Central New York Library Resources Council

Finance Committee

May 2, 2012

2:00pm

**Present:** Jeff Wooldridge, Chair (MYLS); Katy Benson (Maxwell Memorial Library), Mary Fitzgerald (CLRC Accountant); Debby Emerson (CLRC Executive Director), liaison; Jim Williamson (SUNY ESF); Nancy Howe (Baldwinsville Public, via teleconference); Déirdre Joyce (CLRC Assistant Director)

**Excused:** Drew Urbanek (Herkimer Community College)

**Jeff Wooldridge called the meeting to order at 2:02 p.m.**

**Action Items**

Debby to check into 6-month and 12-month CD rates at various banks

Debby to further explore moving accounts to Chase bank

**Approval of the Minutes**

A motion was made to accept the minutes from the March 14 meeting as presented. (Williamson/S/A)

**Agenda Items:**

1. **Check and Deposit Register through March 31, 2012**
   * Mary presented the check and deposit register through 3/31/2012.
   * Payment of $10,000 to OCPL for RBDB grant for 2011 funding. Award would have been approved in late 2010.
   * What is Lyrasis? This was a payment for an online class done in January. Lyrasis is similar to the former Nylink, and is a provider of online education. They did Preservation of Photographic Materials class.
   * Motion to approve Check and Deposit register. (Willimason/S/A)
2. **Financial Reports ending March 31, 2012**
   * On Liabilities side, there is an accrual for the cost of sick time. This was done at the recommendation of the auditor. Account 2100 Payroll Liabilities.
   * Did not change vacation accrual because it had not changed significantly. Between people accruing time and people taking time, it is pretty much a wash..
   * Checking account shows negative balance because of checks being cut right at the end of the month and before the next deposit was recognized.
   * Profit/Loss by Class: We have added new category called Special Grants. These are grants that are one-time only, for a specific purpose, that will not be repeated every year. Mary, Debby and Deirdre agreed these funds should not be mixed in with general operating funds.
   * Where did this grant funding come from? National Network of Libraries of Medicine, Middle Atlantic Region (NN/LM MAR). It is a Technology Improvement Grant of about $6600, which we used to purchase laptop computers and a portable projector. This will enable the Medical Circuit Librarian to take training on the road to any hospital, even where there is no computer lab available.
   * Grants are recognizing revenue as it is expended.
   * Miscellaneous Receivables – grants where we have expended the funds, but not received the funds. In some cases we have to spend the money upfront and then submit invoices or reports to receive the funds.
   * In the case of the general Operating funds, we simply receive the funds in our bank account.
   * Do we ever get word that we have received a grant, and then learned later that funding is not available? It COULD happen, but not likely. Word trickles down if there is a real danger that we will not get the promised funding.
   * Budget vs. Actual reports go according to the term of the grant, not necessarily the fiscal year.
   * What is the line for legal expenses? We contracted with a partner at BSK (recommended by Maureen Kayes) to review the new lease agreement.
   * Professional Development – much higher than budgeted. Claire came on board and as a new staff member, she attended several training sessions.
   * This budget is what the committee approved last May. Major variances can be explained and would require approval of the Finance Committee and Board.
   * Much less spent in postage than previously, due to electronic distribution of most communications.
   * Two grants ended March 31 – HLSP and LSTA. Both of these programs have started a new grant year.
   * Motion was made to accept the financial reports and [pass them along to the Board of Trustees for review. (don’t know/S/A)
3. **NY State Budget Update**
   * When passed, the state budget included a 3.3% increase over last year’s amount. Both the Assembly and the Senate supported an increase in library funding. Senators Valesky and Seward are both on the Senate library committee, and Assemblyman Sam Roberts is on the Asembly Committee. Senator Seward told Jeff Wooldridge that the approach of looking at libraries in the same light as schools when lobbying for funding was a great tactic and was helpful in securing the additional funding we asked for.
4. **CLRC Budget**
   * Budgeted income is based on 3.3% increase in basic state aid.
   * Projected income from workshop registration is more than last year, based on higher-than-budgeted income for the current year.
   * Interest income is predicted to be lower, based on very low interest rates.
   * Service income line for Chargeback to New York Heritage is new. Claire does some work for NY Heritage; she reports it on her CLRC time sheet and we pay her, then invoice NY Heritage. This is a pass-through.
   * What is the meeting room cancellation fee? We used to charge people back if they scheduled the use of our room and then cancelled at the last minute. It really applied mostly to Nylink.
   * In some areas budget amount on proposed budget sheet does not match up with budget amounts on financial statements. This could be a case of something that changed during the year.
   * Proposed 3% raise for staff, with related increases in expenses for benefits.
   * Assumed 10% increase in the cost of health insurance. This is how the budget was prepared last year, and it worked out well.
   * There will be another $10,000 cooperative projects fee from NY3Rs. Debby has put $5,000 of that under Membership Fees and the other $5,000 in the RBDB budget in the draft budget. Was this fee a surprise last year? The NY3Rs had talked about it at length. When invoices were sent, some 3Rs approved and paid right away. Others were more cautious. Debby suggested it is not really “dues” and probably should not be placed in that category. It is billed as a cooperative projects fee.
   * There is a slight increase proposed for the travel budget, but we will probably have to do less travel to stay within this budget.
   * Other segments of budget – DHP, HLSP, MISP – similar to previous year.
   * RBDB budget shows lower projected income because OCPL dropped out of the NewsBank subscription (they will resume next year) and will not be contributing toward cost. NewsBank has lowered their quote somewhat to reflect that change.
   * LSTA budget has been approved by state; no funds received yet.
   * Is there money for professional development and travel? Most of this is listed under travel. People take turns going to work-related conferences in their areas of specialization.
   * Motion to approve and pass on to Board for approval (Howe/S/Approved)
5. **Banking Options**
   * Finance Committee had asked Debby to investigate options for short-term CDs at, hopefully, better interest rates. We are also looking into other banking options since our current bank, HSBC, has been sold and will become a First Niagara branch. Debby spoke with Citizens Bank which is in the same plaza as our current bank, and with Chase which is also close by. Interest rates for CDs are not better than what we have with our current money market savings. The best rates are for “relationship” accounts, where we have checking, savings and investments all with the same bank. Citizens Bank requires a personal guarantee for the business credit cards we use and Debby was not pleased with that arrangement. Debby will check into 6-month and 12-month CDs. Debby asked for suggestions of banking institutions that people have worked with. All the institutions Debby checked with offer online banking.

**NEXT MEETING: August 15, 2012 at 2:00pm.**

A motion was made to adjourn at 3:08 pm (Howe/S/A).

Respectfully submitted,

Debby Emerson

Executive Director, CLRC