

CLINTON COMMUNITY LIBRARY

FINANCE COMMITTEE MEETING AGENDA – Thursday, August 8, 2019 at 4:30 pm

Invited: Tim Sullivan (Committee Member), Johanna Whitton (Chair of Committee), Carol Bancroft (Library Director), Marie Kolor (Bookkeeper)

Excused Absence: Zachary Snow (Committee Member)

AGENDA

- 1) **Financial Statements for July 2019**
- 2) **July Detail Reports**
- 3) **Projection of Cash Balances**
- 4) **Fund Balance Policy for Operating, Capital Projects and Contingencies**
- 5) **Budget Planning**
- 6) **Next Meeting**

MINUTES

- 1) **Financial Statements for July 2019:** The Committee reviewed and approved the financial statements for July 2019. (See attached financial statements: Balance Sheet, Profit & Loss, Profit & Loss vs. Actual)
- 2) **July Detail Reports Reviewed:** 1) Citizens Bank Business Checking, 2) Citizens Bank Business Money Market Account, 3) Deposit Detail, 4) Check Detail, 5) Hudson Valley Federal Credit Union Flex Certificate Account
- 3) **Projection of Cash Balances:** As of July 31, 2019, the Library has \$110,573.58 total cash on hand. The Committee projected that the Library will have \$67,500 available at year-end, and approximately \$140,000 available on April 1, 2020. This exercise was to ensure that the Library would have enough funds to cover the first quarter operating expenses of 2020 and to establish what our cash position will be after the 414 is received.
- 4) **Fund Balance Policy for Operating, Capital Projects and Contingencies:** The Committee discussed that formalizing fund balance policies would be appropriate next steps and we continue to build on our solid financial ground since winning the 414 vote. Definitions of each fund, and the use parameters of each fund will need further research and discussion, but we have identified several potential areas to establish fund policies for:
 - a) Operating Reserve Fund – money specifically set aside to ensure no disruption of library services while we wait for the 414 funding to be transferred to the Library from the Town. We anticipate needing approximately 3 months of projected operating expenses in this fund.
 - b) Contingency Fund – the purpose of this fund is to cover unexpected costs and to undertake strategic activities/projects that were not funded in the annual budget at the time of Board adoption. This fund could also be used in facility emergencies such as fire or theft.
 - c) Capital Fund – would provide funding for non-recurring expenditures for repairs and improvements
- 5) **Budget Planning:** The Committee discussed that the final disbursement of the \$25,000 grant that the Library receives annually from the Community Foundations of the Hudson Valley Grant will be in 2026. Future budgets and 414 votes will need to account for this loss in revenue.
- 6) **Next Meeting:** The Committee decided to meet again on Thursday, September 5, 2018 at 4:30 PM.

Minutes respectfully submitted by Johanna Whitton on August 10, 2019