

GREEN HILLS PUBLIC LIBRARY DISTRICT
BOARD OF TRUSTEES
May 23, 2022
Finance Committee Meeting

The Green Hills Public Library District Finance Committee met at the Library on May 23, 2022.

CALL TO ORDER AND ROLL CALL

Treasurer Stratakos called the meeting to order at 6:00 p.m. Present were K. Groark and S. Stratakos.

Also present was Jane Jenkins, Library Director and Roberta Richter, Head of Business Services.

A. Mohammad arrived at 6:15 p.m.

ACKNOWLEDGEMENT OF VISITORS AND PUBLIC COMMENT

Kelly Zabinski of Zabinski Consulting Services, Inc.

DISCUSSION

Opening Portfolio Management Account (PMA): Director Jenkins and Head of Business Services, Richter met with a representative from PMA to discuss the Library's investment plan and cash flow assessment. Administration is recommending joining PMA and asked that the Finance Committee make the recommendation to the full Board at the June 20 Regular Board Meeting.

Kelly Zabinski; Overview of Library's Financial Position, Levy, and General Accounting Principles: Zabinski gave the Trustees information regarding her background in accounting and working with municipalities. She defined why each of the Library's "funds" were created and their purpose:

- General Fund. The Library can spend money from this fund on any library purpose. This fund should not have an extreme overflow of unexpended cash. Unexpended cash should be transferred to the Special Reserve Fund after the annual audit. The Library should limit what is spent on capital expenditures from the General Fund.
- Building and Maintenance Fund. This fund is used to pay anything related to building and the maintenance of the building.
- Working Cash Fund. This fund is no longer levied for.
- Special Reserve. This fund is set up as a capital project replacement fund. There is no cap on how much the Library can save to this fund, as long as a capital plan is put in place. The Library has a Special Reserve Ordinance which dictates how the money can be spent. Every year's unexpended cash has to be transferred to this fund according to the ordinance.

Zabinski recommended that Management consider the smartest plan to spend funds to fulfill the Library's mission. Things to consider:

1. Does the building need more improvement? Make sure building costs will be covered for 2023.
2. How is our personnel retention?
3. Look at salaries for all. Look at staffing levels. Make sure salary ranges are competitive for 2023 and beyond.

Zabinski recommended using a governmental investment advisor. She mentioned PMA and explained that they will perform a cash flow assessment, work with Administration to ensure that 6-9 months in monies are available, write a cash handling policy, and ensure that investments are quality investments.

Zabinski recommended discontinuing overfunding the Library's retirement fund at this time.

Zabinski noted that in December, Administration and the Trustees must decide whether or not to levy for more than 4.99%. She discussed the following in relation to this topic:

- PTELL (Property Tax Extension Limitation Law).
- If the Library levies for more than 5%, a TITA (Truth in Taxation) Hearing must be held.
- Management should review the Library's 5-year Capital Plan.
- Staffing.
- Programming.

The pro of asking for the extra percent allows the Library to not lose future monies. The con of not asking is that the monies are lost in the future.

Zabinski recommended keeping the Building and Maintenance at .02%.

ADJOURNMENT

There being no further business before the Committee, Treasurer Stratakos adjourned the Finance Committee Meeting at 7:18 p.m. Upon a voice vote all trusted voted "aye." Motion carried.

Prepared and submitted by,



Roberta Richter, Head of Business Services