

Loutit District Library
Finance Committee Meeting Minutes
October 21, 2020

Meeting held via Zoom.

Committee members present: Brooks, Craun, Derdowski, De Young, Zink and Martin

Committee members absent: Osmun

Also present: Doug Vredevel

Meeting called to order by Brooks at 4:31 P.M.

Minutes from the May 12, 2020, were approved as submitted.

1. FY 2019-2020 Audit Presentation – Doug Vredevel, representing Vredevel Haefner LLC, presented his findings for the FY 2019-2020 audit report. Doug pointed out the following financial items from the FY audit:
 - This was a clean audit and Doug expressed his thanks to Sara for preparation of documentation needed for the audit.
 - General Fund fund balance at June 30, 2020, was at 38% of General Fund expenditures. Board goal is to keep the fund balance at no less than 25%.
 - Pension liability went from \$614,804 as of Dec. 31, 2018 to \$648,283 as of Dec. 31, 2019. Pension plan fiduciary net position as a percentage of total pension liability increased slightly to 79%, when the goal is fully funding pension liability, or 100%. Doug stated this is still a very good number and far better than most other governmental units he works with. Sara is working with MERS on options to make the library's retirement plan sustainable and beneficial to employees.
 - Doug recommended the library implement a two-step procedure for ACH bill payments. Sara is in process of setting this up with the bank.
 - Dave asked about review of bank statements. The two-step process is that Sara prepares the statements and John reviews and signs off.
 - Once suggested edits are made to the audit it will be presented to the board at their November 3 meeting.

2. Other:
 - A. With the audit now completed, Sara is finalizing updates to the library's Five-Year Financial Plan. Rather than hold a meeting in November, consensus was to have Sara distribute the new Plan which could then be reviewed at a future Finance Committee meeting.

Meeting adjourned at 5:26 P.M.

Respectfully submitted,
John Martin, Library Director