

**BOARD OF FINANCE MEETING**  
**Meeting Room 1B**  
**January 16, 2019**  
**Immediately following Monthly Board of Trustees Meeting at 5:45pm**

**AGENDA**

1. Call to Order – John Walsh
2. Election of President and Secretary of Board of Finance -- John Walsh
3. Review Investment Report -- Gary Lettelleir
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 MCPL 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-to-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-and-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.

Policy revised April 18, 2018

**MONROE COUNTY PUBLIC LIBRARY  
FINANCE AND INVESTMENT REPORT  
CALENDAR YEAR 2018**

The following worksheet shows a detailed breakdown of investments and earning rates at 12-31-18:

Bank	Investment type	Earnings	Investment Balance	
		Rate	12-31-18	12-31-17
Raymond James	C.D. - matures June 2020	3.00%	\$ 250,000	
Jackson County	C.D. - matures May 2020	2.90%	\$ 250,000	
Jackson County	C.D. - matures October 2019	2.87%	\$ 250,000	
Jackson County	C.D. - matures October 2019	2.69%	\$ 250,000	
Raymond James	C.D. - matures March 2020	2.60%	\$ 250,000	
Raymond James	C.D. - matures March 2020	2.60%	\$ 250,000	
Raymond James	C.D. - matures August 2019	2.10%	\$ 250,000	
Raymond James	C.D. - matures August 2019	2.00%	\$ 225,000	
Raymond James	C.D. - matures July 2019	2.00%	\$ 225,000	
MainSource	C.D. - matures August 2018	1.10%		\$ 250,000
MainSource	C.D. - matures Sept 2018	1.20%		\$ 250,000
MainSource	C.D. - matures January 2018	0.80%		\$ 250,000
MainSource	C.D. - matures February 2018	0.85%		\$ 250,000
MainSource	C.D. - matures January 2018	1.00%		\$ 200,000
MainSource	money market savings	1.65%	\$ 7,175,001	\$ 6,941,256
			\$ 9,375,001	\$ 8,141,256

Interest revenue for 2018 was \$106,584. Investment earnings for the previous five years were:

12-31-2017	\$	66,396
12-31-2016	\$	33,264
12-31-2015	\$	16,789
12-31-2014	\$	25,152
12-31-2013	\$	13,268

The total cash balance for all funds at the end of 2018 is \$9,959,941. Here are the cash balances in the various banks and investment accounts.

MCPL Cash and Fund Balances		As of 12/31/18						
	Bank Name -->	Old National	German American	First Financial Checking	First Financial Money Market	Jackson County Bank	Raymond James	
		06300	06400	06600	06610	09700	09600	
	Fund Name							
01	<b>Operating</b>	2,067,282.20	1,877.81	23,753.86	142,638.83	1,879,543.03	3,430.65	16,038.02
02	<b>Jail</b>	-						
03	<b>Clearing</b>	389.20			389.20			
04	<b>gift</b>	10,919.80	143.13		10,776.67			
05	<b>plac</b>	1,170.00		325.00	845.00			
06	<b>retirees</b>	0.36			0.36			
07	<b>LIRF</b>	2,911,599.24			64,675.11	1,649,188.56		1,197,735.57
08	<b>debt</b>	19,657.04			19,657.04			
09	<b>rainy day</b>	1,982,794.37			16,525.18	966,269.19	750,000.00	250,000.00
10	<b>payroll</b>	7,537.72		341.14	7,196.58			
16	<b>gift restricted</b>	58,817.97		1,909.20	56,908.77			
19	<b>gift fdn</b>	54,822.96			54,822.96			
20	<b>special rev</b>	925,785.56		731.69	45,053.87	880,000.00		
29	<b>bond 2016</b>	-			-			
30	<b>bond 2019</b>	1,919,164.22			119,164.22	1,800,000.00		
		9,959,940.64	2,020.94	27,060.89	538,653.79	7,175,000.78	753,430.65	1,463,773.59

**2020 and Beyond! – A financial roadmap for bond planning**

<b>2020-2021 Branch Bond Planning and Future Revenue and Expense Scenarios for new Branch Planning</b>		
The Current MCPL tax rate for debt levy is about 1 penny per \$100 of assessed value. The 2019 G O Bond renewal will remain the same.		
The 2019 GOB project includes renovation and improvements to existing Library facilities, acquisition of library equipment, maintenance and improvements, and certain acquisition, design and construction costs for a new Library branch.		
2019 Bond proceeds after bond related expenses would be around \$1,900,000. The debt levy would be around \$711,000 per year.		
<b>Accumulated Funds projection December 2018</b>		
	<b>LIRF</b>	<b>Rainy Day</b>
Dec 30, 2018 balance	<b>2,911,599</b>	<b>1,982,794</b>
2018 net receipts operations		<b>1,003,136</b>
projected 12/31/18 balance	\$ 2,911,599	\$ 2,985,930
less reserve balance	\$ (1,000,000)	\$ (1,000,000)
less EII project	\$ (1,000,000)	
<b>12/31/18 proj balance</b>	<b>\$ 911,599</b>	<b>\$ 1,985,930</b>

**Next Page – Bond Planning Scenario**

<b>Bond Planning Scenario</b>					
Future Bond planning maintains current tax rates and include both a longer term GOB for existing facility maintenance and equipment, and a long-term construction bond for new branch building costs.					
<b>Year</b>	<b>Proceeds from GOB</b>	<b>Facility Bond</b>	<b>Equipment &amp;</b>	<b>Facility Maint &amp;</b>	<b>New Branch Allocation</b>
<b>2019-2021</b>	\$ 1,900,000		\$ 1,032,100	\$ 449,700	\$418,200
<b>2021 -2040*</b>		\$ 4,600,000			\$ 4,600,000
<b>2022-2027</b>	\$ 1,900,000		\$ 950,000	\$ 950,000	
<b>2028-2033</b>	\$ 1,900,000		\$ 950,000	\$ 950,000	
<b>*date of issuance could be 2021 or 2022, dependent on decisions &amp; timing for facility planning or construction</b>					
<b>Funds Available for New Branch Project with these Scenarios</b>					
projected 2018 year end LIRF balance				\$ 911,599	Maintains 1 million reserve
Projected 2018 year end Rainy Day balance				\$ 1,985,930	Maintains 1 million reserve
2019-2021 bond estimated branch allocation				\$ 418,200	
2021 Facility Bond				\$ 4,600,000	
2019 Net Operating receipts				\$ 700,000	
2020 Net Operating receipts				\$ 700,000	
2021 Net Operating receipts				\$ 700,000	
<b>FUNDS AVAILABLE</b>				\$ 10,015,729	

## **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 of 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)

### **Investment Policy Expiration Date**

~~This investment policy expires October 1, 2020~~

Reviewed by [Board of Trustees](#) 6/15/2011; 1/18/2012; 1/16/2013; 1/15/2014; 1/21/2015; 1/20/2016; 1/18/2017; 1/17/2018; [proposed update 2/20/18](#)