

Finance Committee

December 4, 2020 | 1:00pm

1. Roll Call

- ✓ Mark Wilson, Chair (C)
- ✓ Kenneth Goldberg (U)
- ✓ Priscilla Goldfarb (P)
- ✓ Debra Klein (G)
- ✓ Barry Ramage (D)
- ✓ Lynne Ridgeway (U)
- ✓ Richard Swierat (D) (ex officio)
- ✓ Rebekkah Smith Aldrich (Staff Liaison)
- ✓ Linda Vittone (Staff Liaison)

2. Chair's Comments: Mr. Wilson thanked the committee members and staff for their commitment and attention to detail as we have navigated the past year and planned for next year.

3. Status Report: Ms. Aldrich provided updates on:

- a. the status of State Aid for the current fiscal year which remains unchanged from the last report to the committee;
- b. the status of the current discussion with the CSEA bargaining unit which is on-going;
- c. reviewed the Facilities Committee's recommendations for the capital plan as it relates to budgeting for the coming year;
- d. provided a report on the impact of the hiring freeze;
- e. outlined the status of four grants:
 - i. CARES Act funds through the State Library: \$52,905 has been allocated to MHLS, application pending, notification expected by the end of the year.
 - ii. Pivoting to Respond Grant from the Community Foundation of the Hudson Valley: received, \$10,000 (unrestricted).
 - iii. Lifeboats of the Hudson Valley (formerly The Boatbuilders) fund of the New World Foundation: request: \$8,333 for 2020 and \$25,000 for 2021 to implement the Resilience Hub Project; funds to be applied to system personnel; application pending.
 - iv. Considering an application through the Public Entity Safety Initiative for 2021 which could provide funds for "unmandated" safety measures related to the pandemic.
- f. Members' Capital Fund Contribution: These funds were authorized for use to address funding gaps for 2020-2021, at this time the full amount is available for use in 2021 if necessary. Ms. Aldrich expressed an interest to use this as a last resort.
- g. Paycheck Protection Program (PPP) Loan Status: As of December 3, MHLS has been notified that the loan has been fully forgiven.

4. Report from the COVID-19 Response & Recovery Working Group: Mr. Swierat summarized the activities of this working group which included:

- a. Interviews with:
 - i. MHLS Board Members

- ii. Bob Dandrew, Philanthropist
- iii. Joseph Plummer, adjunct marketing professor at Columbia Business School and Senior Associate at Olson Zaltman Associates
- b. Next steps identified include:
 - i. Interviews with select member library directors and trustees
 - ii. Branding/messaging development which will entail an online survey of member stakeholders and cardholders

5. Review of Proposed 2021 Budget

- a. 2021 Budget Planning Assumptions
 - i. 2021 operating revenue projections will be based on an assumed 22.6% reduction from 2019 operating revenues
 - ii. Ability to maintain hiring freeze is being assessed
 - iii. Respects current CSEA contract (2.5% cost of living increase)
 - iv. Reserve funds:
 - 1. Operating Reserve Fund: 100% funded for 2021
 - a. MHLS Operating Reserve Fund Policy: “The Reserve Fund goal will be to achieve and maintain no greater than eight (8) months (66%) of the costs of funding services and operations as defined in Section IV.”
 - b. Operating Contingency Fund: Continuously working towards meeting the state 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 III.”
 - c. MHLS Capital Funds
 - i. Target will be aligned with Facilities Committee recommendations
- b. MHLS staff reviewed the projected deficit for 2021 and the status of reserve funds.
- c. **ACTION:** Mr. Wilson moved, and Ms. Ridgeway seconded the recommendation for adoption of the proposed 2021 budget to the full board at the December meeting

6. Foundation for Hudson Valley Libraries: Committee members will assess the current state of the foundation and recommend action for 2021 to either continue its existence or dissolve the entity.

7. Update on Financial Manager & Personnel Officer Position: Ms. Aldrich reported that Saran Camara has been hired to fill the MHLS Financial Manager & Personnel Officer position that became available upon Linda's announced retirement. Saran has spent the past 13 years working as an auditor for the Office of the State Comptroller (OSC), one of our regulatory agencies. Saran is a Certified Public Accountant (CPA) and has a master's degree in Business Administration (MBA). Saran will begin work at MHLS on Monday, December 7th and spend two weeks with Linda to get an overview of our financial and personnel management systems. She has been invited to attend the board meeting on December 12th. Linda's last day will be on December 18th.

8. Mr. Wilson thanked Ms. Aldrich and Ms. Vittone for their financial management efforts in the face of a very challenging year and in the face of a year that may prove equally challenging.

The meeting was adjourned at 2:30pm.