

CUTCHOGUE NEW SUFFOLK FREE LIBRARY
Board of Trustees, Minutes of the Regular Meeting
Monday, December 14, 2015 @ 7:00 p.m.

Present: Trustees Anne Howard, President; Alexandra Ninfo, Vice President; Corinne Slade, Treasurer; Paula J. Hepner, Secretary; Jo Anne Vitiello, Peter Zwerlein & Harold Shields; Jennifer Fowler, Library Director

Absent: Janet Thompson, President of the Friends of the Library

1. **Call to Order** - As a quorum was present, the meeting was called to order by the President at 7:01 p.m.
2. **Adoption of the Agenda** – The President reviewed the Agenda that had been distributed in advance of the meeting. A motion to adopt the agenda as prepared was made by Peter Zwerlein and seconded Harry Shields. The motion was unanimously approved.
3. **Public Expression** – There were no items for public expression. Richard Jordan from Cutchogue and Barbara Best from New Suffolk attended the meeting.
4. **Approval of the Minutes** – The Secretary presented the minutes of the November 9, 2015 Board meeting for review and approval. As there were no corrections or additions, a motion to approve the minutes was made by Cookie Slade. The motion was seconded by Alix Ninfo and approved unanimously.
5. **Financial Reports** – The Treasurer and the Library Director presented the financial reports for discussion. Questions from the Trustees were entertained and answered.
 - a. General Fund Treasurer’s Report – After discussion, the President stated that the Treasurer’s report dated October 31, 2015 will be part of the information provided to the Library’s auditor who, upon review of the 2015 financial records at the end of the year, will create an audited report which will then be voted upon by the Board. In accordance with Robert’s Rules, no motion or second is required.
 - b. Multi-Fund Report – This report, dated October 31, 2015, was reviewed and discussed by the Trustees. Suggestions to revise the report to make it more user-friendly are being considered.
 - c. General Warrant – After discussion, a motion to approve the General Warrant dated December 14, 2015 was made by Paula Hepner and seconded by Jo Anne Vitiello. The motion was unanimously approved.
 - d. Capital Warrant - After discussion, a motion to approve the Capital Warrant dated December 14, 2015 was made by Alix Ninfo and seconded by Anne Howard. The motion was unanimously approved.
 - e. Affirmation of Payroll - After discussion, a motion to affirm the payroll for the pay periods dated November 6 and November 20, 2015 was made by Paula Hepner and seconded by Alix Ninfo. The motion was unanimously approved. The payrolls specifically approved were:
 - i. Gross Wages for November 6, 2015 were \$31,787.70.
 - ii. Employer Taxes for November 6, 2015 were \$10,121.45.
 - iii. Gross Wages for November 20, 2015 were \$32,776.66.
 - iv. Employer Taxes for November 20, 2015 were \$10,601.38.
6. **Friends of the Library Report** – The Library Director gave the report on behalf of the Friends of the Library in Janet Thompson’s absence. The report covered their very rewarding membership drive, the brick sale for the Centennial program/Friendship Walk, scheduled arts shows in the gallery, future bus trips and their financial condition. The Friends had a very successful year of fundraising activities which will permit them to provide about \$7,000 of additional support to the library for 2015---namely restoring support for the Newsletter (\$5,000), paying for the Community Survey (\$1630) and providing additional dollars for programming (\$500). The President will send a letter of thanks to Janet Thompson for these donations. In addition, the Library Director will compose a letter from the Board of Trustees to send to Sue Micelli, one of the Friends who has moved out of the area, to thank her for her service to Friends and to the Library.
7. **Director’s Report** -- The Library Director presented her report which included an attachment giving the circulation and patron usage statistics for January 2015 through November 2015 and the Program Statistics for January through November 2015. In anticipation of presenting a draft budget for July 2016 to June 2017, the

