

# the Skaneateles Library

Skaneateles Library Association

Board of Directors

Regular Meeting Minutes

Tuesday, March 8, 2022

(Special Zoom Meeting)

Supporting Our Mission

*To inspire learning, enrich lives, and connect our community*

Realizing Our Vision

*To be the cultural and informational hub of a vibrant, thriving community by creating spaces and experiences that are welcoming, enriching, and sustainable*

**Present:** President Susanne Guske, Vice President Dave Hempson, Treasurer Maura Molnar, Secretary Meghann Sandak. **Trustees:** Manuel Arroyo, Karen Bedard, Patti Carey, Ralph DeMasi, Andrew Hagen, Dave Lee, Bob Lotkowitz, Larry Palmieri, Amy Roller. **Staff:** Library Director Nickie Marquis, Librarian Andrea Snyder, Bookkeeper Betsy Carter.

**Absent:** Scott Elia

**Members of the Public:** Elaine Buffington (Accountant, Buffington & Hoatland), Diane Fellerman, Fran McCormack, Sharon O'Connell.

## Call to order

President Guske called the meeting to order at 6:32 p.m., and reminded the Board that this will likely be the last Zoom meeting, and we will aim to host a hybrid meeting next month.

## Public Comment Period

(None)

## Approval of the Minutes

Patti Carey moved to approve the minutes of the February 8, 2022 meeting and Ralph DeMasi seconded the motion. The minutes were unanimously approved.

## Accountant's Annual Review

Elaine began with an overview of the process, noting that the product is a reviewed financial statement and not an audit. Future fundraising for the new building may require a full audit, but under current circumstances a reviewed financial statement is sufficient. Elaine thanked Nickie and Betsy for their hard work and support throughout the process.

Elaine cited the Revenue Recognition Accounting Standard, which needed to be implemented this year. She recommended adjusting the chart of accounts, which has gotten very large, to make it cleaner and more concise. She will work with Betsy and Nickie to do that, which will also make accounting easier as well.

Elaine gave an overview of the reviewed financial statement and welcomed questions from the Board. She reported that the Library's total assets increased from \$2.7 million to almost \$3.3 million. The biggest area of increase was in the investments, which are up by approximately \$353,000. We will have

to see how decline in the market impacts the investments moving forward. At the end of the year, investments stood at \$2.7 million.

In terms of liabilities, most were tied to accounts payable and conditional grant liabilities, state funding for projects that must be completed before the funds can be released. Donor restricted assets went up \$133,000 and undesignated by \$317,000. Assets with donor restrictions went up \$161,000 in earnings but there was also \$15,000 in donations for items for the new building.

Change in net assets this year was \$532,000, indicating a strong year for the organization. The year before showed an increase of \$151,000 as a comparison. Support and revenue went up by \$377,000, including a \$30,000 increase in library revenue, a \$33,000 increase in grants, and most notably net investment income of \$311,000. Expenses remained consistent with previous years.

Elaine shared that the Library had a net operating profit of \$31,000 as compared to last year when there was a loss of \$37,000. President Guske noted that one reason for the profit was that the Library had undesired staff vacancies.

Trustee Hagen asked Elaine for guidance regarding a ratio that might give us cause for concern if our position were to change. Since a significant portion of our assets are in investments, we would want to look at how secure the investments are. Elaine recommends that we watch these carefully as they could affect the stability of the organization. The Library has been in a growth stage, getting ready for major changes within the organization. We will want to make sure that we are able to maintain cash needs for at least 3-6 months. Our expenses are \$417,000 so we would want about \$200,000 as a cushion. Elaine pointed to the footnote on p. 16 as a guide since it removes restricted funds that cannot be used and shows actual liquidity.

Treasurer Molnar thanked Betsy for all the time and effort she put in to support this review. Elaine signed off the meeting at 6:55 p.m.

### **President's Report**

President Guske summarized that the Library is in good financial order and thanked the Library staff for all of the outstanding programs being offered and information being shared. The staff is doing a great job of increasing visibility of the Library in the community and the door count is up. We hope next meeting we will be able to include another demonstration, but the accountant's review limited our time to do so this month.

The Executive Team meets monthly and reviews the major reserve account to look at what we've spent as well as projected expense needs. The team continues to work on calendar as well as a mid-year status of where we are to budget.

