



**Finance Committee Meeting**  
**Wednesday, February 27, 2019**  
**Meeting Room 2**  
**9:00 a.m.**

Present: Trustees Becker and Berlind; Committee Member Robert Kirkpatrick; Library Director Burkey; Assistant Director for Administrative Services Doyle; Director of Finance & HR Administration Harlow; Marc Perlroth and Christine Sansome from Donald L. Perlroth & Co. (from 9:00 – 9:30); Bob Marcinek and Michael LaRiviere of Essex Financial Services (from 9:30 – 10:30)

1. **Call to Order:** Chair Becker called the meeting to order at 9:01 a.m.
2. **Public Session/Comment:** There were no members of the public present.
3. **Approval of Minutes:** It was moved (Committee Member Kirkpatrick) and seconded (Trustee Becker) to approve the minutes of the Finance Committee meeting of January 17, 2019. The motion passed unanimously.
4. **Presentation of Russell Library Company's audit report:** The auditors discussed the various components of the audited financial statements. The decrease in investment amount was mainly due to a larger withdrawal than originally budgeted. It was noted the long-term debt is strictly the mortgage for 234 Court Street and that the mortgage for the annex building will be paid off by mid-2023. The auditors reported that grants are being solicited from new sources, a good sign. The acquisitions reported within the Statement of Cash Flows include solely equipment. It was also noted that the city provided financial funding of 95% largely for salaries, materials and building maintenance. The auditors praised Director of Finance and HR Administration Harlow for her accuracy in record keeping and her help in providing all the information necessary for a successful audit. At its next meeting, the Finance Committee will vote on accepting the audit report for presentation to the full board.
5. **Essex Financial Services Update:** There was a discussion of the timing of the withdrawal of the budgeted \$53,000 from the endowment. Director of Finance and HR Administration Harlow will review upcoming expenses and let Trustee Becker know when the money will be needed to be withdrawn. Bob Marcinek and Mike LaRiviere said they will move enough money into a money market account to have it readily available. They showed the committee a chart demonstrating the rate at which an investment diminishes under different percentage withdrawals. Another chart showed the advantage of having diverse investments for more rapid recovery after a recession.
6. **The next meeting with EFS will take place Thursday April 11 at 9:00 a.m.**
7. **Adjournment:** It was moved (Trustee Berlind) and seconded (Committee Member Kirkpatrick) to adjourn the meeting at 10:35 a.m.

Respectfully Submitted,

*Wendy Berlind*

Wendy Berlind, Secretary