

NORTHPORT-EAST NORTHPORT PUBLIC LIBRARY
Meeting of July 16, 2002
ANNUAL REORGANIZATION MEETING

APPROVED

I The Annual Reorganization Meeting of the Board of Trustees of the Northport-East Northport Public Library was called to order at 10:00 a.m. by Chairperson Elizabeth McGrail.

Also attending were Ruth McKay, William Martin, Robert Little, C. Annette Carr, Assistant Director Eileen Minogue and Director Stephanie Heineman.

II REORGANIZATION OF BOARD

A Mrs. Carr moved to reappoint Elizabeth McGrail as Chairperson, William Martin as Vice-Chairperson, and appoint C. Annette Carr as Secretary, and Robert Little as Financial Secretary & Treasurer, seconded by Mr. Little and unanimously carried.

B Selection of members of the Personnel Committee
Mrs. McKay moved to appoint the following members of the Personnel Committee:
William Martin, Ruth McKay, Robert Little and C. Annette Carr.
Seconded by Mr. Martin and unanimously carried.

III Designation of person and alternate certified to sign payroll and Supplementary Warrants

Mr. Martin moved to approve Stephanie Heineman and alternate Eileen Minogue certified to sign payroll and supplementary warrants, seconded by Mr. Little and unanimously carried.
(attached page)

IV Approval of Emergency Payment of Warrants

Upon a motion by Mr. Little and seconded by Mrs. Carr, the Board unanimously authorized the payment of usual and necessary bills when a quorum of the Board is unavailable upon approval of two Board members, and the Board of Trustees shall ratify the approval of the voucher itemizing expenditures at the next scheduled monthly Board meeting.

V Approval of Northport-East Northport Public Library Investment Policy; July 1, 2002-June 30, 2003

Mrs. Carr moved to approve Northport-East Northport Public Library Investment Policy; July 1, 2002-June 30, 2003, seconded by Mrs. McKay and unanimously carried.
(attached page)

Approval of Deferred Compensation amount of \$50,000. for 2002/2003 fiscal year

VI Mrs. McKay moved to approve Deferred Compensation amount of \$50,000, for 2002/2003 fiscal year, seconded by Mr. Martin and unanimously carried.

VII Adopton of 2003 Schedule of Openings & Closings

Mr. Martin moved to adopt 2003 schedule of holiday openings & closings, seconded by Mr. Little and unanimously carried.
(attached page)

VIII Approval of Tuesday, April 8, 2003 to hold annual Library Vote and Trustee Election

Mr. Little moved to approve Tuesday, April 8, 2003 to hold annual library vote and Trustee election, seconded by Mrs. Carr and unanimously carried.

- IX Approval of the Clerk of the Annual Vote
Mrs. Carr moved to approve Claire Sarser Clerk of the Annual Vote, seconded by Mrs. McKay and unanimously carried.
- X Approval of designation of The Observer and/or The Record as the official newspapers for the publications of Legal Notices
Mrs. McKay moved to designate The Observer and/or The Record as the official newspapers for the publications of Legal Notices, seconded by Mr. Martin and unanimously carried.
- XI Approval of Vollmer-Adair Agency, Inc. to manage insurance Program
Mr. Martin moved to approve Vollmer-Adair, Inc. to manage insurance program, seconded by Mr. Little and unanimously carried.
- XII Approval of Graber & Company to perform Annual Financial Audit
Mr. Little moved to approve Graber & Company to perform Annual Financial Audit, seconded by Mrs. Carr and unanimously carried.
- XIII Authorization to publish notice of the Annual Financial Audit
Mrs. Carr moved to approve authorization to publish notice of the Annual Financial Audit, seconded by Mrs. McKay and unanimously carried.
- XIV Approval of Fixed Asset Item Withdrawals
Mrs. McKay moved to approve Fixed Asset Item Withdrawals, seconded by Mr. Martin and unanimously carried.
- XV Approval of Stephanie Heineman as Records Access Officer 2002/2003
Mr. Martin moved to approve Stephanie Heineman as Records Access Officer 2002/2003, seconded by Mr. Little and unanimously carried.
- XVI Approval of Claire Sarser as Records Management Officer 2002/2003
Mr. Little moved to approve Claire Sarser as Records Management Officer 2002/2003, seconded by Mrs. Carr and unanimously carried.
- XVII Schedule of 2002/2003 Board Meetings

