintenance Technical position.

Next meeting date – Monday, February 3, 2020 @ 4:30 P.M.

Meeting adjourned at 4:25 P.M.

Respectfully submitted,  
John Martin, Library Director