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**Ad Hoc Building Envelope Committee
Wednesday, July 3, 2019
Minutes**

Attendance: Mary Chiz, Board President; Brenna Baker, Trustee; Jim Woolard, Trustee; Jennifer Cottrill, Library Director; Jamie Rachlin, Meristem Advisors.

Meeting was called to order at 10:05 AM.

Mr. Rachlin first presented an updated version of financial planning spreadsheets that he first prepared in April of 2018 based on the Capital Needs Plan written for us by Chicago Project Management. These spreadsheets have been updated to include the new cost estimate for the Building Envelope project presented in Kluber's report, as well as Kluber's rough estimates of future window and door replacement costs (aspects of the building envelope left out of the current proposed project). These spreadsheets project capital needs for upcoming years through 2031, the amount to be saved each year to anticipate these expenses, as well as the amount of debt service to be anticipated if the Board borrows money to cover the current proposed Building Envelope project, assuming the project takes place in Spring 2020 (FY2021). Maintenance of an operating reserve fund was also taken into account. Mr. Rachlin commended the Board on their decision to levy for an additional \$156,000 for FY2020 to make additional savings for capital needs. He indicated that raising this additional levy to \$250,000 for FY 2021 and the years thereafter would prevent our Ending Fund Balance from dipping below zero in 2029-2031 (as projected by his spreadsheets). To accomplish the current proposed project, Mr. Rachlin estimates that the library will need to borrow \$1,591,434.

Mr. Rachlin then presented three options for borrowing this money: (1) Debt Certificates (which are in the library's power to pursue on its own), and (2) an Alternate Revenue Bond or (3) a General Obligation Bond (both of which would have to be issued by the Village). If the Board elected to pursue the first option (debt certificates), these could be sold either as a public offering or as a direct/private placement (bank) loan. Either of these methods would be facilitated by an underwriter, who would charge a fee that is a small percentage of the total amount borrowed; both of these methods could be pursued by the underwriter simultaneously.

The Ad Hoc Committee recommends that the Board move forward with the Building Envelope project, borrow the money through debt certificates, and ask Mr. Rachlin to assist in the writing of a Request for Proposals (RFP) for underwriters. The committee welcomes thorough commentary and discussion by all board members at the July 16 meeting before the full Board takes action on this very large decision.

Meeting was adjourned at 11:10 AM.

Respectfully submitted,

A handwritten signature in black ink that reads "Jennifer Cottrill".

Jennifer Cottrill, Library Director