

Finance Committee

Thursday, November 21, 2024 | 3:00pm

Agenda

1. Roll Call

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| ✓ Stuart Auchincloss, Chair (U) | ☐ Barry Ramage, Ex Officio (D) |
| ✓ Peter Carey (P) | ✓ Rebekkah Smith Aldrich (Staff Liaison) |
| ✓ Rajene Hardeman (D) | ✓ James Coyle (Staff Liaison) |
| ☐ Jill Leinung (C) | |
| ✓ Thomas Silvius (G) | |
| ☐ Richard Swierat (D) | |

2. 2025 Draft Budget Recommendation to the Board (attached)

a. Budget Planning Assumptions:

- i. 2025 operating revenue projections will be based on 2024 operating revenues levels
- ii. Acknowledge
 1. new CSEA contract to be negotiated in 2024 for 2025
 2. new delivery services contract needs to be negotiated in 2025 to start in 2026
- iii. \$0 unassigned funds
- iv. Reserve funds:
 1. Operating Reserve Fund: 100% funded for 2025
 - a. MHLS Operating Reserve Fund Policy: "The Reserve Fund goal will be to achieve and maintain no greater than eight (8) months plus an additional 20% (86%) of the costs of funding services and operations as defined in Section III."
 - b. Operating Contingency Fund: Continuously working towards meeting the stated goal of 10%
 - i. "The Contingency Fund goal will be to achieve and annually maintain in reserve ten (10%) of program funding and operating costs as defined in Section IV."
 - c. MHLS Capital Funds
 - i. Target will be aligned with Facilities Committee recommendations

b. State Funding Advocacy (RSA)

- i. The New York Library Association will pursue FY2025 funding levels as follows:

Committee Charge:

Always keeping in mind the Triple Bottom Line (as outlined in the board approved [Sustainability Policy](#)), this committee reviews the system budget for the forthcoming year, makes modifications to the current year, and monitors financial performance. Preferably at least one trustee from each county.

1. \$176.8 million for library operating aid
 2. \$175 million for State Aid for Library Construction
 3. \$3.1 million for NOVELny
 4. \$11.33/pupil for Library Materials Aid
- ii. [History of State Aid for Libraries](#) (NYLA)
- c. **ACTION:** Rajene Hardeman moved, and Thomas Silvius seconded, a motion to recommend to the board that the proposed 2025 budget be adopted by the full board at the December meeting. The motion passed unanimously.

3. Fiscal Policies:

- a. The Committee reviewed the reserve limits stated in the policy for the capital fund, employee benefits accrued liability reserve, operating contingency fund, and the operating reserve fund and found them to be at appropriate levels.
- i. Peter Carey moved, and Rajene Hardeman seconded, a motion to affirm the reserve funds are currently at adequate levels. The motion passed unanimously.
- b. **ACTION:** Peter Carey moved, and Rajene Hardeman seconded, a motion to recommend to the board that the Electronic Funds Transactions/Online Banking Policy be amended to allow for the electronic transfer of funds from the general checking account for the purposes of court-mandated child support payments. The motion passed unanimously.

4. New York Liquid Asset Fund (NYLAF) (JC)

- a. The Committee reviewed a staff recommendation to allow for the transition of our investments from fixed length certificates of deposit with our banking institution to the more flexible New York Liquid Asset Fund (NYLAF) as is used by other public libraries and library systems in New York State. Benefits include competitive rates in line with what we can access now through our banking institution, but we can move funds in and out at will without having to wait for a CD to mature, giving us the yields we are seeking with more flexibility to access our funds. "The Fund provides Local Governments multiple investment programs, in accordance with Article 5-G of the New York General Municipal Law, as amended, and Article 3-A of the General Municipal Law (Chapter 623 of the Laws of 1998). All NYLAF Investments fully comply with the New York General Municipal Law." Answers to Frequently Asked Questions: <https://nylaf.org/frequently-asked-questions/>
- i. **ACTION:** Thomas Silvius moved, and Rajene Hardeman seconded, a motion to recommend to the board to authorize the staff to open an account with the New York Liquid Asset Fund and to move funds currently in the CD rotation to NYLAF with the caveat that should interest rates be better through our banking institution that the funds would be moved back into CDs. The motion passed unanimously.

5. **Federal credit for solar project:** Executive Director Aldrich reported on the effort to access "Elective Pay" to partially reimburse MHLS for the rooftop solar project on the office building through the Inflation Reduction Act. This is in process.

6. Government & Community Relations Working Group Report

- a. All paperwork has been submitted (again) to dissolve the Foundation for Hudson Valley Libraries.

b. Grants:

- i. \$30,000 from Climate Partners HV received for year 3 of [The Library of Local Project](#). We will focus on the topic of disaster preparedness.
- ii. \$3,000 grant from the Dyson Foundation received. This covers our graphic designer and the set up for outreach events:



c. Soliciting donations online:

- i. New [donation processing page](#) created through PayPal, we can now segregate donations for different purposes:
 1. General Support
 2. The Debra Wilcox Klein Book Haven Collection
 3. eBook/Downloadable Audiobooks
- ii. New [Support Your Library System](#) web page includes a "Leave a Legacy" section:

Leave a Legacy

Remembering the Mid-Hudson Library System in your estate plan secures your legacy while supporting the Library System's important work.

Your contribution ensures that books, learning and our beloved member libraries will remain an important part of the Hudson Valley's fabric for generations to come. You do not need to be wealthy to leave a legacy gift. Donations of any size can make a significant impact in providing for the Library System's future.

Types of Legacy Gifts

Bequests

A bequest in your will, one of the simplest ways to make a future gift to the Library System, can take different forms and be easily modified to address your changing needs. Below is sample

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language to discuss with your attorney:

I give and bequeath the sum of \$_____ (or a portion/residue of my estate) to the Mid-Hudson Library System, of 103 Market Street, Poughkeepsie, NY 12601, to be used in support of its general charitable purposes.

Retirement Assets & Accounts

Even if you do not have a will, designating the Mid-Hudson Library System as a beneficiary of your retirement plan or bank account provides a meaningful way to support MHLS while fulfilling your financial and philanthropic goals. Gifts of assets from qualified plans such as 401(k), 403(b), IRA, Keogh, life insurance, or savings and checking accounts can all help leave your legacy. The basic information you need to include MHLS as a beneficiary is:

Legal Name: Mid-Hudson Library System

Address: 103 Market Street, Poughkeepsie, NY 12601

Federal Nonprofit Tax Identification Number: 14-1458489

Life Insurance

Life insurance policies that are no longer needed to secure your family's financial future may also be contributed. Through this option, you can make an irrevocable gift of an existing policy to MHLS, or, alternatively, can name MHLS as a beneficiary of a policy held in your name. Issuing a policy in the form of an irrevocable gift qualifies donors for an income tax deduction for the cash value of the policy or the total premiums paid, while naming MHLS as a policy beneficiary makes the donor's estate eligible for a charitable estate tax deduction for the amount passed to MHLS.

7. Other

- a. **ACTION:** Rajene Hardeman moved, and Thomas Silvius seconded, a motion to recommend to the board that TD Bank be our designated banking institution for 2025.

The meeting was adjourned at 4:25pm.