

Wilton Library Association

December 16, 2009

Minutes

Present: Jeff Barbour, Shirley Bergin, David Clune, A.P. Duffy, Pat Gould, Glenn Hemmerle, Janice Hess, Chris Hevesy, Judy Higby, Marianne Howatson, Whitney Janeway, Greg Jansen, Kathy Leeds, Lauren McLaughlin, Holly Sexton, Harry Somerdyk, Susan Sullivan, Elaine Tai-Lauria, Diane Wilson.

Absent: Trish Clifford, Susan Diloreto, Michael Kaelin, Ken Kempson, Dan Mahoney, Derrel Mason, Dave Waters.

President Judy Higby called the meeting to order at 7:38 pm and began the meeting by introducing Chris Hevesy, the newest Board of Selectmen appointed Library Trustee.

Ms. Higby then introduced the Library's auditor, Robin Strong, from O'Connor Davies Munns & Dobbins, LLP who distributed the Independent Auditors' Report for the period June 30, 2009 and 2008. Ms. Strong stated that her firm has performed the audit for the library for the past three years. Ms. Strong informed the Board that the audit included a consideration of internal controls and has given the opinion that the financial statements are materially correct. Treasurer, Greg Jansen informed the Board that Ms. Strong presented a draft of the Audit to the FC/EC during the previous week. Mr. Jansen explained that the FC/EC approves the Audit, and then Ms. Strong presents the report to the Board. Ms. Strong stated that in an unqualified opinion, the financial statements present fairly, in all material respects, the financial position of The Wilton Library Association, Inc. as of June 30, 2009 and 2008. Ms. Strong presented the Statement of Financial Position, Statement of Activities, Statements of Functional Expenses, Statements of Cash Flows, and Notes to Financial Statements. Ms. Strong noted, among other things, that changes in Net Assets showed a \$270k loss in 2008 and \$466k in 2009. Ms. Strong stated that Depreciation expense was over \$700k in 2009; the Library has 99% of the revenue that was earned in 2008; Functional Expenses show that approximately eighty percent of the Library's expenses are for program services; and in the Notes to Financial Statements, Investments for the year reflect a loss that was low when compared with other institutions, due to the mix of investments over the year.

Ms. Leeds stated that if the Board has any questions after the meeting, she can provide the contact information for Robin at O'Connor Davies Munns & Dobbins who will be happy to answer any questions.

Ms. Strong described the Management Letter and explained that significant deficiencies are communicated in writing and pointed out in the letter. Ms. Strong noted that there were no new comments for the current year, and added that two or three comments were cleared from the previous year. Ms. Strong stated that two or three comments that were noted in the previous year are continuing and that maybe there is room for improvement, but the cost of fixing the comments may be prohibitive. Ms. Leeds distributed a memo regarding the Management Letter Response dated December 16, 2009. Ms. Leeds reviewed each response to the Independent Auditor Comments, and informed the Board of actions being taken to address the comments.

Kathy Leeds and Lauren McLaughlin left the room. Ms. Strong provided her opinion of the financial management of the Library. Ms. Strong stated that the Audit has improved over the last three years, and explained that they rotate all of their testing over each year to look at different receipt and disbursement cycles. Ms. Strong commented that the Library staff is very dedicated and conscientious and the environment is collaborative. A

question was asked whether there was some sort of TurboTax type of program for creating accounting manuals. Ms. Strong responded that there was not. Another question was asked regarding the Library preparing an Income Statement view vs. Balance Sheet view report. Ms. Strong replied that it is important to have a Balance Sheet that goes along with an Income Statement. Discussion ensued regarding preparing a quarterly statement or a month-end cash statement. Ms. Strong departed the meeting at 8:25 and Ms. Leeds and Ms. McLaughlin rejoined the meeting at that time.

The business portion of meeting was adjourned. Harry Somerdyk made a motion to approve the minutes from the November 18th Board meeting and Greg Jansen seconded the motion. There were no objections or abstentions and the minutes were approved as submitted.

