

**INDIANAPOLIS-MARION COUNTY PUBLIC LIBRARY
MINUTES OF THE SPECIAL MEETING
MAY 7, 2008**

The Indianapolis-Marion County Public Library Board met at Central Library, 40 East St. Clair Street, Indianapolis, IN on Wednesday, May 7, 2008 at 4:00 p.m., pursuant to notice given in accordance with the rules of the Board.

1. Call To Order

President Jordan presided as Chairman. Secretary Rothe was present.

2. Roll Call

Members present: Mr. Bacon, Mr. Jordan, Ms. Kramer, Mr. Meyer, Ms. Rothe and Mr. Shevlot.

Members absent: Mr. Lynch.

The Chairman announced that a quorum was present and that the meeting was duly constituted.

3. Finance Committee

a. Budget Training

Ms. Rothe announced that Becky Dixon, the Library's Chief Financial Officer, would provide the Board members with information on the Library's Budget.

In addition to distributing documentation, Ms. Dixon began by discussing some of the various Budget-related terms and language, namely:

- Funds – Library is a governmental unit and therefore we use fund accounting. Each fund is a separate set of books. Funds are restricted by law.
- Tax Supported Funds – Operating, Bond and Interest Redemption (Debt Service) and the Capital Projects Fund (CPF). These three funds are the primary funds used in support of the Library.
- Bond and Interest Redemption Fund (Debt Service) is restricted by law for the payment of debt, interest on the debt, and any related bank or agent fees. Nothing else can be expensed from this Fund.
- Capital Projects Fund cannot pay for normal operating expenses. Can be used to pay for repairs and maintenance to facilities, to purchase equipment, to pay for computer-related expenses and to build or renovate buildings.

- Construction Fund – Revenue in this fund is from the sale of bonds. Use of funds must be in accordance with the bond documents. Construction funds cannot be used for operating costs.
- Budget Process – IMCPL is required to follow Indiana Code regarding the budget process. Our Budget is classified into four categories: Personal Services (salaries and fringe benefits), Supplies, Other Charges and Services (utilities, programming, repairs and maintenance, other contractual services), and Capital (collection materials). It was noted that the Library is also required to use the budget forms approved by the Department of Local Government Finance.
- Maximum Levy – This is the maximum levy allowed by law for the operating fund. Prior to the new rules, only the operating fund had a maximum levy. It is based upon the maximum growth rate (income) in the State of Indiana or 6%, whichever is less.
- Other - Ms. Dixon then discussed the various aspects of HEA 1001 on the Library's budget. She also mentioned that it is anticipated that the Library will receive approximately \$4 million less in property tax monies in 2009.

Ms. Dixon then reviewed the various budget forms including the various Resolutions of Appropriations and the Budget Submission Letter and Certificate. She noted that you always advertise the Budget high because once the Budget is advertised, you can lower the requested amount but cannot increase it. In addition to Board approval, we also must receive Budget approval from the Municipal Corporations Committee, the full City-County Council and eventually, the Department of Local Government Finance. She discussed the various line items for the Budget and provided an explanation to the Board on each category. The Library's 2009 Budget will be discussed at the upcoming June 9, 2008 Finance Committee meeting.

Ms. Dixon also reminded the Board of the need for the fund balance. It is customary to have 10% of your Budget set aside in your fund balance. These funds are important because of the impact on the Library's bond rating, as well as the need for potential emergencies. At some point it is anticipated that we will need to spend some of the fund balance.

4. **Other Business**

None.

5. **Adjournment**

The Secretary announced that there was no further business to come before the Board.

The Chairman declared the Special Meeting adjourned at 6:15 p.m.

Mary Lou Rothe, Secretary to the Board

CERTIFICATION

I, Mary Lou Rothe, Secretary to the Board, of the Indianapolis-Marion County Public Library, hereby certify that the foregoing minutes are true and correct.

Mary Lou Rothe, Secretary to the Board