Director discussed the various tax caps that will be in effect from January 2016 through March 2017. In her report she reviewed the various buildings and grounds projects commencing or completed since the November Board meeting, and discussed the correspondence written and donations received during the same period. The Director reviewed the activities to encourage teambuilding, education and positivity that were conducted at the library's first staff development day, and she rated both the day and the programs offered as a success. A number of emails and letters from the staff expressing their appreciation were received. The Director gave an update on the responses to the library's survey and the status of the library's efforts to launch its new website. A motion to accept the Director's report dated December 14, 2015 and include it as an attachment to the December minutes was made by Cookie Slade and seconded by Peter Zwerlein. The motion was unanimously approved.

8. Committee Reports

- a. Benefits Committee –Alix Ninfo reported that the pension fund was down \$193.85 for the month of November 2015. She also reported the fund is up \$6,567.80 year to date (January 1 through November 30, 2015). The fund balance as of November 30, 2015, was \$421,478.95.
- b. Building and Grounds Committee – Jo Anne Vitiello, Chair, reported on projects and repairs that are underway and completed. Fine Landscaping will begin construction of the Children's Garden shortly. The gutters were cleaned in November. Information is being gathered relative to the installation of enclosed shelving in the upstairs gallery. The committee plans to meet in January.
- c. Finance Committee – Harry Shields reported that the committee's first meeting took place on November 17, 2015. A written report was distributed. The next meeting will be held on December 16, 2015. Harry led a discussion of how the library might treat funds from bequests and separate them from general assets which might enable the library to invest these funds outside of the investment policy presently in effect. The Director was asked to inquire of other libraries about their investment policies, how they handle bequests, and speak to the Director of East Hampton to see if he obtained an opinion from a tax attorney to verify that the segregation of certain legacy funds is proper and not in violation of the law. The Director was also asked to check with other libraries that have endowments or receive testamentary gifts to determine what they do with their funds and who they get their guidance from.
- d. Nominating Committee – Cookie Slade, Chair, asked Barbara Best and Richard Jordan to attend the Board meeting to become familiar with the workings of the Board. They are the two candidates the Committee identified for the two new trustee vacancies created when the by-law increasing the number of board members was adopted.
- e. Policy Committee – Paula Hepner, Chair, asked the Director to provide all Trustees with new conflict of interest forms to be filled out and returned by January 31, 2016. She reported that she undertook a review of the library operations manual and employee handbook and recommends the committee begin a review and rewrite of a variety of the pages in each document. She distributed a written report describing those sections requiring review.

9. Old Business

- a. Strategic Plan & Survey
 - i. Community Survey – The return date for the responses to be submitted was December 15, 2015. Thus far, 230 hard copy and 29 online surveys were returned out of 3000 mailed. A snapshot of the preliminary results was discussed. A full discussion is planned in connection with the strategic plan.
 - ii. Strategic Plan – The Director would like to convene another meeting in January or March on a Saturday to move forward with the development of the library's plan. She will circulate a doodle poll with possible dates.
- b. Loan Repayment – The Board has prepaid \$10,000 on the mortgage annually for the past several years. Harry Shields suggested the Board not do that in light of the contemplated change of how the library handles its assets. After discussion of the reasons for doing this as well as the reasons for not doing this, Peter Zwerlein made a motion that the library not make a pre-payment of \$10,000 on the loan from Suffolk County National Bank. Harry Shields seconded the motion and it was approved unanimously.