Thursday, August 15, 2002	10:00 a.m. (Financial Only)
Thursday, August 19, 2002	To be announced
Thursday, October 17, 2002	To be announced
Thursday, November 21, 2002	To be announced
Thursday, December 19, 2002	To be announced
Thursday, January 16, 2003	To be announced
Thursday, February 20, 2003	To be announced
Tuesday, March 11, 2003	To be Announced
Public Hearing	
Thursday, March 20, 2003	To be Announced
Tuesday, April 8, 2003	9:00 a.m. to 9:00 p.m.
Library Vote & Election of Trustee	
Thursday, April 17, 2003	To be announced
Thursday, May 15, 2003	To be announced
Thursday, June 19, 2003	To be announced

Moved by Mrs. Carr and seconded by Mrs. McKay and unanimously carried.

XVIII ADJOURNMENT

Mrs. McKay moved to adjourn at 10:40 a.m., seconded by Mr. Martin and unanimously carried.

Respectfully submitted,

A handwritten signature in cursive script that reads "C. Annette Carr".

C. Annette Carr
Secretary

III. Supplementary Warrants

The Board approves the following payments in the Payroll/Supplementary Warrant:

Payroll

1. Federal Withholding Tax
2. Social Security and Medicare
3. New York State Withholding Tax
4. New York State Retirement 3%
5. Tax Shelters – Fidelity, IDS, Allmerica
6. Net Payroll

Supplementary

1. AT&T
2. ADP Payroll
3. Café Expenditures
4. Conference Registration Fees (prepayment required with deadline)
5. Employee's Eye/Dental
6. GDA Travel Corp. – Deposits & Bus Trips
7. Health Insurance
8. Insurance Invoices
9. Keyspan
10. LIPA
11. Library Budget Vote
12. Library Van – Monthly Loan Payment
13. Library Van – Gasoline
14. New York State Sales Tax
15. Petty Cash
16. Postmaster – East Northport
17. Postmaster – Northport
18. Postage-By-Phone
19. Suffolk County Water Authority
19. Verizon
20. Emergencies as approved for payment by Director (i.e. building repairs, permits, etc.)

NORTHPORT-EAST NORTHPORT PUBLIC LIBRARY**INVESTMENT POLICY**

2002/2003

I. SCOPE

This investment policy applies to all monies and other financial resources available for investment on its own behalf or on behalf of any other entity or individual.

II. OBJECTIVES

The primary objectives of the Northport-East Northport Public Library's investment activities are, in priority order,

- to conform with all applicable federal, state, and other legal requirements,
- to adequately safeguard principal,
- to provide sufficient liquidity to meet all operating requirements, and
- to obtain a reasonable rate of return.

III. DELEGATION OF AUTHORITY

The Northport-East Northport Public Library Board of Trustees' responsibility for administration of the investment program is delegated to the Director of the Library who shall establish written procedures for the operation of the investment program consistent with these investment guidelines. Such procedures shall include an adequate internal control structure to provide a satisfactory level of accountability based on records incorporating description and amounts of investments, transaction dates, and other relevant information and regulate the activities of subordinate employees.

IV. PRUDENCE

All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the Northport-East Northport Public Library to govern effectively.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

All participants involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial decisions.

V. DIVERSIFICATION

It is the policy of the Northport-East Northport Public Library to diversify its deposits and investments by financial institutions, by investment instrument, and by maturity scheduling.

VI. INTERNAL CONTROLS

It is the policy of the Northport-East Northport Public Library for all monies collected by any officer or employee of the Northport-East Northport Public Library to transfer those funds to the Accounting Clerk within two (2) days of deposit, or within the time period specified in law, whichever is shorter.

The Director of the Library is responsible for establishing and maintaining an internal control structure to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly and are managed in compliance with applicable laws and regulations.

VII. DESIGNATION OF DEPOSITARIES

The banks and trust companies authorized for deposits and investment of Northport-East Northport Public Library monies up to the maximum amounts are:

<u>Depository Name</u>	<u>Maximum Amount</u>	<u>Officer</u>
First National Bank of L.I.	\$1,000,000.00	Henry Suhr, Manager
Fleet Bank, National Assoc.	\$1,000,000.00	Paul Philips, Manager

VIII. COLLATERALIZING OF DEPOSITS

In accordance with the provisions of General Municipal Law Section 10 all deposits of the Northport-East Northport Public Library including certificates of deposit and special time deposit, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured:

1. By a pledge of "eligible securities" with an aggregate "market value" as provided by GML Section 10, equal to the aggregate amount of deposits from the categories designated in Appendix A to the policy.
2. By an eligible "irrevocable letter of credit" issued by a qualified bank other than the bank with the deposits in favor of the Northport-East Northport Public Library for a term not to exceed ninety (90) days with an aggregate value equal to 150% of the aggregate amount of deposits and the agreed upon interest, if any. A qualified bank is one whose commercial paper and other unsecured short-term debt obligations are rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization or by a bank that is in compliance with applicable federal minimum risk based capital requirements.

