

WOLFEBORO PUBLIC LIBRARY BOARD OF TRUSTEES

Finance Committee

Bradley Room

July 13, 2023

Present - Trustees: Brodie Deshaies (chair), Doug Smith, Nancy Bell, Library Director: Alison Rutley

The meeting was called to order by Brodie Deshaies at 3:04 PM.

Public Input (none).

New Business/Finance Chair's Report

Investment Policy and Guidelines

Paul Provost – NH Trust President and Financial Advisor met with the committee via video conference to assist the Wolfeboro Public Library with updates of our investment policy. He stated that our policy is normal for nonprofits, however suggested more flexibility and percentage of securities than we presently have.

Mr. Provost stated that a number of libraries are represented at NH Trust. He suggested clear language about what has been included/excluded – what types of investments should be included or excluded by the Wolfeboro Public Library.

He presented an overview of the global economy and market. It is commonly agreed that these areas have been compared to a rollercoaster as a result of the pandemic era. This ride should be ending in 2024. Policies have cut down the rate of inflation and dramatic improvements have been seen. The Interest Rate has been raised multiple times by the Fed, perhaps to the point of being overdone and the Fed may have to start cutting rates in 2024. This will begin with ¼% rate decreases and will occur slowing. It will take a while to get rates back to two to three percent.

This has been the most predicted recession in history. Fixed rate mortgages are still working to help the economy. This will help to return the country to a slow growth economy. Last year was horrible for stocks and bonds, with a 20% drop in stocks and a 14% drop for bonds. Double digit positive returns show improvement for the stock market. There has been a broad market rally. The stock market is a financial working device. Bonds have a better return as interest rates currently run at five to six percent. This is good steady money.

Paul will send 3 samples of investment policies and guidelines for the committee to review.

We will need to review asset classes to determine which will allow flexibility in investment for a rate of 30-70%. This will be presented to the Board of Trustees. Funds will be reviewed to determine necessary investment policy advisability.

Treasurer's Oversight Duties

Questions were asked about the flexibility for decision making of the treasurer. The Board of Trustees creates guiderails with limits to authorize distributions up to a certain limit. The Board of Trustees will update our guidelines and the treasurer's' oversight responsibilities. It was suggested that this be placed in the bylaws. The oversight duties of the Treasurer need to be made more explicit.

Brodie will develop a draft of oversight duties which will be presented to Alison Rutley and Lori Pankowski for their input. The proposed draft will be reviewed by the Finance Committee at their next meeting. The finalized draft will be submitted to the Board of Trustees as an amendment to the bylaws. Alison will check with the Library Trustees Association for information on the Treasurer's duties.

Budget Process

The finance committee's involvement in the budget process will be increased.

The next Finance Committee meeting will be held on August 10 at 4:00 pm.

Upcoming meetings/events NHLTA Trustee Organization Workshop – Monday, July 17, 2023, at 10:00 a.m.

Board of Selectman Meeting – Wednesday, July 19, 2023, at 6:30 p.m.

Human Resources Committee – Monday, July 24, 2023, at 2:30 p.m.

Policy & Procedures Committee Meeting – Thursday, July 27, 2023, at 3:00 p.m.

Finance Committee Meeting – Thursday, August 10, 2023, at 4:00 p.m.

Wolfeboro Public Library Trustees, Monday, August 14, 2023, at 3:30 p.m.

Adjourn

Brodie Deshaies made a motion to adjourn. Doug Smith seconded the motion. All voted in favor.

The meeting adjourned at 4:26 PM.

Respectfully submitted,
Nancy Bell
Finance Committee Secretary

Note: Minutes are UNAPPROVED until voted on by the Finance Committee