10. New Business

- a. July 1, 2016-June 30, 2017 Budget Discussion – The Director discussed the recent trends with regard to setting the tax cap and what it is likely to be for July 2016 to June 2017. She discussed whether the Trustees feel the library should remain within the tax cap, as it and Rogers Memorial have done. She distributed a chart showing how many of the libraries on the East End have kept their budgets within the established tax caps. Of the libraries that responded, it appears that only this library and Rogers Memorial have done so. The Director asked for guidance in setting the budget for the coming year, and wanted to know which way the Trustees want to proceed: (1) comply with the percentage increase and reduce services, or (2) pierce the tax cap and ask the voters to approve a budget that will raise their taxes, or (3) comply with the tax cap and use the library's assets to maintain existing services and pay for the expenses not reimbursed by the state tax levy. The Director pointed out that each of the libraries that sought increased monies from the taxpayers received it. Questions asked by the Trustees were: (1) what would it mean in dollars per household if the library were to seek a 5 or 6% increase and what are the chances the voters would accept the increase? (2) Once a decision is made to pierce the tax cap, how likely is it that any future budget would be tied to the tax cap? The Director was asked to provide the Trustees with information about what the library's budget increases have been over the past 10 years, and to provide an Income & Expense statement for each of the two prior years showing actual numbers not what was budgeted. Rather than decide on a course of action now, the Director was asked to prepare the budget as she thinks it should be, and prepare a budget that would be within the tax cap for comparison purposes.
- b. Library Accounting Services – The Director received a proposal from the library's accounting firm delineating what services are being provided for the balance of 2015 and fee schedule for the firm's services for the fiscal year ending December 31, 2015. A motion to retain Baldessari & Coster, LLP, as the Library's accounting firm and to perform an audit for the fiscal year ending December 31, 2015 was made by Peter Zwerlein. Harry Shields seconded the motion and the motion passed unanimously.
- c. Trustee Election – The nominating committee presented the names of two candidates to fill the newly created Board positions. Consistent with the bylaws, their terms have been adjusted to coincide with the requirement that only 3 positions be open in any given year. Richard Jordan was proposed for an 18 month term of office from January 2016 to June 2017 and Barbara Best was proposed for a term of 30 months from January 2016 to June 2018. No nominations were made from the floor. The President closed the nominations and called the question. A unanimous voice vote was taken approving each of the candidates. The President will contact the two new Trustees to inform them of their election.

11. **Executive Session** - A motion was made by Paula Hepner at 9:05 p.m. to enter an executive session for the purpose of discussing the Director's performance evaluation and compensation for 2016. The motion was seconded by Alix Ninfo and unanimously approved. The President made a short presentation about the evaluation process, the present salary and benefits provided to the Director under the contract in place, various percentage increments that might be approved, and the compensation offered by libraries of comparable size and budget. Last year the Director received a 3.53% increase (\$3000.00) but the percentage increase in salaries for the staff was not available. For January to June 2016 the budget line for staff salaries and wages has been increased by 2%. With the Affordable Care Act becoming effective during 2015, the subject of the Director's family medical coverage was discussed. The Director's contract was negotiated prior to enactment of the ACA and advice will need to be obtained about whether, in this circumstance, her family coverage can be continued. Various options for increasing the Director's compensation were discussed. Anne Howard made a motion to authorize a 3% increase in salary effective January 1, 2016 and a 2015 year-end bonus of \$2000. Peter Zwerlein seconded the motion. Discussion ensued thereafter about whether, in the course of informing the Director of the Board's decision, she would also be alerted to the need for further investigation into her medical coverage, the outcome of which might affect her overall compensation and benefits package. The Trustees decided this would be a part of the conversation. When the question was called, the motion was unanimously approved. A motion to move out of Executive Session was made by Cookie Slade and seconded by Jo Anne Vitiello. The motion was unanimously approved at 10:01 p.m.

12. **Public Expression** - There were no items for public expression.

13. **Adjournment** --There being no further business before the Board, a motion to adjourn the meeting was made by Alix Ninfo and seconded by Cookie Slade. The motion was unanimously approved and the meeting was adjourned at 10:02 p.m.

Next Trustee meeting: Monday, January 11, 2016 at 7:00pm. Upcoming Friends of the Library meeting: Monday, January 25, 2016 at 7:00pm.

Respectfully submitted,
Paula J. Hepner, Secretary

Approved on: _____