3. By an eligible surety bond payable to the Northport-East Northport Public Library for an amount at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations.

IX. SAFEKEEPING AND COLLATERALIZATION

Eligible securities used for collateralizing deposits shall be held by a depository and/or third party bank or trust company subject to security and custodial agreements.

The security agreement shall provide that eligible securities are being pledged to secure Northport-East Northport Public Library deposits together with agreed upon interest, if any, and any costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events which will enable the Northport-East Northport Public Library to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the local government, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the Northport-East Northport Public Library or its custodial bank.

The custodial agreement shall provide that securities held by the bank or trust company, or agent of and custodian for, the Northport-East Northport Public Library, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be comingled with or become part of the backing for any other deposit or other liabilities. The agreement should also describe that the custodian shall confirm the receipt, substitution, or release of the securities. The agreement shall provide for the frequency of revaluation of eligible securities. The agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the Northport-East Northport Public Library a perfected interest in the securities.

X. PERMITTED INVESTMENTS

As authorized by General Municipal Law, Section 11, the Northport-East Northport Public Library authorizes the Director of the Library to invest monies not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments:

- Special time deposit accounts;
- Certificates of Deposit;
- Obligations of the United States of America;
- Obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America;
- Obligations of the State of New York

- Obligations issued pursuant to LFL Section 24.00 or 25.00 (with approval of the State Comptroller) by any municipality, school district or district corporation other than the Northport-East Northport Public Library

All investment obligations shall be payable or redeemable to the option of the Northport-East Northport Public Library, within such time as the proceeds will be needed to meet expenditures for purposes for which the monies were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable at the option of the Northport-East Northport Public Library within two years of the date of purchase.

XI. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The Northport-East Northport Public Library shall maintain a list of financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments which can be made with each financial institution or dealer. All financial institutions with which the local government conducts business must be credit worthy. Banks shall provide their most recent Consolidated Report of Condition (Call Report) at the request of the Northport-East Northport Public Library. Security dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers. The Director of the Library is responsible for evaluating the financial position and maintaining a listing of proposed depositaries, trading partners, and custodians. Such listing shall be evaluated at least annually.

XII. PURCHASE OF INVESTMENT

The Director of the Library is authorized to contract for the purchase of investments:

1. Directly from an authorized trading partner.
2. By participation in a cooperative investment program with another authorized governmental entity pursuant to Article 5G of the General Municipal Law where such program meets all the requirements set forth in the Office of the State Comptroller Opinion No. 88-46, and the specific program has been authorized by the governing board.
3. By utilizing an ongoing investment program with an authorized trading partner pursuant to a contract authorized by the governing board.

All purchased obligations, unless registered or inscribed in the name of the Northport-East Northport Public Library shall be purchased through, delivered to and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or repayment by such bank or trust company only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the Northport-East Northport Public Library by the bank or trust company. Any obligation held in the custody of a bank or trust

company shall be held pursuant to a written custodial agreement as described in General Municipal Law, Section 10.

The custodial agreement shall provide that securities held by the bank or trust company, as agent of and custodian for the Northport-East Northport Public Library, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement shall describe how the custodian shall confirm the receipt and release of the securities. Such agreement shall include all provisions necessary to provide the Northport-East Northport Public Library a perfected interest in the securities.

APPENDIX A

SCHEDULE OF ELIGIBLE SECURITIES

1. Obligations issued by the United States of America, an agency thereof or a United States government sponsored corporation or obligations fully insured or guaranteed as to the payment of principal and interest by the United States of America, an agency thereof or a United States government sponsored corporation;
2. Obligations issued or fully insured or guaranteed by this state. Obligations issued by a municipal corporation, school district or district corporation of this state or obligations of any public benefit corporation which under a specific state statute may be accepted as security for deposit of public monies;
3. Obligations issued or fully guaranteed by the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, and the African Development Bank; and
4. Obligations partially insured or guaranteed by any agency of the United States of America, at a proportion of the market value of the obligations that represents the amount of the insurance or guaranty.