

MONROE COUNTY PUBLIC LIBRARY BOARD OF TRUSTEES MEETING
Wednesday January 17, 2024
Immediately Following the Board of Trustees Meeting, approximately 6:15pm
Downtown Library Meeting Room 1B/1C

Join Zoom Meeting: <https://us02web.zoom.us/j/86207844321>

AGENDA

1. Call to Order – Chris Harrison, President
2. Election of President and Secretary of Board of Finance - Chris Harrison
3. Review of Investment Report and Policy - Gary Lettelleir (pages 1-5)
4. Adjournment

View the Board Packet on the Library's website: <https://mcpl.info/library-trustees/meetings>

MONROE COUNTY PUBLIC LIBRARY BOARD OF TRUSTEES PUBLIC COMMENT POLICY

The Library Board of Trustees shall have a time providing for public comment during all public meetings. Comments should be relevant to Library matters, excluding personnel issues. Individual speakers are asked to limit their remarks to three–five minutes. The chair shall be allowed to limit the time for individual speakers and to limit the total time for public comment.

Public comment time is provided for the public to express their opinions or concerns about matters over which the Board of Trustees has authority or responsibility. Comments are intended to be statements from speakers; speakers may not engage the Board in a question & answer exchange during public comments. Questions relating to Library or administrative procedures which could be addressed outside of a Library board meeting should be referred to the appropriate Library staff at other times. Expressions of opinion about these matters are appropriate for the public comment time on the agenda.

Approved by the Library Board of Trustees July 17, 2019

MONROE COUNTY PUBLIC LIBRARY
FINANCE AND INVESTMENT REPORT
CALENDAR YEAR ENDING DECEMBER 2023

2023 has been a big year for MCPL with the opening of the new Southwest Branch.

We were projecting an operating surplus for 2023 to be in the range of \$100,000 to \$500,000. The actual 2023 operating surplus is \$438,438. That's good news considering that operating **cost in 2024 increased** by about \$600,000.

The total cash balance at the end of 2023 is lower than in past years. Mainly because the cash was used to complete the new branch project for the opening in June. The total library cash at the end of 2022 was about \$13 million and now at the end of 2023 it is down to about \$7.4 million. This decrease in cash was expected. After year-end transfers the rainy day fund will have a cash balance over the \$1 million reserve amounting to about \$1.2 million. The \$1.2 million came from the 2022 and 2023 operating surplus funds. These rainy day funds will be available for future service expansion.

Looking ahead to 2024 and beyond. For 2024 the library revenue from the tax levy is projected to increase by about \$814,000. This revenue increase will help offset the operating cost increase for the new branch which will have its first full year of operation in 2024. For 2025 we should still have an operating surplus.

We are in a period of rapid growth in terms of county assessed value and statewide personal income. The increase in statewide personal income is the driver for the expected 4% growth quotient increase in 2025. A 4% growth quotient in 2025 would mean revenue from property taxes for the library would increase by about \$300,000. This increase should cover 2025 operating cost increases and provide some surplus to be used for future service expansion. I am estimating the 2024 and 2025 operating surplus to be in the \$500,000 range for both years at this point.

The following reports are included after this page:

Balance Sheet

The Operating Surplus Analysis

The MCPL Investment policy – no change this year

MCPL Cash and Fund Balances

As of 12/31/2023

	Bank Name -->	Old National 06300	German American 06400	First Financial Checking 06600	First Financial Money Market 06610	SW Branch Escrow Account 06530
	<u>Fund Name</u>					
003	Clearing	-				
100	Operating	2,245,827.41	54,519.00	21,109.97	(2,112,328.84)	4,282,527.28
201	rainy day	1,043,718.24	189.01		574,133.04	469,396.19
234	gift unrestricted	8,108.47	1,991.65		6,116.82	
236	gift restricted	21,911.20	10,050.00		11,861.20	
239	gift FOL	127,149.93	7,525.92		119,624.01	
250	CATS special rev	1,348,209.13	22,741.25		645,467.88	680,000.00
260	Jail	-	5,542.14		(5,542.14)	
280	ARPA	-				
300	debt	125,129.55			125,129.55	
319	bond 2019	-				
321	6m branch bond	110.22			110.22	-
322	2m bond 2021	1,730,307.58			530,324.58	1,199,983.00
400	LIRF	752,548.66			243,360.10	509,188.56
800	plac - clearing	792.04	2,191.39	12,996.00	(14,395.35)	
		7,403,812.43	104,750.36	34,105.97	123,861.07	7,141,095.03

