

**Deerfield Public Library
Board Meeting
July 28, 2009
Finance Committee**

The Finance Committee meeting was called to order at 6:10 pm.

Present: Jeff Rivlin (Chairperson), Sunday Mueller, Library Director Mary Pergander, Business Manager Carol Dolin.

Guests Steve Larson and John Miller of Ehlers & Assoc.

1) The selection process for a financial advisor, and services provided - Mr. Rivlin asked the representatives from Ehlers to discuss library project funding options, process for identifying amounts and sources of funds, services provided, the timeline for the process, and costs (fees). Further, he asked them to comment on Build America bonds and their applicability to the library.

The representatives presented their qualifications. They addressed questions and outlined the process used to develop a project from financial planning projections through issuance of bonds or other funding options.

They explained some of the Library's options, and the important role of the Village as Corporate Authority. They also emphasized the need to engage the public in discussions about needs and potential projects, not to focus only on funding.

The timeframe for developing an initial financial plan and budget projection is two weeks to three months. If a referendum is needed or desired, November 2010 is the earliest date they would recommend.

Build America bonds are taxable, with the government paying 35% of the interest. In Ehlers' experience the projects for these bonds tend to be larger.

For the entire package including financial projections, recommendations for sources of funds and issuing the funds on our behalf, fees can run as high as \$30,000. For the financial plans and projections only, fees are in the range of \$7,500 to \$15,000. Without the operating projection they are lower. There is an extra charge for their involvement in any public engagement process.

Assistance with investing is also available, including tracking of bonds and CDs, their maturity rates, interest, etc. Fees for this run 15 to 25 basis points.

The firm's qualifications, recent projects, and qualifications of the representatives were also review. Mr. Larson would be the lead if their firm is selected for the project. Mr. Miller is a Deerfield resident.

If they are selected, an orientation session would be conducted for the entire board, reviewing these concepts and more: What to do, how to do it, how to organize, timetable, samples of results. Copies of previous projects were left with the Committee to review.

2) The short-term transfer of new tax revenues to higher-earning investment products - Tabled.

3) Roll-over language and process for maturing CDs - Tabled.

4) Recommendation for end-of-year transfer of funds from the General Fund to the Reserve Fund - Tabled.

The other items were tabled for a future committee meeting. The meeting adjourned at 8:05 pm.