

LAKELAND LIBRARY COOPERATIVE
Finance Committee Meeting Minutes
June 1, 2017
OFFICIAL

Members Present: Diane Kooiker (Chair), John Martin, Molly Walker, Teresa Krupar (ex-officio)

Staff Present: Sandra Wilson, Terry Cross

Call to Order and Roll Call

The meeting was called to order at 9:34 a.m. by Kooiker. The roll-call sign-up sheet was circulated.

Approval of the Agenda

Motion by Walker to approve the agenda. Seconded by Martin. Motion carried.

Approval of the April 19, 2017 Minutes

Motion by Martin to approve the minutes of the April 19, 2017 meeting. Seconded by Walker. Motion carried.

FY2017-2018 Budget

a). Proposed Draft #3 Budget

Total Draft #3 budgeted expenses of \$1,159,112 are \$19,592 more than Draft #2 total expenses of \$1,139,520. The difference is due to the increased Driver and Sorter/Driver wages that went into effect on May 11, 2017.

b). MLA Health Insurance

The consensus of the Committee is to wait until costs come out after the MLA group reaches 250 opt in library people and then compare the MLA prices to the current Priority Health prices. MLA prices should be available in the fall.

c). CE Funds from State Aid, Second Review

Teresa Krupar, Board President, will present the Finance Committee "CE Funds from State Aid" proposal to the CE Committee at their June 2017 meeting. The proposal will subsequently be presented to the Lakeland Board at the July 2017 Board Meeting. The major components of the proposal are as follows:

- Every year prior to August 1 the CE Committee would submit a "verified" CE Budget (i.e. approved speaking fee, per diem/travel/estimate and related expenses) to the LLC Finance Committee then to the LLC Board for approval. The recommended registration fee is \$5 for Lakeland members and \$25 for non Lakeland members.
- The approved CE Budget amount would become a separate line item in the LLC operating budget.
- The difference between the \$84,000 CE State Aid amount and the approved CE Budget amount would continue to be paid to member libraries for CE activities.
- The CE Committee would continue to provide the local lower cost workshops as "pay as you attend" actual planned cost for putting on the workshop as pass through. Overcharges will no longer occur to save for future major workshops as they will be funded by state aid money.
- There will be no need to carry money over from year to year since money will be in the budget annually for CE activities.

The Finance Committee is also making the recommendation to table the second reading of the 6.1.7 Youth Services and Continuing Education Committee Funds Change Maximum Base Amount from \$3,000 to \$10,000 and Make Line Item in Operating Budget pending the outcome of the above "CE Funds from State Aid" proposal.

d). Outstanding Budget Items

The Committee reviewed outstanding items of which the amounts are currently unknown. Some of the items will require Finance Committee Meeting discussion and approval, and other items, such as routine increases by vendors, are implemented by the Cooperative Director.

Fund Balance Revised Documents and Auditor Comments for June 1, 2017 Meeting

a). Auditor on Term Assigned and b). Auditor on a Contingency Line Item in Operating Budget Moving Funds from Fund Balance Assigned

In order to obtain a better understanding of the various Fund Balance definitions and facilitate informed and appropriate Fund Balance account allocation decisions, the Finance Committee members would like Lakeland’s auditor to provide the Committee with some authoritative advice and direction. The Cooperative Director will arrange for Joe Verlin, CPA, CGFM from Gabridge and Company to attend the next Finance Committee meeting on July 11, 2017, or on another mutually agreeable date in July if he isn’t available on July 11, 2017.

b). Fund Balance Post Audit Amendment

Motion by Walker to recommend to the Lakeland Board the approval of the following Fund Balance adjustment for FY16-17:

COMMITTED

Cataloging	\$3,137
ILS Replacement/Upgrades	2,319
Building Improvements	5,644
Network Upgrades	1,799
Delivery	22,528

Seconded by Martin. Motion carried.

Next Meetings

The next Finance Committee meeting is scheduled for July 11, 2017 at 9:30 a.m. at Lakeland.

Adjournment

The meeting was adjourned at 11:02 a.m.

Submitted by:

Terry Cross, Lakeland Business Manager