



HUDSON LIBRARY
& HISTORICAL SOCIETY

Finance Committee

Meeting Agenda

Date: April 10 , 2019

Time: 7:00 – 8:30 pm

Location: Kanter Room

Attendees: *Called to order 7:05 pm*

Library Administration		Board		Members of The Public
x	Molly Pandelli	x	Carleen Welch	Lori Porter - Hudson League of Women Voters
	Leslie Polott	x	Michelle Marshall	
			John Rydquist	
		x	Rob Swendenborg	
			Becky Thompson	
		x	Basil Musnuff	

AGENDA	
Fiscal Officer Monthly Financial Review	<ul style="list-style-type: none"> Financial Statements –March 2019
	<p>See also packet from Molly. PLF over \$83K, 3% more than last year. Portfolio value \$2.6M. Brewster had a loss for the month, due to purchase of espresso machine.</p> <p>Rob asked Molly to review reports when she is working in the new software and make recommendations on what to provide to the committee and Board.</p> <p>Donations from the Friends were \$5K.</p> <p>Committee is in consensus to recommend approval of the financials.</p>
Investment Fund Review	<ul style="list-style-type: none"> Bond Fund Review and Recommendation Policy Discussion

	<ul style="list-style-type: none"> ○ Determine what should be restricted for programming and collection development ○ Consider other goals of the fund: capital project pledge, rainy day fund ○ Determine short term and long term goals ○ Review sample policies – what makes sense for us? ○ Consider ranges for investment, returns, etc.
	<p><u>Bond Fund Discussion:</u></p> <p>Molly sent Morningstar reports on the bond ETFs. None of them are gold rated, some had four, three stars and do not meet policy. Molly also sent all funds to help the Board review and discuss, but one of funds that meet policy (gold rated and star rated funds), we are already in. Basil suggested an option would be we pick a bond with the best rating we can find, and amend the policy. The committee agreed timing of preparing a new policy will take more than a couple of months.</p> <p>If we do not go into a bond fund, we would need to go into another cap fund, which would make the fund even less diversified and expose us to more risk. Carleen recommended splitting between the PIMCO and Vanguard International funds. Both are silver rated and had five stars. Morningstar gold means the analysts rated the fund. The star rating incorporates risk in the return: higher the number of stars, the better the return but higher risk. Cost is minimal to change the fund; Molly thought it would be less than \$300.</p> <p>The committee recommends to leave the money in the current bond fund. The Committee cannot find an appropriate bond fund, so will add “or silver” to the policy for the Board to vote on. The committee will continue to work on a new policy.</p> <p><u>New Policy Discussion:</u></p> <p>Carleen asked what should be included in the policy. Rob suggested an introduction should be included. Committee also discussed:</p> <ul style="list-style-type: none"> ● Policy should comment on the restriction and the definitions or restrictions in the policy. ● Also need to put in ranges of how it is invested. ● Should also say how long our horizon is. ● Committee determined the fund should be broken out by cash (2-3% of the fund), permanent endowments, rainy day, capital fund and available for the worthy needs of the library. Only the private funds should be included in the policy. ● Could label it based on time horizon for the need. ● Committee agreed that percentage range should be considered. ● Basil reminded the committee what a previous trustee recommended if a levy did not pass and we had to run “bare bones” and what we would need for that would be the rainy day fund. <p>Michelle volunteered to manage the document and lead the effort of preparing the policy. In regard to finding someone who can help provide advice on the investment policy, Rob will look into advisors. Carleen will keep this topic as an agenda item for the coming months.</p>
<p>Other Business</p>	<ul style="list-style-type: none"> ● Capital Fund Expenditure and Recommendation <ul style="list-style-type: none"> ○ Parking Lot resurface

	<p>Molly discussed the quote from the paving company. Leslie and Molly thought it would be close to \$50K. Library will need to close the parking lot. They received quotes from four other companies and Perrin was the lowest quote; they have done work for us before, so we are familiar with their work. We need to have a van accessible handicap spot, so one of the spots will be converted. Friday and Saturday of Memorial Day weekend. Committee is in consensus to recommend to the Board that the money come out of the Capital Account.</p> <p>Minutes from March were approved.</p> <p>Adjourned at 8:32 pm</p>

NEXT MEETING –May 15, 2019