Finance Committee

Meeting Agenda

Date: November 13, 2019
Time: 7:00 – 8:30 pm
Location: Kanter Study Room

Attendees: Called to order at 7:03 pm

<table>
<thead>
<tr>
<th>Library Administration</th>
<th>Board</th>
<th>Members of The Public</th>
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<tr>
<td>x Molly Pandelli</td>
<td>x Carleen Welch</td>
<td>Mary Hughes - Hudson League of Women Voters</td>
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<td>x Leslie Polott</td>
<td>x Michelle Marshall</td>
<td>Doug Krapf - Legacy</td>
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<td>x Marie Turkovich</td>
<td>x John Rydquist</td>
<td>David Wohlabaug - Legacy</td>
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<td>x Rob Swendenborg</td>
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<td>x Becky Thompson</td>
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<td>x Basil Musnuff</td>
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AGENDA

Fiscal Officer Monthly Financial Review

- Financial Statements October, 2019

See also packet from Molly. Total PLF is up 6.4% for the year, from last year. Rollbacks should come in the end of November. Received dividends, but the market value was reduced primarily due to the transfer to meet other obligations. Molly spends it and then accumulates and transfers when the cash is needed. Brewster had a profit this month.

Friends gave a generous donation for various programs. Another donation came in for the Margie O. fund.

The committee is in consensus to recommend approval of the financials.

Investment Fund Policy

- Review of policy
- Other if necessary

Doug and Dave introduced themselves. They have spoken to Molly about the accounts and discussed the draft policy with Rob and John.
Legacy suggested the policy be reviewed each year. They will monitor compliance to the allocation guidelines and will bring information to the Committee. The Board should approve the rebalancing. This needs to be reflected in the policy. With the current policy, Molly has the authority to transfer from the fund. Legacy said they like to have six months cash on hand to help with fluctuations in the market. They will open two accounts – investment account as well as a reserve account for transfer. The Board will need to determine how much should be in the reserve account. We need to consider if we need to keep a balance at Northwest in a money market to maximize the return. Legacy said they want to keep it easy.

They will plan to come quarterly or as needed to meet with the Committee.

Each fund will have its own benchmark as well as a market universe benchmark as appropriate for the investment vehicle.

Current policy mentions the investment vehicle, if we move to another vehicle that is actively managed, Legacy fees won’t change; their fees are in line with what they will provide for us.

There should be a statement in the policy that the Committee can only recommend and the Board approves. Typically Legacy see policies are reviewed by committee, and then approved by whole board. Molly will email language around this topic.

Examples were included in the policy and Legacy suggested to pull out that language. The sentence about flow through (summer reading program) and the reserves (levy failure).

After Board approval, Legacy will work with Molly to finalize paperwork and transition the assets from Northwest to Wells Fargo.

Legacy will make the changes by Friday and the portfolio proposal.

The portfolio proposal was prepared a few weeks back. Once policy is approved, they will put together a single sheet with percentages.

The strategic relationship plan is a guideline for review with the Finance Committee. In the past the advisor met with the Committee and then came in April to meet with the full Board. We should continue that.

In December, hopefully, we will approve as a Board the Investment Policy and the Rebalancing.

The transfer is an institution to institution transfer, it is not liquidated or moved to cash.

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<tr>
<th>Other Business</th>
<th>The committee approved the minutes from the last meeting.</th>
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<td>NEXT MEETING – December 11, 2019</td>
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Adjourned at 8:32 pm