

City of Sheboygan
2015-11-19

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Minutes Mead Public Library Finance Committee Meeting Thursday, November 19, 2015 2: 45 p.m.

The meeting of the Mead Public Library (MPL) Finance Committee was held on Thursday, November 19, 2015 in the Library Board Room.

Present Committee Members: Dirk Zylman presiding:

Henry Nelson, Dolcye Johnson, and Maeve Quinn. Staff members present:

Garrett Erickson and Debbie DeAmico.

1. OPENING OF MEETING

1.1 CALL TO ORDER AND DETERMINATION OF QUORUM:

Zylman called the meeting to order at 2: 45 pm.

Zylman determined there was a quorum present.

1.2 APPROVAL OF MINUTES.

Approval of the Finance Committee minutes for October 22, 2015 meeting.

Quinn moved to approve the Finance Committee minutes for the October 22, 2015 meeting.

Nelson seconded.

The motion passed.

2. ITEMS FOR DISCUSSION AND POSSIBLE ACTION

2.1 REVIEW AND POSSIBLE ACTION ON PAYMENT OF CURRENT EXPENDITURES, INCLUDING PAYROLL AND SPECIAL REVENUES (GRANTS, GIFTS AND DONATIONS).

Johnson asked for explanations on a few of the accounts payables with Erickson and DeAmico providing answers for the expenses that were incurred.

With no additional questions, Nelson moved to recommend to the full Board of Trustees to accept payment of current expenditures, including payroll, recurring expenditures, and special revenues including grants, gifts and donations. Quinn seconded the motion.

The motion carried.

2.2 REVIEW OF METRICS:

Zylman briefly discussed the personnel metrics for the end of October 2015 which currently shows MPL under budget.

2.3 LA VERNE CARTER LEGACY-ESTATE GIFT-DISCUSSION & POSSIBLE RECOMMENDATION TO BOARD OF TRUSTEES.

Erickson reported to the committee that the estate donation was given as a restricted donation to be used for Capital Improvements.

After a short discussion Nelson moved to recommend to the full Board of Trustees to accept the \$153,505.33 donation from

La Verne Carter and restrict it to capital improvements under the The La Verne Carter Legacy .

Johnson seconded the motion.

The motion carried.

Quinn moved to recommend to the full Board of Trustees to transfer the \$153,505.33 from the City of Sheboygan contribution account to the Mead Public Library Foundation to be invested in a separate account named The La Verne Carter Legacy Funds .

Nelson seconded the motion.

The motion carried.

2.4 RECEIVED 2015 BUDGET STATUS REPORT TO DATE:

No questions were presented in regards to the Y-T-D Budget.

Zylman comments the November 2015 Y-T-D budget looked in line for the time frame presented.

2.5 DISCUSSION AND POSSIBLE ACTION ON ACCOUNTS PAYABLE PAYMENT SCHEDULE POSSIBLE RECOMMENDATION TO CHANGE FINANCE POLICY TO BOARD OF TRUSTEES.

After review of the Mead Public Library By-Laws and Finance Policy changes created by City Attorney Chuck Adams and with little discussion Quinn moved to recommend to the full Board of Trustees to adopt the changes to the Mead Public Library By-Laws and Finance Policy to reflect the change in language as per City Attorney Chuck Adams recommendation. Nelson seconded the motion.

The motion passed.

2.6 DISCUSSION & POSSIBLE RECOMMENDATION TO BOARD OF TRUSTEES TO TRANSFER SICK LEAVE FUNDS TO A MPL SICK LEAVE RESERVE ACCOUNT.

Zylman asked Erickson to give the explanation into this reserve account purpose.

Erickson explained to the committee that with the action that was taken by City Finance and approved by the Common Council under Res. No.15 - 16 on May 4, 2015 the MPL Library board needs to have a resolution authorizing the City Finance Director to transfer the \$119,546.00 to a Library Sick Leave Payout reserve account for the employee sick leave benefit liability payments.

Johnson moved to recommend to the full Board of Trustees to make a resolution to transfer the City of Sheboygan s portion of the sick leave liability to a separate library reserve account for the payment of future liability payments to eligible employees.

