

**Branch District Library
Finance Committee Minutes
June 11, 2015
3:30 pm
3rd Floor Meeting Room at Coldwater Branch**

Recommendations Synopsis:

1. Elevator – we have received 3 bids for modernization of elevator. John is going to put in spreadsheet format for easy comparison of the three quotes.
 - a. Otis bid came in at \$64,495, which takes into account the \$4,000 sensor we bought earlier and allows for a \$5,000 allowance towards interior repairs of car. Still waiting on final bid for interior repairs on cab & annual maintenance fee (preliminary number given was \$220 & included parts)
 - b. McNally bid came in at \$69,740 with removal & replacement of old cab at \$15,870 and no estimate for annual maintenance.
 - c. Schindler bid came in at \$78,769 with car repairs at \$19,000 and annual maintenance fee of \$3,108 (which is \$259/month) and doesn't include parts.
2. Erica to check on CD rates for Honor Credit Union vs. Century for the funds that are currently in Honor Credit Union money market account.
 - a. Information obtained June 12, 2015
 - i. Honor Credit Union (spoke to Karen Smith, Manager)
 1. Current Money Market Rate 0.35% - if keep need some type of activity
 2. 1 yr. CD rate – 0.6%
 3. 5 yr. CD rate – 2.0%
 4. Other option she suggested part Money Market part CD
 - ii. Century Bank (spoke to Corey Collins)
 1. Money Market Rate 0.15%
 2. 1 yr. CD rate 0.35%
 3. 2 yr. CD rate 0.5%
 4. 3 yr. CD rate 0.75%
 5. They don't have a 5 yr. CD rate
 6. Recommended longer term for our existing CD when comes due in Sept.

Minutes:

Erica Ewers called Finance Committee Meeting to order at 3:30 pm with remaining committee member Dan Gordon as well as Director Evette Atkin and John Rucker present. Ben Jewell arrived about 3:45 pm.

We began by reviewing elevator quotes, references, and recommendations for the 3 bids we received from Otis, McNally, and Schindler. John volunteered to put this information in a spreadsheet to make it comparable for the board to review. The following are the prices given:

- b. Otis bid came in at \$64,495, which takes into account the \$4,000 sensor we bought earlier and allows for a \$5,000 allowance towards interior repairs of car. Still waiting on final bid for interior repairs on cab & annual maintenance fee (preliminary number given was \$220 & included parts)
- c. McNally bid came in at \$69,740 with removal & replacement of old cab at \$15,870 and no estimate for annual maintenance.
- d. Schindler bid came in at \$78,769 with car repairs at \$19,000 and annual maintenance fee of \$3,108 (which is \$259/month) and doesn't include parts.

As a side note: the other sensor went out on the current elevator and Otis came out and replaced it at no cost, which is a \$4000 part.

Several of the references were really strong for one company or the other. Spoke with the County Maintenance guys and the County has an Otis Elevator and a Schindler elevator and indicated that both were equally reliable as far as service times and repairs.

Based on the information we currently have the Finance Committee is leaning toward Otis Elevator, but we want to see the final estimate for the cost of car interior repairs as well as annual maintenance fee. John is going to work on getting these.

John and Evette to work with Southern Michigan Bank and determine our options for financing the elevator project for 3-5 year and interest rates; going to ask for rates based on \$80,000 loan this would cover the cost of elevator and estimated interior repairs. Pay back of funds would come from annual Coldwater Capital fund.

Erica mentioned that Honor Credit Union had contacted her regarding our account their being in dormant status due to no activity since 2011. The funds are currently in a money market account at 0.3% interest. Honor is recommending a change to a CD with a 12 month CD at 0.8% or 5 year at 2% interest. Committee recommended Erica contact Century bank for a comparison of their CD Rates.

In follow up to the items that have been approved by the board:

- Evette indicated Robin Cline has been contacted about the carpet bid being approved and that the \$414.60 has been verified to be in the stair account and thus can be applied to this project.
- Evette indicated that the new toilets have been paid for from the Fisher Fund as they previously had not been taken from this fund as the board had approved
- Evette indicated the keys and locks were ordered and made and they were just waiting on the handles to arrive and then the stair doors could be upgraded.
- Fisher fund had \$15,445.63 left to be applied to the Gutter Contract for the building and the rest to come from Coldwater Capital fund.

Meeting adjourned at 4:40 pm.

Minutes prepared by:
Erica Ewers