

Item: WLS Temporarily Restricted Net Assets

Background: A report is provided to the WLS Board on the restricted contributions received and net assets released three times a year at the Board Meetings held in May, in September and in January.

As a reminder, the Board Restricted Fund (the second of the Information Items) is for money that currently resides in the operating account and needs to be addressed in terms of if it should exist, if so how and the rules around that. Purely a policy discussion.

Status: The attached report illustrates activity regarding temporarily restricted net assets for the period May 1 through August 31, 2020.

September 24, 2019

Temporarily Restricted Net Assets
as of August 31, 2020

Source	Item	Description	Temporarily Restricted Net Assets December 31, 2019	2020 Revenue	2020 Expenses	Temporarily Restricted Net Assets August 31, 2020
70005	Gates	Computer equipment & training	\$5,094	\$0	\$0	\$5,094
70001	Bruni Verges	Children's programs celebrating cultural diversity	\$1,098	\$0	\$0	\$1,098
30006	People and Stories	Literacy support program	\$2,096	\$0	\$0	\$2,096
20005	WSPS/WSOS	Health Information for Senior Adults	\$0	\$11,600	\$10,627	\$973
30040	Coordinated Outreach	Services to unserved/underserved populations	\$0	\$104,932	\$104,298	\$634
30060	State Corrections	Library services to inmates in State correctional facilities	\$0	\$20,936	\$4,610	\$16,326
30080	County Corrections	Library services to inmates in County correctional facilities	\$0	\$5,336	\$150	\$5,186
30031	Adult Literacy	Training/resources to support adult learners	\$0	\$3,060	\$0	\$3,060
30032	Family Literacy	Training library staff to provide literacy services to children & caregivers	\$0	\$4,788	\$119	\$4,669
30004	Central Library	Library materials, svcs & training	\$88,731	\$238,069	\$112,768	\$214,032
42030	BTOP	Contract with New Rochelle Library to provide tech-related workshops	\$780	\$7,555	\$8,300	\$35
70100	Battle of the Books	Book-based trivia tournament for Westchester youth	\$0	\$0	\$0	\$0
70101	Mini-Grants	Competitive grants to member libraries	\$35,100	\$0	\$17,472	\$17,628
70102	TASC - Private contributions	Private monies for adult literacy programs	\$3,113	\$0	\$0	\$3,113
70106	Early Literacy/ConEd	Early literacy activities for children/caregivers				\$0
70107	Marketing & Prof. Development/Entergy	County-wide awareness of WLS programs	\$8,218	\$25,000	\$3,800	\$29,418
70108	Early Literacy/Private Contributns	Early literacy activities	\$5,000	\$5,000	\$88	\$9,912
70109	2020 Census	Census activities	\$53,396	\$12,313	\$28,986	\$36,723
70110	Xprize	Digital Learning	\$10,235	\$0	\$500	\$9,735
70111	Digital Resources	Educational equity through access to	\$25,000	\$0	\$0	\$25,000
70112	Vision Labs	Resources for Westchester Residents with Low or Declining Vision	\$0	\$1,250	\$765	\$485
70113	HW Wilson/Outreach/Career	Support libraries meeting needs of COVID-19, Outreach to vulnerable pop., Job and Career Counseling	\$0	\$15,000	\$0	\$15,000
80001	M&T/Music & Memory	Music and Memory project	\$1,500	\$0	\$0	\$1,500
80020	P. Rosen Fund for Senior Svcs	Donations made in honor of Phyllis Rosen for Senior Services	\$0	\$3,385	\$0	\$3,385
	TOTALS		\$239,361	\$458,223	\$292,482	\$405,101

Item: WLS Investment of Funds Policy Revision

Background: Westchester Library System has a Board Restricted Fund, which has primarily been used to cover operating expenses in periods of reduced cash flow, such as when anticipated payments from New York State are delayed. The Board is looking to formalize the governance and use of this fund.

Status: The Budget and Governance Committees met jointly on July 30th and on September 22nd to further discuss the Board Restricted Fund included in the operating account.

The current WLS Investment of Funds Policy #12 was reviewed, and revisions are being suggested that more accurately reflect appropriate levels of reserve and expectations for the rates of return.

Attached is a revised policy. Please note that deletions are shown as ~~striketrough~~ and additions, as underscored.

Per regular procedure, this policy revision is being distributed and presented one meeting in advance as an Information Item with official approval to be sought at the next regularly scheduled Board meeting, which will be held in October 2020.

September 29, 2020

Subject: Investment of Funds

Application: Trustees and employees

Westchester Library System (WLS) is committed to investing its funds in a way that will maximize the security of principal, satisfy cash flow requirements, and use approved investments to provide the highest possible return. All investments shall conform with all applicable laws and regulations applicable to library systems in New York State.

Investment Objectives

The investment objectives of the Board of Trustees of WLS are, in priority order: (1) to conform to all applicable federal, state and other legal and regulatory requirements; (2) to preserve capital; (3) to provide sufficient liquidity to enable WLS to meet ~~all anticipated operating requirements~~ its goal of maintaining a reserve sufficient to meet at least ninety (90) days of operating expenses; and (4) to generate ~~the highest possible~~ higher rates of return than available through standard savings accounts consistent with the first three objectives.

Authorized Investments; Security

All WLS funds (including privately raised moneys, but excluding trust funds that may be invested as provided in the Estates, Powers and Trusts Law) shall be invested in accounts or securities permitted under Sections 10 and 11 of Article 2 of the General Municipal Law, as from time to time amended and in effect, or any successor or similar laws. All deposits in commercial banks or trust companies in excess of the amount insured from time to time under the Federal Deposit Insurance Act shall be secured as provided in said Section 10.

Designation of Depositories

The Board of Trustees shall designate one or more banks or trust companies authorized to do business in the State of New York for the deposit of WLS funds, and the maximum amounts that may be deposited in each such financial institution, at the January meeting of the Board of Trustees. Such designation and amounts may be changed at any time by resolution of the Board of Trustees.

Delegation of Authority

The Board of Trustees hereby delegates management responsibility for investment of WLS funds to the Treasurer and the Chief Financial Officer, who shall jointly (1) invest WLS funds in accordance with the investment objectives and subject to the limitations described in this policy; and (2) establish procedures consistent with this policy. No person may engage in any investment transaction on behalf of WLS except as provided in this policy and the procedures established hereunder.

Reporting

The Treasurer shall provide the Board of Trustees with investment reports at regular board meetings, specifying the types of investments, principal balances, rates of return and maturities.

Last approved: ~~May 26, 2015~~

DRAFT