MCPL
Operating Surplus Analysis

December 2023

		estimate 2025	estimate 2024	actual 2023	actual 2022	actual 2021	actual 2020
Assessed Value	Actual		10,036,082,118	9,864,126,056	8,360,378,009	7,883,285,120	7,388,883,663
Assessed Value	estimate	10,300,000,000					
Tax Rate per \$100 Assesed Value			8.48	7.83	9.25	9.42	9.70
Property Tax Levy	Actual	7,966,281	7,659,886	6,845,703	7,014,548	6,834,385	6,457,265
Growth Quotient		4.0%	4.0%	5.0%	4.3%	4.2%	3.5%
				Budget penalty reduced tax levy for 2023			
Levy increase from previous year		306,395	814,183	(168,845)	180,163	377,120	223,886
Other Operating Revenue	Actual	3,600,000	3,600,000	3,588,819	3,435,386	3,525,224	3,410,864
Increase (decrease) from previous year				153,433	(89,838)	114,360	(26,623)
Total Operating Revenue	Actual	11,566,281	11,259,886	10,434,522	10,449,934	10,359,609	9,868,129
Increase (decrease) from previous year		306,395	825,364	(15,412)	90,325	491,480	197,263
Salaries	Actual	5,700,000	5,600,000	5,226,578	4,767,729	4,469,781	4,549,840
Increase (decrease) from previous year			373,422	458,849	297,948	(80,059)	96,506
Benefits	Actual	2,000,000	1,900,000	1,803,105	1,530,004	1,518,962	1,482,352
Increase (decrease) from previous year			96,895	273,101	11,042	36,610	(5,206)
Total Salary & Benefits	Actual	7,700,000	7,500,000	7,029,684	6,297,733	5,988,743	6,032,192
Increase (decrease) from previous year		200,000	470,316	731,951	308,990	(43,449)	91,300
Other Operating Expense	Actual	3,300,000	3,200,000	2,966,400	3,104,812	2,529,841	2,420,895
Increase (decrease) from previous year		100,000	233,600	(138,412)	574,971	108,946	(96,301)
Total Operating Expense	Actual	11,000,000	10,700,000	9,996,084	9,402,545	8,518,584	8,453,087
Increase (decrease) from previous year		300,000	703,916	593,539	883,961	65,497	(5,001)
Rainy Day Transfer	Actual		1,245,827	1,376,210	1,176,781	1,129,000	1,091,000
LIRF Transfer	Actual						
Total Operating Expense and Transfers		11,000,000	11,945,827	11,372,294	10,579,326	9,647,584	9,544,087
Operating Surplus		566,281	559,886	438,438	1,047,389	1,841,025	1,415,042

Finance and Investment Policy

Board of Finance

The duly appointed members of the Monroe County Public Library Board of Trustees are the fiscal body of the Library and thus constitute "The Board of Finance". The members serve without compensation. (IC 5-13-7-5), (IC 36-1-2-6)

Annual Meeting

The Monroe County Public Library Board of Finance shall meet annually immediately following the January Board of Trustees Meeting to elect a president and secretary, review the written report of the Library's investments during the previous calendar year and review the Library's investment policy. (IC 5-13-7-6), (IC 5-13-7-7)

Fiscal Officer

The duly elected treasurer of the Monroe County Public Library Board is the fiscal officer of the Library. (IC 36-12-2-22) The Treasurer shall serve without compensation.

Deposits

All funds received by the Library shall be deposited in one or more designated depositories not later than the business day following receipt and shall be deposited in the same form in which they were received. (IC 5-13-6-1)

Investments

The Treasurer is authorized to invest Library funds in the following (IC 5-13-9);

1. United States Government Securities or discount notes backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States and issued by:
 1. The United States Treasury;
 2. a federal agency;
 3. federal instrumentality
 4. a federal government sponsored enterprise.
2. Repurchase Agreements (including standing repurchase agreements, commonly known as sweep accounts):
 1. With depositories designated by the State Board of Finance as depositories for state investments under IC 5-13-9.5; and
 2. Involving the political subdivision's purchase and guaranteed resale of any interest-bearing obligations issued; or fully insured or guaranteed; by the United States, a United States government agency, an instrumentality of the United States, or a federal government sponsored enterprise.
3. Money Market Mutual Funds in the form of securities of or interests in an open-end, no-load, management-type investment company or investment trust registered under the provisions of the federal Investment Company Act of 1940, as amended (15 U.S.C. 80a et seq.) These investments shall be made in depositories designated by state board of finance as depositories under IC 5-13-9.5.

Investments made by the Library's fiscal officer must have a stated final maturity of not more than two (2) years after the date of purchase or entry into a repurchase agreement (IC 5-13-9-5.6) except for investments with a final maturity more than (2) years but not more than (5) years which may not exceed 25% of the total portfolio as permitted by (IC 5-13-9-5.7).

Interest Earnings

All interest earnings derived from an investment by the Library's fiscal officer shall be receipted to the Operating Fund.

Depositories

All public funds of the Monroe County Public Library shall be deposited in the designated depositories located in the territorial limits of the Library District. (IC 5-13-8-9)

Investment Cash Management

The Monroe County Public Library Board of Finance may contract with a state designated depository for the operation of an investment cash management system. (IC 5-13-9-4) Investment decisions and record keeping shall follow IC 5-13-9-4.

Transaction Accounts

The fiscal officer of the Library shall maintain deposits that are invested or reinvested in at least two (2) of the Library's designated depositories. (IC 5-13-9-4)

Electronic Transfer of Library Funds

The following type of transactions may be conducted by electronic transfer between financial institutions in order to expedite the transfer of funds as well as maximize interest earnings:

1. Transfer to cover expenditures for payroll for library employees.
2. Transfer to pay debt service payments.
3. Other transfers with the approval of the Library director.

The fiscal officer will maintain appropriate documentation of the transactions so these may be audited as required by statute. (IC 36-12-3-16.5)

Reviewed by the Library Board of Trustees January 17, 2024