

# Finance Committee



**HUDSON LIBRARY**  
& HISTORICAL SOCIETY

**Date:** March 15, 2017  
**Time:** 7:00 – 8:30 pm  
**Location:** Kanter Room

**Attendees:**

Library Administration		Board		Members of The Public
X	Laura Braho	X	Carleen Welch	Mary Hughes – Hudson League of Women Voters
X	Molly Pandelli	X	Betty Franklin	
	Leslie Polott	X	Ron Stolle	
		x	Kabir Bhatia	
			Anne Suntken	

AGENDA	
<b>Fiscal Officer Updates</b>	<ul style="list-style-type: none"> <li>• Financial Report – February 2017</li> <li>• Key Bank Statements – February 2017</li> <li>• Capital Improvements Account Transfer</li> </ul>
	<p>Molly reported on financials. We have not received a new certification from the state yet.                      Molly presented cash flow analysis and forecasts out one year. On donations, Hudson Kiwanis endowed the Alice mirror.                      Ron presented a graphic he put together for his use that shows the various sources of revenue and how it goes into the accounts.                      Molly clarified how public funds are accounted for.                      Committee is in agreement to recommend to the Board to approve February financials. We will also recommend approval of January financials, which took place in February with several different Board members.                      Committee is in agreement to recommend to the Board to do the annual \$90,000 transfer to Capital Improvement fund.</p>

<p><b>Investment Portfolio</b></p>	<ul style="list-style-type: none"> <li>• Discuss pay down of Memorials</li> <li>• Custodian selection update</li> <li>• Moving funds from Key to Custodian</li> <li>• Morningstar subscription purchase</li> </ul>
	<p>Memorials: Molly presented the information on the Memorials (see also Molly’s schedule). Total earnings in permanent funds came to \$11,120. Administration is asking for an additional \$2,000 for Libby Walker program and \$ 2,000 for the Flood Family programming. For the items in yellow Administration is asking to spend all the way down. They chose a cut off of \$5,000 and below. Exceptions to their threshold are because the family is still active and advising on the funds. Note the auditor recommended we clean up and spend the money to ease administration of the fund. Committee is in agreement to recommend spend down.</p> <p>Custodian: Molly reached out to Chase and Northwest with additional questions. Chase indicated that the rate could change if the representative left, because he has discretion in charging fees. Administration recommends Northwest because of the library’s current relationship. Molly would work with a Northwest employee, even though there is a third party involved. The committee accepted Molly’s recommendation to use Northwest. Committee recommends the Board approves the portfolio presented by Ron. The committee was in agreement that we invest the entire amount instead of breaking it up as discussed previously, subject to where the market is at on the day of the Board meeting. Molly will make arrangements to move the money to the custodian and hold in a money market in order to get all of the leg work completed so when we meet as a Board we are ready to invest.</p> <p>The Morningstar subscription and Brian’s fees are included in the budget so there is no need to have a separate recommendation from the Board. Molly will purchase the subscription soon.</p>
<p><b>Budget</b></p>	<ul style="list-style-type: none"> <li>• Review Budget</li> </ul> <p>General: Personnel increase is due to budgeted merit increases, Friday hours, open positions. Benefits are a product of personnel, so go up accordingly. Tech processing is up because of material purchases, even though staff work to keep costs down. House maintenance supplies is up from 2016, but down from preliminary budget because we took over purchasing supplies from cleaning contractor. Professional services (architects, legal, payroll software) has a little increase to help schedule out replacement of items to help build forecast for capital. Levy service fee is a percent of what we receive and we have no control over it. We are paying for Hoopla, and it is based on usage and the usage is going up; unfortunately, hard to forecast. We see this increase in digital audio. Capital improvements and Outside services include teen room and children’s room from 2016. Capital improvement includes money for replacements. Copier leases are expiring this year, so assumed an increase. Computer Hardware/Software includes \$25,000 for the</p>

	<p>new accounting software. This is about half of what Molly thinks it will be, because at this point Molly thinks implementation would be in Spring 2018. We have had the current software for about 9 years. Molly and Leslie will discuss further whether we should pull the money put in for the package. Ron recommended that the Board approve the software purchase in its entirety, rather than some now and some later. Molly will research packages over the next few months and then the Board will approve the purchase of the software.</p> <p>Brewster: coffee supplies go up with demand; administration is looking to offer more items.</p> <p>Capital: shows transfer and interest</p> <p>Private: Breaks out all of the items that come out of the fund. Professional fees are for Brian Bishop. Service charge was estimate of what we think it might be. Permanent memorial spend downs are in their own column. Molly will add the 2016 expenditures to the report. In 2016 expenditures were about \$177,500. A discussion followed on how to handle donations coming in and building the private funds. Ron suggested we grow the fund to be one year's worth of the general fund so if the state pulls the PLF or a levy fails the library would be able to continue operations. The committee and President Basil Musnuff agreed the Board needs to discuss and decide what the goal is of the private fund and how to accomplish that goal.</p> <p>Committee is in agreement to recommend approval of the budgets to the Board, pending the adjustment of the software line and putting the 2016 expenditures on the Private funds account.</p>
<p><b>Other Business</b></p>	<ul style="list-style-type: none"> <li>• Move July meeting</li> </ul> <p>Preliminary budget needs to be approved on or before July 15. Administration asked if Finance could be moved to July 10 and the Board meeting July 13. The committee was open to doing this and it will be discussed and voted on at the Board meeting.</p> <p>Adjourned at 8:45 pm</p>
<p><b>NEXT MEETING – April 19, 2017</b></p>	