

FINANCE COMMITTEE – KEENE PUBLIC LIBRARY

Jan 14, 2025

Attending: Judy Putnam, Jane Pitts, Justin Somma, Alan Stroshine, Marti Fiske

INVESTMENTS REVIEW

Alan brought the group up to speed on the Trustees assets at Edward Jones.

Alan aims for a 60% equities, 40% fixed income split in all Trustees investments.

We are currently keeping the minimal recommended amount in international stocks, Alan recommends to keep investments domestic for the time being. He recommends, if we change anything, to move money from large cap to small/mid cap investments.

There are significant reserves of cash across our investments that we are in a position to use as Trustees.

Per Alan, there is no strong need to rebalance the investments. It would be best to stay the course.

Alan's predictions for this year: Now that the election is over and we have some policy direction, we should have a long runway before there are dramatic impacts – markets will react based on GDP, monetary policy, and corporate profits, not policy announcements from politicians. Market should see percentage growth in the high single digits to low teens. Bonds should outpace cash in 2025. We should have time to react to any actions by the federal government before government decisions impact the market in an appreciable way. Barring a major geopolitical event like a pandemic or China invading Taiwan, geopolitics shouldn't impact our market performance.

Because we are not rebalancing it makes sense that Alan can offer the Board of Trustees a brief update rather than an in-depth review.

MINUTES APPROVAL – Jane/Justin – unanimous

ONLINE DONATIONS

The Library is researching options to receive donations online. The best option seems to be to use the City to process, rather than a processor like Square, etc. Under this system the money would go to the city and need to get passed along to the Library through the City Council. If the City cannot “pass through” the money, Square is the option of choice with Just Giving as a backup. The Committee recommends we address this issue in the near future.

Q2 FINANCIAL REVIEW

The income includes year end earnings from investments. The Fine Arts expense represents the cost of the “reading nook” project. The summer lunches expense was just a close out reimbursement of Rotary grant from the summer program not additional expense. Maintenance reserve expense represents the cost of the [Heberton](#) refrigerator repairs. The Committee also reviewed the encumbered and restricted funds.

DONATIONS:

\$500 from Carolyn Jones

\$250 from Jacob Lichman Trust – restricted to the purchase of political science, historical, art & culture, and race relations.

\$1000 from AARP Grant – restricted for adult computer literacy programs

CITY AUDIT

Marti – the current City of Keene auditor’s company was sold. The new owners are currently conducting the City’s audits. This coupled with new and restrictive guidelines requires an annual financial audit of Trustees funds. Compliance to a mutually agreed audit process would begin next fiscal year, but the City would still hope to do a simple review of the last two quarters of FY24-25 year to satisfy the auditors. The City Manager believes it would be best to do this work on a quarterly basis to balance the workload burden.

Jane – the City is trying to speak with their own auditors to see if they can include the Trustees audit as a part of their work. If not, the city would do the review work themselves (per Marti’s update). The third option is to put the Trustees on the Munis accounting software to standardize the Trustees work with the city processes.

The Finance Committee will meet with the City Finance department to work on establishing an audit process together.

P-CARD

Library staff have had big expenditures in December. This is a normal flow of spending. However the total spending went over the maximum allowable spending by a few dollars. We need to clear the balances in order to facilitate staff spending in January. Jane proposes paying the card balance early so this can happen. Jane acknowledges that this is likely to happen annually, but not more than once per year, so the Finance Committee should be on the lookout in January for this level of activity.

TRUSTEE OFFICE

The Finance Committee recommends that the Trustees allow the Library to repurpose their office for use as a small teleconference or examination space that can be made available to non-cardholding patrons.

Regarding storage of files, Marti advises that a locking cabinet could go anywhere, or we could put a cabinet in Marti's office. The only requirement is that the files are accessible to the Treasurer during Library hours. This would make Marti's office suboptimal. The Committee will undertake a cleanout to facilitate this move.