

The meeting of the Finance Committee was called to order at 6:15pm on Tuesday, August 24, 2021.

Attendees: Tom McDermott, Trustee; Mary Chiz, Board President; Jennifer Cottrill, Library Director; Jamie Rachlin, Meristem Advisers; and Carole Ferguson, Treasurer.

New Business

- a. Review funding plan for project capital needs - Jamie presented 2 files to review for projected capital needs and what needs to be set-aside each year for the next 10 years, adjusted for inflation (2%), to cover the costs. The file provided data to 2031 with a shortfall of -\$365,883, but the building envelope project surplus, we should have adequate set-aside amounts under the current plan. The Capital Needs Plan was reviewed the building committee in July. We asked Jamie if it would be worthwhile to return some of the bond, due to surplus and he will review the Bond documentation to determine if there is a pre-pay period. Tom and I concur with recommendations
- b. Discuss strategy for meeting minimum wage increase requirements – Because of a lack of a private space due to construction, the committee did not go into closed session, as indicated on the agenda. Jamie explained the concept of feathering to bring the employees up to minimum wage and to also ensure proportional compensation is maintained across the board. Jennie presented staff turnover rates at comparable libraries and we are somewhere in the middle (15%). Jennie recommended feathering and at a recent local directors meeting, she asked about 30 directors and they all said they planned on using feathering. Recommendation is an across-the-board increase of 2% for all employees not affected by minimum wage increases or feathering – with the exception of those already earning in the top third of their pay range. Tom and I concur with recommendations.
- c. Review proposed levy and appropriation for FY 2022-2023 – Jennie provided spreadsheets that formed her proposal for the levy. Estimates were based on the average of the prior 3 years. Revenue projections are based on Jennie’s recommendation that we keep our levy flat for the coming year (2022-2023). This is possible due to the surplus of the building envelope project and estimate that we can keep certain expenses flat or decrease them based on current circumstances. This helps lower our tax rate to the constituents of Midlothian, too. Tom and I concur with recommendations

Other Business – none

Meeting adjourned at 6:59pm

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