

**QUEENS LIBRARY**  
**FINANCE AND INVESTMENT COMMITTEE**  
**THURSDAY, MARCH 28, 2019**  
**MINUTES**

A meeting of the Finance and Investment Committee was held at the Central Library, 89-11 Merrick Boulevard, Jamaica, NY 11432 on Thursday, March 28, 2019. The meeting was called to order at 7:17 PM by Committee Chair, Lydon Sleeper - O'Connell.

**I. CALL TO ORDER**

| <b>Attendee Name</b>       | <b>Title</b>    | <b>Status</b> | <b>Arrived</b> |
|----------------------------|-----------------|---------------|----------------|
| Lydon Sleeper - O'Connell  | Committee Chair | Present       |                |
| Matthew M. Gorton          | Board Member    | Present       |                |
| James M. Haddad, Esq.      | Board Member    | Excused       |                |
| Andrew P. Jackson          | Board Member    | Present       |                |
| Haeda Mihaltses            | Board Member    | Present       |                |
| Edward Sadowsky, Esq.      | Board Member    | Excused       |                |
| Earl G. Simons, Ed. D.     | Board Member    | Excused       |                |
| Eli Shapiro, Ed. D., LCSW. | Board Member    | Present       |                |

**II. AGENDA**

The order of the Finance and Investments Committee agenda was changed to allow the investment firms, Wilmington Trust, TD Bank, and JP Morgan, respectively, to give the board the status the Library’s investment portfolios.

**A. Action Item(s)**

**1. Approval of Bills for the Month of February 2019 (ID # 1944)**

**Recommended Motion for Consideration by the Finance & Investment Committee:**

*I move that the Finance & Investment Committee recommend to the Board of Trustees the approval of the February 2019 bills in the aggregate sum of \$4,044,352.*

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| <b>RESULT:</b>   | <b>RECOMMENDED [Unanimous]</b>                                       |
| <b>MOVER:</b>    | Matthew M. Gorton  |
| <b>SECONDER:</b> | Haeda Mihaltses  |
| <b>AYES:</b>     | O'Connell, Gorton, Jackson, Mihaltses, Shapiro, Ed. D., LCSW.        |
| <b>EXCUSED:</b>  | James M. Haddad, Esq., Edward Sadowsky, Esq., Earl G. Simons, Ed. D. |

**2. Acceptance of Financial Reports for the Period Ending February 2019 (ID # 1943)**

**Recommended Motion for Consideration by the Finance & Investment Committee:**

*I move that the Finance & Investment Committee recommend to the Board of Trustees that the Budget Reports for Board approved operating funds and Balance Sheets for all funds as of February 28, 2019 be accepted.*

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| <b>RESULT:</b>   | <b>RECOMMENDED [Unanimous]</b>                                       |
| <b>MOVER:</b>    | Matthew M. Gorton  |
| <b>SECONDER:</b> | Andrew P. Jackson  |
| <b>AYES:</b>     | O'Connell, Gorton, Jackson, Mihaltses, Shapiro, Ed. D., LCSW.        |
| <b>EXCUSED:</b>  | James M. Haddad, Esq., Edward Sadowsky, Esq., Earl G. Simons, Ed. D. |

**B. Report Item(s)**

**1. Payroll for the Month of February 2019 (ID # 1945)**

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|----------------|------------------|
| <b>RESULT:</b> | <b>PRESENTED</b> |
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**2. Investment Performance Reports (ID # 1965)**

Michael Tragale, Chief Financial Officer & Sr. VP reported that the investment firms will present on the asset allocations and the consolidated

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performance of the Library's investment portfolio. This new format has been tailored to include compliance with the Library's investment policy and to benchmark the performance of the investment managers.

### **Wilmington Trust**

Walter Dillingham and Robert Bridges of Wilmington Trust gave a brief overview of the Library's portfolio with Wilmington Trust.

Mr. Dillingham reported that 2018 was a challenging year with equities declining at 5% below the benchmark. The manager's report has increased 7.6% and asset allocations has grown, currently up to 60%, which is consistent with the endowment assets that Wilmington Trust currently manages. Fixed income has been low for the past 10 years and they suggested to keep this asset allocation low.

With lower interest rates and positive US equities, Wilmington Trust is currently reassessing asset allocations for the investment portfolio.

Wilmington Trust has been working with Queens Public Library since May 2013.

### **TD Bank**

Alexander Lane and Beatriz Pallares of TD Bank gave the board an overview of TD Bank investment portfolio and the changes made to the portfolio.

Mr. Lane reported that the total value of the Library's assets is \$10,248,297, which has increased \$527,000 from last year, which indicated the funds are doing well.

The Library's investment portfolio is comprised of four areas to target allocations, 1) compliance with the Library's investment policy 2) inputs from the Library 3) TD Banks recommendations on equities and fixed income, and 4) 3<sup>rd</sup> party manager's due diligence.

In order to keep the portfolio balanced, allocations are rebalanced every second month of each quarter. The only change was the large cap US equity strategy, which was underperforming, and was replaced with an indexed mutual fund, Fidelity 500 index fund.

TD Bank has been working with Queens Public Library since 2013.

### **JPMorgan**

Robert Langdon and Connor McKinney of JP Morgan, gave a brief overview of the investment portfolio.

Mr. Langdon reported that in FY'18, there was strong economic growth, however, due to economic growth and trade, US equities has decreased 9%. In FY'19, equity market is up 8.2%. The investment portfolio is outperforming inflation with 4% increase.

The oversight fees are charged based on the total number of assets invested and managed by JP Morgan.

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| <b>RESULT:        PRESENTED</b> |
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**III.    ADJOURNMENT**

**1.    Motion to Adjourn (ID # 1951)**

**Recommended Motion for Consideration:**

*I move that the meeting be adjourned.*

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| <b>RESULT:</b> <b>RECOMMENDED [Unanimous]</b>  |
| <b>MOVER:</b> Lydon Sleeper - O'Connell  |
| <b>SECONDER:</b> Matthew M. Gorton   |
| <b>AYES:</b> O'Connell, Gorton, Jackson, Mihaltses, Shapiro, Ed. D., LCSW            |
| <b>EXCUSED:</b> James M. Haddad, Esq., Edward Sadowsky, Esq., Earl G. Simons, Ed. D. |

The meeting was closed at 8:18 PM.

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**Committee Chair**