We continue to work with the Skaneateles School District to prepare for the budget vote. We had a meeting on February 18<sup>th</sup> to go through their budget plans in detail and discuss how to fit our proposition for a 4% tax levy increase into that. We shared the two-page handout that we intend to give out during budget workshops as well as a series of slides they can incorporate into their presentations. Board members received that handout as well as the media blurb. There is a sub team of Communications Committee and Finance Committee members as well as community member Lori Ruhlman, who has extensive experience with school budget, who have worked together on all those communications.

The Board needs to approve the revised proposition, which was first approved at the December meeting. The text has been altered slightly to make it more clear to voters and has also gone through legal review.

At a duly called meeting of the Board of the Trustees of the Skaneateles Library Association, upon a motion made by Vice President Dave Hempson, and seconded by Treasurer Maura Molnar, it was

RESOLVED that, pursuant to Section 259 of the Education Law, the Board of Trustees of the Skaneateles Library Association propose the submission of the following question to the voters of the Skaneateles Central School District at the annual meeting of the Skaneateles Central School District to be held in May 2022:

Shall the sum to be raised by annual levy of a tax upon the taxable real property within the Skaneateles Central School District for the purpose of funding the Skaneateles Library Association be increased by \$14,000 to the sum of \$364,000 annually?

13 in favor, 0 opposed, 0 abstentions

President Guske ended her report by appealing to the Board to participate in the capital campaign in some way, as it is extremely important that every trustee participates in their own way in this significant effort. This level of board investment will carry immense weight with community members and prospective donors.

### **Library Director's Report**

Director Marquis encouraged all attendees to follow the Library's new Instagram account. Librarian Snyder does the work on it and Jason Persse, member of the Communications Committee, helped us get it started. We will be promoting more widely in next month or so.

Director Marquis shared the New York State Annual Report via email on Friday. The state collects reports annually from every library in New York to compile the information and to be able to look at what libraries across New York State do. All information is made public and can be used to compare library activities year to year. The State sets minimum standards for how libraries operate based on the population of its service area. To be a chartered library, we need to abide by these minimum standards. The report includes information about our Library, our building, the number of people served, our staff, the overall amount staff is paid, our collections, circulation, programs, trustees, and our income/expenses. Director Marquis made a few small tweaks since the report was sent out on Friday, mostly to add clarifying notes. This is the first reporting year where we have capital funds and Director Marquis encountered some questions along the way about where we needed to report certain pots of money. President Guske added that we use this data to compare ourselves to others in terms of collection size, building sizes, how many served, etc. The Annual Report doesn't ask about size of endowment, investments, value of building, etc. Director Marquis requested approval of the report for submission to OCPL, and President Guske moved to approve the annual report as submitted. Vice President Hempson seconded the motion, and the motion was unanimously approved by the present Trustees.

### **Treasurer's Report**

Treasurer Molnar pointed to the Financial Statements in the Board shared drive. Despite the recent economic downturn, we did not suffer tremendous losses but saw our investments drop by only \$39,000 out of \$2.7 million. She followed up on Elaine's recommendation that we clean up our chart of accounts and reiterated that someone from Buffington & Hoatland has already been working with Betsy to implement suggestions.

In terms of the income statement, we are five months, or 42%, of the way through the year. We get our tax levy at the start of the year, so our income is always high compared to budget. We also received some contributions as well as the gallery reimbursement this month.

Expenses are right where we should be. The only larger expense we had this month was to pay our accountants for the review report and 990 preparations. We also spent \$4,000 on collection materials.

We are working to put a summary version of the budget on the website, which Director Marquis rightfully felt was important. We hope to have it up soon so that when the school district does budget presentations residents can reference the budget and better understand why the increase is necessary. Treasurer Molnar noted that we did a functional expense presentation so that expenses were categorized as patron and program services, buildings and operations and administration. Director Marquis highlighted that 70% of what we spend our budget on goes toward patron services, 19% for administration and 11% building.

### **Communication Committee**

Secretary Sandak summarized that the focus of our meetings has been the tax levy increase proposition and making sure that we are providing all constituent groups with key talking points. The Committee also continues to weigh in on the Library's social media accounts. Lastly, the Committee is looking at other groups, such as the Skaneateles Lake Association and Elementary School PTC, we should follow up with regarding the Fennell Street project. The Committee also reviewed the draft of the toolkit created by Three Needs Creative that will be used in the endowment campaign and was extremely pleased with the product.

