

Pamunkey Regional Library Board of Trustees Meeting

Finance Committee

February 22nd, 2024 2:00 p.m.
Upper King William Branch Library

Call to Order: John Edwards calls to order at 2:00 p.m.

In Attendance:

John Edwards: King William
Patricia Simpkins: King and Queen
Robert Johnson: Hanover
Barbara Slone- Goochland
Barbara Young: Goochland
PRL Staff: Tom Shepley, Jaime Stoops, Sherida Bradby, Kelly Pridgen

Review and Approval of November 28, 2023 Committee Minutes

Strike first sentence from the minutes under Reserve Fund- Library will appropriate funds for housing of the administrative staff in the future.

R. Johnson moves to approve the minutes, P. Simpkins seconded. Minutes approved.

Add as a note at the bottom that the minutes were staff written.

Committee Meeting Schedule

Discussion of future Finance committee schedule touched on the different timelines of each of the localities. A discussion of potential topics at each meeting was suggested as follows, but not finalized:

- July: meet for FY budgets to take to the full board for future discussions (August: Full board budget meeting discussion)
- September- discussion of financial adjustments and any topics brought forth from the August full board meeting (October: Full board budget approval)
- November: audit check-in and follow-up
- January
- March- discussion of locality budgets and feedback
- May- Recommend adjustments to any county budgets currently approved to present to full board for approval.

Review of PRL Financial Policies

Auditors will work with staff to put together a new draft of financial policies that will be brought to the finance committee. Updated policies are recommended to be broad, clear, and easily understood.

Budget:

FY 2024 Year to Date Status

Tom will be presenting to localities on their own individual schedules. Current feedback from localities is as follows:

- Hanover: they are probably backing away from the 5% merit- may settle at 3 or 4 but nothing finalized.
- King William- any increase is an issue for budget. BOS lowered the tax rate which created a hole- new board is unlikely to change the tax rate. Current tax rate is unsustainable and new board has pledged they will not raise taxes. If a budget request is approved for a merit increase from other counties but another doesn't approve it, then that county has to make up for the difference (usually in operating hours).
- Scheduling/Closures: have a discussion by looking at the calendar year but don't finalize any closings or closures until June or July.

Status of FY 2025 Local Funding Requests

We are halfway through the budget and looking at what could be possibly amended in the future:

- Federal Aid line- we have additional federal funding this year
- State aid has increased \$70,000; Likely will be another 2.5 mil increase in state aid that has passed senate and house- mostly used for books and materials.
- West point building budget is approved, needs to be added to the current spreadsheet.
- Expenditure Refund- money that is returned to us for our internet connections from the federal government (e-rate schools and libraries).
- When we are not paying rent next year for Montpelier, that money will go into staffing at Montpelier.
- King and Queen number will be amended due to current situations with that county.

Financial reports

A request was previously for doing a deposit report. A handout was provided to members of a breakdown of January 2024 deposits. A fund schedule report provided shows deposits and expenses together. Moving forward for the full board- provide these as a financial packet with warrants. For first meeting, leave these new reports off the consent agenda so board can discuss and then they will be on the consent agenda in the future.

Discussion of Reserve Fund Allocations

Generally running a \$100,000 surplus at the end of the year. Committee went through categories and any discussed any increases.

Future Admin Space

Buying land and building will take longest; leasing existing offices and perhaps renovating can take a shorter time; if current stay at building, landlord could increase the rent. Admin building could return to Hanover government campus; unknown if this will still happen with current BOS. Previous minutes from discussions about admin location were shared with the committee. A new building is a potential future asset and costs can potentially be higher if renting. There are pros and cons to each option. Lease of current admin location is up in September 2026.

FY 2023 Audit Update

A discussion was had on the request to capitalize and depreciate the library collection. This would extend the deadline/timeline of the complete audit. The committee suggests to do a simple math calculation and offer that to the auditors to see what they come back with. The localities are interested in a timely audit and capitalizing the collection would not be the best way to spend staff resources. Two suggested changes to policy of capitalizing the collection

- Change to “useful life of more than one year instead of exceeds 5 years”
- Add “or library circulating collection”

Verbiage/language clarification needed from the auditor.

Other Business

A breakdown of investments was given to committee members. Our portion is 1.09% of what Hanover is investing. Hanover County treasurer deposit and investment policy given to board members.

Date for next meeting: May 7th at 2:00 at Atlee Library. Standing meeting on the 1st Tuesday of every other month at 2:00 p.m.

Adjournment

J. Edwards adjourned at 3:46 p.m.

Submitted by Kelly Pridgen