Quinn seconded the motion.

The motion passed.

2.7 DISCUSSION & POSSIBLE RECOMMENDATION TO BOARD OF TRUSTEES TO AUDIT SICK LEAVE RESERVE FUNDS ON AN ANNUAL BASIS.

Zylman asked Erickson and DeAmico to explain what is trying to be accomplished

with this recommendation.

Erickson said that with the surplus of revenue MPL will likely see in 2015 it would be beneficial to transfer the balance of the employee sick leave liability which will still have a short fall after the \$119,546.00 is transferred from the City of Sheboygan back to a Library Sick Leave Liability Payout reserve account.

DeAmico explained that the current MPL liability to its eligible employees is at \$177,951.85 less the \$119,546.00 which if all would retire at end of December 31, 2015 and were eligible to go on the City's health insurance plan would leave a shortfall in funds of \$58,405.85 to payout to the eligible employees.

Erickson and DeAmico both recommend to the finance committee to recommend to the full board to use the surplus of funds if available at the end of the 2015 fiscal year end to increase the Sick Leave Liability Payout reserve to its total liability of \$177,951.85 for future payment liability.

Erickson cautioned that this year will only have available funds to make this transfer because of the administrative position that became available with an unexpected retirement at the end of the 2014 fiscal year.

DeAmico also explained that the Business Manager should audit the reserve account at the end of each fiscal year until all of the eligible employees have been paid out, and adjust the reserve fund down to actual, and transfer the excess in funds to the general reserve account to reflect the actual, and total liability that has to be paid out when the employee either retires or leaves the employment of the MPL.

Johnson commented that by transferring the \$58,000 difference that the council will think the library has extra money in a reserve account.

Quinn commented that she felt it was the MPL Board of Trustees responsibilities to make sure they can pay their obligations of funds that are due the eligible library employees.

With no further discussion

Nelson moved to recommend to the full Board of Trustee to make a resolution to authorized Mead Public Library (MPL) Business Manager and City of Sheboygan Finance to transfer revenue at the end of fiscal year 2015 to the MPL Sick Leave Liability Payout Reserve account to cover the difference from the MPL newly created Sick Leave Liability Payout Reserve and do an audit on a yearly basis until at which time the reserve account has been paid out in full to all eligible employees.

Johnson seconded the motion.

The motion passed.

2.8 CIP FUTURE CAPITAL EXPENDITURES PRIORITY LIST.

Zylman went over the Capital Improvement request list and recommended the committee prioritize the list that Erickson, DeAmico and the MPL Public & Support managers created to address some of the CIP projects that needs to be done at the MPL Library.

Zylman asked the committee members to look over the CIP projects and address the prioritizing of the projects at the January 2016 Finance Committee meeting.

2.9 DISCUSSION AND PLAN THE RESERVE FUND TARGET FOR THE END OF FISCAL YEAR.

Zylman asked that Erickson and DeAmico go over a funding target, and either come back with a dollar figure, or a percent based off of the Y-T-D budget to be used as a reserve target guideline.

Zylman asked that Erickson and DeAmico work on this and bring back to the Finance Committee at its December 2015 finance meeting.

2.7 FUTURE FINANCE COMMITTEE AGENDA ITEMS

Discussion and possible action on MPL Pay Scale Revision Donor solicitation to pay for capital improvements and building upgrades/repairs Capital project priority list for funding & reserve fund target (December 2015)

2.8 CONFIRM COMMITTEE REPORT TO MEAD PUBLIC LIBRARY BOARD OF TRUSTEES Zylman confirmed the committee report to MPL Board of Trustees.

3. UPCOMING MEETINGS

3.1 Mead Public Library Finance Committee next meeting December 17, 2015 @ 2: 45 pm.

4. ADJOURN

4.1 MOTION TO ADJOURN Johnson moved to adjourn the September 24, 2015 Finance Committee meeting; Nelson seconded the motion.

The motion passed.

Zylman concluded the Finance Committee at 3: 35 p.m.