### **Fundraising Committee**

Trustee Hagen confirmed that the donor toolkit is in production and printed copies should arrive shortly. The Fundraising Committee is experimenting with DonorSearch, an online tool to screen for potential donors who might be prospects for the project. The committee is refining the list that the tool produced.

The Fundraising Committee will reach out to each trustee to discuss making a commitment to help fund this project. Consultants on the project have all stressed how important it is to have full support of the Board in terms of their own financial investment. Trustee Hagen acknowledged that every trustee's financial situation is unique, and that participation does not necessarily mean significant gifts. Trustees can consider multi-year pledges, matching gifts from employers, monthly gifts, etc. We are hoping to have some sort of communication with everyone by April 1<sup>st</sup>, as it is a key component of the campaign's launch. There will be more information on ways to give in the donor kit, and the Fundraising Committee is also prepared to answer any questions you may have regarding the process.

### **Fennell Street New Building Committee**

The Committee put together a request for proposal for a site plan, a survey and excavation/grading plan that was sent out to three different companies. The Committee recommends EDR to do the site plan for \$6,500, Olszweski to do the survey for \$1,975, and Plumley Engineering to do the grading. We are making good progress on the nuts and bolts of the project. We are also evaluating best ways to oversee the project, including construction managers, general contractors who provide construction management services, design/build, employing a Clerk of the Works, etc. The Committee will make a recommendation in the coming months.

### **49 East Genesee Street Committee**

For the first of two New York State Construction Grants, the lights are on order for upstairs, and the roofing, flashing and front entrance projects are now complete. We hope to have the lights for downstairs on order this week. We will be about \$10,000 over what we had budgeted for that construction grant, but we will make that up on the second construction grant which is for the lift. For that project we have received \$86,000 in state funds, foundation grants and local donations, leaving a balance of library matching funds of only \$12,000 instead of \$49,000. President Guske commended Director Marquis for donating her NYLA Award money to the lift project.

In the coming weeks we will need to move people out of the area where the demolition work will occur for the lift and have also begun preparing furniture and paintings. Most of the disruptions will take place in the month of April, and we anticipate needing to close the building for at least a week to do the demolition, remove the old lighting and install the new fixtures, complete the wall repair and paint. We are working closely with the Barrow in terms of implications of this work.

Lastly, the Used Book Sales Sub-team continues to research the financial liability of such an undertaking. As an example, the Cazenovia Library brings in \$60,000 in revenue annually from online and retail used book sales. Our own Dickens book sale and sale shelf in the three years before the pandemic brought in on average \$4,500/year with very little effort.

### **Barrow Art Gallery**

Trustee Roller reported that since the Gallery closed in January the remediation has been completed, the painting is about halfway done and the twenty-seven paintings that were taken to West Lake Conservators for a condition study are ready to come back. Additionally, they have written a check for the beginning of construction for the new steps. Everything is on schedule and on budget.

### **Public Comment Period**

Sharon O'Connell thanked the Board and staff for everything they are doing.

Fran McCormack also thanked everyone for their work. She asked how the donor dollars for the campaign will be accounted for and invested. Trustee Hagen responded that there won't be much opportunity to invest the money since it will be used very soon after having received it. Appreciated securities would be received at NBT Bank in our investment account, liquidated, and transferred to the account for the construction project.

Diane Fellerman echoed Fran's gratitude and shared that she was very impressed by the financial position of the organization. She was excited by Dave's report and all the library has to look forward to. She asked how else we might be able to point the public to the areas of the website that spell out the budget and need for the tax levy increase. President Guske said that in addition to our own website where we are developing FAQs, we are distributing handouts at the school budget meetings, we will have a blurb in the paper in cooperation with the district, and the annual district newsletter will include an insert with the proposition that will also refer back to the Library's website.

**Adjourn Regular Meeting – 7:44 p.m.**

**Next Meeting: Tuesday, April 12, 2022 at 6:30 PM (Hybrid meeting with In-Person at Library Hall and Zoom options)**

**Submitted by Meghann Sandak, Secretary**