

## **Board of Finance Minutes March 26, 2015**

The Lyme Board of Finance meeting was called to order at 7:30 in the Lyme Fire House Meeting Room.

Present were Board Members: Thomas Boyd Chairman, Lori Caine, Judith Duran, Jarrod Leonardo, Herbert Ross, Matthew Sharp, Kathryn Wayland.

Also present were Selectmen Ralph Eno and Steve Mattson.

Library representatives present were Theresa Conley and Jim Benn

The minutes of the last meeting, March 19, 2015, were approved as corrected (Matthew Sharp was in attendance.)

The meeting began with a statement by Chairman T. Boyd with questions to the Library representatives so that the Board of Finance could better understand the governance and financials of the library. He brought up the point that the Old Lyme Library taxpayers contribute 40% of their annual Library budget while Lyme taxpayers contribute 75%. His point was that more vigorous fund raising by the various arms of the Library could help alleviate the tax burden on the Lyme taxpayers.

Lyme is entering a period where a number of large expenditures will dictate that all town entities hold expenditure increases to a minimum. Mr. Boyd requested that the Library keep the town contribution at \$165,111 over the next few years to help us through this period.

As the Board of Finance now understands it, the newly named Lyme Public Library Foundation Inc's Form 990 states that it is "fund raising body". It holds the endowment and contributes monies on a yearly basis to the Library operating fund.

Lyme Library Directors do not seem to have a public mission statement. We assume they supply overall governance and oversee the yearly fund raising through musicals and dinners, etc. We believe these monies are then given to the Library for special purchases as needed. To be legally compliant, these surplus funds need to be held in a town account and the Directors need to post their meeting minutes on the town website and store a copy in the town vault in a timely fashion.

The Friends of the Lyme Public Library do not have a Form 990 filed. We were told they hold the annual book sale, have a bank account of their own and plan to subsidize some programs.

After much discussion, the meeting ended with an understanding that the goal of this budget process was to have by April 2 a true and transparent accounting of the Lyme Library finances with income and expense line items listing estimated fund raising and planned expenditures. The monies held by the various Library entities, excluding the Foundation, would be turned over to the town and held in a Library trust fund for safety and accountability. This balance is to be audited and publically published as legally required.

The next meeting will be on Tuesday, April 21 unless an extra meeting becomes necessary to approve the Library budget.

The meeting was adjourned at 8:46 PM.

Respectfully Submitted,

Judith Duran

Clerk