

BOARD OF FINANCE MEETING
Immediately following the Monthly Board of Trustees Meeting
January 15, 2014
Meeting Room 1B

AGENDA

1. Call to Order –Valerie Merriam
2. Election of President and Secretary of Board of Finance
– Valerie Merriam
3. Review Investment Report (page 1) and Policy (page 2-
3) – Gary Lettelleir
4. Adjournment

**MONROE COUNTY PUBLIC LIBRARY
FINANCE AND INVESTMENT REPORT
CALENDAR YEAR 2013
Gary Lettelleir, Financial Officer**

The total cash balance at the end of 2013 is \$6,850,825. The year-end cash balances for the previous three years were:

12-31-2012	\$	6,466,295
12-31-2011	\$	3,807,782
12-31-2010	\$	4,778,339

The following table shows where the Library's funds are invested and the current earnings rate:

Bank	Investment type	Earnings	Investment Balance	
		Rate	12-31-13	12-31-12
Fifth Third	C.D. - matures June 2014	0.80%	\$ 1,000,000	\$ 1,000,000
Fifth Third	money market savings	0.30%	\$ 5,144,696	\$ 5,164,030
Chase	money market savings	0.05%	\$ 11,924	\$ 11,915

Just for comparison – U.S. Treasury Bill rates for 1 year are currently .13%

Interest revenue for 2013 was \$13,268. However, that does not include the earnings for eighteen months on the one million dollar C.D. (about \$12,000) because it will be paid when the C.D. matures in June 2014. We will receive about \$16,000 for 2 years of interest on the CD in June 2014. There are no plans to reinvest in another CD at this point because we will have several building related projects to pay for in 2014. Investment earnings for the previous three years were:

12-31-2012	\$	8,287
12-31-2011	\$	12,621
12-31-2010	\$	10,313

MONROE COUNTY PUBLIC LIBRARY 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:
 - (a) The United States Treasury;
 - (b) a federal agency;
 - (c) federal instrumentality
 - (d) a federal government sponsored enterprise.
2. Repurchase Agreements (including standing repurchase agreements, commonly known as sweep accounts):
 - (a) With depositories designated by the State Board of Finance as depositories for state investments under IC 5-13-9.5; and
 - (b) 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, 2016

Reviewed by Board of Trustees 1/20/2010
Revised by Board of Trustees 6/15/2011
Reviewed by Board of Trustees 1/18/2012
Reviewed by Board of Trustees 1/16/2013