

Grinnell Public Library District (GPLD)

Board Meeting Minutes

December 16, 2020

Present via video: District Trustees Ed Cheetham, Helen Christie, Beth Devine, Bridget Gannon, Bill Halvey, Jane Pells, Eileen Sassmann, and Fran Shepherd.

Also Present: Director Fran Harrison and Board Recorder Julie Beyer.

Call to Order – The meeting was called to order by President Gannon at 7:02 PM.

Wednesday, January 20, 2021 – The next GPLD Board meeting is at 7:00 PM with the location to be determined.

Votes: All votes were unanimous, unless otherwise noted.

Jeff Shaver and Samantha Nardo were present from PKF O'Conner Davies to present their draft report for the 2019 financial audit. This was their first year doing the audit and Ms. Nardo was the lead auditor. The library has been given a clean opinion, which is the most favorable opinion the library can receive. As the library only has a general fund all the activity goes through that. For 2019 no fund balance was used. At the end of the year there was excess income received and less than anticipated expenditures, which resulted in a surplus of approximately \$197,000 net increase in the fund balance. For the past two years it appears that the library has been under budget in expenditures by approximately \$50,000.00. Most of the fund balance is in the form of cash. There are minor liabilities at the end of the year totaling \$27,000.00. There are some reserves set up by resolution that total \$55,000. The residual \$699,000 is considered unencumbered, unrestricted funds to be used at the discretion of the Board. When he reviewed the Board's resolution to establish the reserve funds, it established an operating fund and stated that no more than 15% of the budget be the operating fund balance. That amount would be approximately \$135,000.00 so there are funds that should be transferred per the Board's resolution. Director Harrison asked if that needed to be done at any specific time and Mr. Shaver stated the Board could modify the resolution and change the percentage or the transfer can be done on a year to year basis. It is not a bad thing to have a fund balance. It could open the library to criticism from the Comptroller just because it doesn't match their resolution. President Gannon asked what Mr. Shaver's recommendation for a fund balance would be. He stated because the income is based on the received taxes and not an economically based revenue, the library doesn't need to have an excessive fund balance. He asked if there were any unanticipated expenses and President Gannon stated there are several very costly expenses anticipated with the complete building rehab. He suggested moving money into the capital funds by a resolution, which could be done at any time. Now that he understands the specific planned projects, the fund balance makes much more sense. He suggested keeping 10 – 20% of the budget as the operating balance. He asked if the library could bond itself and Trustee Sassmann explained that the Town has to bond on the library's behalf and

it requires a public vote. Mr. Shaver stated he does not believe that the reserves are legally restricted, it is just by a resolution of the Board, so it could be reversed if the Board found it to be necessary. Director Harrison stated this gives the Board more flexibility. Mr. Shaver stated the only long term liability is compensated absences. As 2020 was the first year in the NYS Retirement, there will be long term liability associated with it going forward. Director Harrison stated the prepaid expenses will be much higher. Mr. Shaver stated it is based on salaries from the prior year and the first bill was only based on three months of salaries. Trustee Halvey verified that Mr. Shaver suggested transferring \$565,000 from the operating fund to the capital reserve fund. Mr. Shaver said yes, that would put the balance of the general fund at 15% of the budget amount. Director Harrison stated they are operating under the impression that these are committed fund balances and Mr. Shaver agreed. He stated that the draft management letter stated all the policies of the library are normal and standard. There were no difficulties due to the audit. The books and records are clean and Director Harrison was very easy to work with. They do have a few recommendations: NYS has a chart of accounts they want everyone to use and they recommend that chart be used. In regards to payroll procedures, the Director is the only one who authorizes the payroll. It does go to the Board indirectly, but no one approves it after her. There was nothing suspicious found, they are just looking at the process. Director Harrison asked if the Payroll Journal was included in the monthly report to the Audit Committee, would that remedy that and Mr. Shaver said that would be a better process. The voucher process is clear. He did state that the Board has not adopted a Procurement Policy. They are following the NY Guide, but adopting one of their own is a better policy. President Gannon asked if the management representation letter had to be signed and filed and Mr. Shaver stated it is the last thing that they do. He will send it to the Director to get it signed. Director Harrison stated in the past it was signed by the President, or Finance Committee Chair. Mr. Shaver said two signatures are preferable. Director Harrison asked if he needed copies of the minutes and he said the ones online are fine. He said they will work for an earlier start time for the audit next year. Trustee Halvey stated this was very thoroughly done and he appreciated their time to go over this with the Board.

Minutes – The Board agreed to accept the November 18, 2020 meeting minutes as amended on a motion made by Trustee Devine and seconded by Trustee Pells. Motion carried.