Mr. Jansen presented the November 2009 Treasurer's Variance Report and monthly Operating Summary for November 2009. Mr. Jansen noted that we are five months through the year and it is projected that Operating Revenue will be equal to budget, and Operating Expenses will be approximately \$3,500 under budget.

President, Ms. Higby updated the Board regarding the quarterly meeting that was held on December 2, 2009 with the Board of Selectmen and Sandra Dennies, Wilton's Chief Financial Officer. Ms. Higby noted that Bill Brennan stated that if the town budget came in at zero, the mill rate would increase by 4% - 4.5%. Ms. Higby reported that Mr. Brennan stated the Library should be prepared to come in with a negative change to the Town Operating Grant and the Library would be highly regarded if their directive was followed. If that were the case, those who came in with a flat budget would be on top of list to receive eligible funds, should they become available.

Mr. Jansen distributed the Profit and Loss Budget for Fiscal Year 2010-2011 (Draft 12/2/09) and Restricted and Designated Funds Budget for Fiscal Year 2010-2011 (Draft 10/15/09). Mr. Jansen reviewed the proposed budget and noted that the Town Operating Grant reflects no change from last year, effectively a flat Town Operating Grant. Mr. Jansen noted that to save on salary expense, the Library will not replace a part-time person working at the Reference Desk who is retiring, and that the 3rd person on the Reference Desk will have reduced hours.

Mr. Jansen stated that Ms. Leeds will compile talking points related to the proposed budget. Ms. Leeds stated that government officials count letters and phone calls to their offices. She explained that the Library is servicing a community in need like never before, and that the Library has a great constituency. It was requested that individuals articulate in a letter how budget cuts would affect them or people they know personally and that the personal impact would be important to communicate.

Ms. Higby reported that the Budget presentation to Board of Selectmen would be in mid-January and it was important for the Board to be in attendance at Town Hall to show support. It was noted that the Library should prepare for further cuts, but the proposed budget is at a zero increase.

Mr. Jansen presented the Restricted budget, noting that Restricted and Designated Funds Revenue was budgeted to increase by 6%. Mr. Jansen noted that the Restricted Funds statement did not change since he last presented it to the Board.

Discussion ensued regarding the level of funding for professional development, the integrated library system, and ways to increase revenue. Ms. Leeds stated that the Library does charge fees for advanced classes. Discussion

ensued regarding charging tutors for the use of study rooms for revenue enhancement. Ms. Leeds assured the Board that they are working on revenue enhancement measures and will update the Board in the future.

A motion to approve the 2010-2011 budget that was reviewed by FC/EC and presented by Robin Strong was made by AP Duffy. The motion was seconded by David Clune and approved by consensus.

Kathy Leeds presented the Director's report and pointed out that usage statistics are continuing to climb.

Susan Sullivan distributed the Development Report dated December 16, 2009 and reported that the Library is at approximately 42% of target related to the Annual Appeal. Ms. Sullivan asked for 100% participation from the Board and reported that there would be two more mailings before June 30, 2010.

Pat Gould provided a report on the Book Sale. She reported that the Holiday Book Sale is a big success and that the Library cannot afford not to do it next year as it has already raised \$5,500.

Judy Higby thanked the Board for all of their efforts related to the Holiday party. She provided an update regarding plans for the May 15th Gala and reported that she asked former Board member, Jon Ellenthal, to be auctioneer at the event.

Ms. Higby thanked Pat Gould for providing refreshments for the meeting.

Ms. Higby informed the Board that Frank Waldie, a Friend of the Library passed away. She explained that Joan Waldie was a Library supporter and thought a donation to the Library in Frank Waldie's name from the Board would be much appreciated. AP Duffy made a motion to make a donation to the Library in Frank Waldie's name of \$50 to be taken from the Sunshine Fund that was funded at the beginning of the year by the Board. David Clune seconded the motion that was passed by consensus.

Ms. Higby thanked Jeff Barbour for the wine tasting fundraiser held at the Library.

There being no further business the meeting was adjourned at 9:42 pm

Respectfully submitted,
Holly Sexton
Secretary