



Report of the MHLS Finance Committee Meeting

August 17, 2015

- 1) Roll Call - Regina
 - X Regina Morini (P) (Chair)
 - o Caroline Benton-Profera (G) (excused)
 - X John Dax (C)
 - X Lynne Ridgeway (U)
 - X Richard Swierat (D)
 - X Roland Patterson (Ex-officio)
 - X Tom Sloan (Staff Liaison)
 - X Linda Vittone (Staff Liaison)
- 2) Ms. Morini called the meeting to order.
- 3) Ms. Morini requested and received approval of the agenda.
- 4) MHLS Monthly Financial Report/June 2015
 - i) Mr. Sloan and Ms. Vittone provide an overview of the report.
 - ii) Committee discussion included a question regarding any particular item needing Board attention. Ms. Vittone reported no particular item needed Board attention.
- 5) MHLS Mid-Year Financial Report
 - i) Mr. Sloan and Ms. Vittone provide an overview of the report.
 - ii) Committee discussion included an endorsement of reporting adjustments in a dedicated column and providing a narrative description for each adjustment.
 - iii) Ms. Morini requested and received a motion to recommend the MHLS Board accept the midyear adjusted budget. Motion passed unanimously.
 - iv) **ACTION** – **The Finance Committee recommends to the MHLS Board the 2015 midyear adjusted budget be approved by the MHLS Board.**
- 6) MHLS Capital Fund Policy
 - i) Mr. Sloan provided an overview of a proposed MHLS Capital Fund Policy.
 - ii) Committee discussion included: (1) clarification on the role of the Facilities Committee in recommending capital projects to the Finance Committee; (2) the continuing development of the MHLS Capital Plan; (3) the clarification of the policy's title; and (4) an understanding of the funding priorities for the MHLS Operating Reserve Fund, Operating Contingency Fund, and Capital Fund.
 - iii) Ms. Morini requested and received a motion to recommend the MHLS Board accept the proposed MHLS Capital Fund Policy, as amended by the Committee. Motion passed unanimously.
 - iv) **ACTION** – **The Finance Committee recommends to the MHLS Board the MHLS Capital Fund Policy be approved by the MHLS Board.**

FINANCE COMMITTEE

Reviews the system budget for the forthcoming year, makes modifications to the current year, and monitors financial performance. Preferably one trustee from each county.



7) MHLS Financial Procedures Manual

- i) Mr. Sloan and Ms. Vittone provide an overview of the manual.
- ii) Committee discussion included: (1) ensure all software applications are correctly and consistently titled; (2) use MHLS position titles instead of individual names; (3) determine if electronic meetings may be held to approve budget matters (e.g., NY Nonprofit Revitalization Act expressly permits the use of electronic communication to provide notice of meetings, cancel meetings and serve as a means for directors to cast votes); and (4) assess what should be included in the manual versus what might be amended to the manual as instructions.
- iii) Ms. Morini requested and received a motion to recommend the MHLS Board accept the Financial Procedures Manual, as amended by the Committee. Motion passed unanimously.

(1) The Finance Committee recommends to the MHLS Board the Financial Procedures Manual be approved by the MHLS Board.

- iv) Post Finance Committee meeting, MHLS staff recommended, and Ms. Morini and Mr. Patterson agreed, the Financial Procedures Manual be restructured providing three (3) sections: (1) Policies, (2) Procedures, and (3) Instructions. Staff will reformat the manual for review by the Finance Committee prior to Board review.

8) MHLS Operating Reserve Fund Policy – Annual Review¹

- i) Mr. Sloan provided an overview of the Operating Reserve Fund Policy.
- ii) Committee discussion included: (1) recognition of the stated role of the Finance Committee to annually review the policy; and (2) the continuing need for a 7 month reserve of operating funds considering MHLS had not yet received 2015 State funds.
- iii) Ms. Morini requested recommended changes to the Policy. Neither Committee members nor MHLS staff recommended any changes.

9) Operating Contingency Fund Policy – Annual Review²

- i) Mr. Sloan provided an overview of the Operating Reserve Fund Policy.
- ii) Committee discussion included: (1) consideration of the Fund's goal to annually maintain in reserve ten (10%) of Program Funding and Operating Cost; (2) recognition the Fund Policy will be a topic of discussion by library directors.
- iii) Ms. Morini requested recommended changes to the Policy. Neither Committee members nor MHLS staff recommended any changes.

10) Ms. Morini requested and received approval to adjourn the meeting.

¹ Policy Review - This policy will be reviewed annually by the MHLS Finance Committee or sooner if conditions warrant. Any changes thereto will be forwarded by the MHLS Finance Committee to the MHLS Board of Trustees for consideration and action by the Board.- Approved by MHLS Board of Trustees on December 6, 2014

² Ibid.

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