VP of Finance's Report & Monthly Bills

The Board agreed to authorize the voucher signing by President Gannon and directed the Treasurer to pay the November 2020 Audit Committee reviewed bills (bills as of December 16, 2020) for a total of \$48,956.14 on a motion by Trustee Halvey and seconded by President Gannon. Motion carried. Trustee Halvey said the NYS Retirement invoice is for the whole year. Director Harrison explained if it is paid in full before the December date there is a discount applied, so the library pays it that way each year.

Liaison Reports

Town of Wappinger – There was no report at this time.

Village of Wappingers Falls – There was no report at this time.

Friends – Trustee Christie said there was no report as they did not meet.

Director's Report – Director Harrison's report covered the following items:

Audit

Director Harrison stated Jeff Shaver was very good to work with and very thorough. She stated she is very happy with the idea of submitting the Payroll Journal to the Finance Committee monthly for review.

In addition to completing the audit with PKFOD, the library completed the annual Civil Service payroll audit. They are certified for the next year.

Building/Facilities

Sean from O'Toole Security replaced the power source on November 24. Director Harrison attached an estimate for the suite of options for work in the future. O'Toole's did not recommend going wireless and can continue to do repairs as needed or an upgrade all at one time.

Jon will paint the hallway and the Community Room between Christmas and New Year's, while the ESL/GED classes are on hiatus.

The gutter over the back steps is still not working properly – it is clean, but the workaround installed years ago is no longer working. Director Harrison has asked Shant from Lake Carmel Seamless Gutters to come and assess.

Kim Cirulli's contract is up for renewal. She has asked for a \$50.00/month increase, bringing the total to \$630/month. Director Harrison has also spoken with her about the possibility of coming in an extra day for cleaning when the Sunday hours are started up again. **On a motion by President Gannon and seconded by Trustee Christie, Kim Cirulli's contract has been renewed at the new price. Motion carried.**

Finance

Director Harrison has confirmed that Mahopac Bank will move the funds from the 14-month CD into the Capital Reserve Fund at maturation (12/22/20).

Trustee Devine made a motion to move \$2000 from Programs (5600.02) to Internet Service (5070.02) to cover the expense of the mobile hotspots. Seconded by President Gannon and carried. Trustee Devine made a motion to move \$2817 from Automation MHLS (5600.05) to Contracts with Public Libraries (5270). Seconded by President Gannon and carried.

Personnel

Annual staff evaluations will start on January 7, 2021.

Policy

Director Harrison would like to delay the adoption of the Pandemic Response Policy so that she can review another library's policy and incorporate language into Grinnell's.

Program

Personalized Picks, Grinnell's personalized book selection service, has been added to the website. Book picks are available for all ages.

Strategic Plan

The Community Survey has been modified to include Board suggestions, and will be further edited once the Building Committee meets. The final format will be different due to the restraints imposed by Constant Contact, but Constant Contact will be able to tally the results.

Technology

We received approval to change our request from iPads to a laptop for the Outreach Grant and have confirmed that funding is available.

Trustee

Director Harrison stated the Trustee Workshops were very good. There was a lot of useful information provided. She provided handouts from the Seven Habits of Highly Effective Boards webinar for those who were unable to participate.

Committee Reports – There were no Committee Reports from the following Committees at this meeting: Personnel, Strategic Planning, and Finance.

Building Committee – President Gannon stated the committee will wait until the New Year to meet with Swartz. It will probably be in February.

Governance Committee – Trustee Halvey verified the changes requested in the Annual Financial Audit. He asked if the Committee has to change the percentages in the policy. He did agree with keeping it at 15%. Director Harrison stated they should hold any motions until Mr. Shaver has finalized the report. Trustee Sassmann asked if the account names had to be changed. Director Harrison stated the Chart of Accounts was in place prior to her employment, but she will work with RBT to clean it up. Trustee Halvey stated they would make a motion next month to transfer funds to the Reserve Funds.

Old Business –

There was no old business as this time.

New Business –

Trustee Devine asked if the Board did anything for staff for the holidays. Trustee Sassmann stated they did a potluck supper a few years ago. Trustee Christie stated the staff has gone above and beyond expectations this year. Director Harrison stated some of the staff are very stressed. The library cannot do bonuses, but April is National Library Workers Month, so maybe the Board could do something then. President Gannon stated it should be on the January agenda to be discussed.

President Gannon wished everyone Happy Holidays.

Adjournment – at 7:59 PM Trustee Halvey made a motion to adjourn and it was seconded by Trustee Christie.

Respectfully Submitted,

Julie J. Beyer
Recording Secretary