

Holyoke Public Library Board of Directors

Meeting Minutes

August 13, 2024

Location: Holyoke Public Library Community Room

Present:

Present	Member
X	George Mettey, President
X	Manuel Frau-Ramos, VP
X	Brenna Levitin, Clerk
X	Iohann Rashi Vega
	Joan Plummer

Present	Member
X	Denise Duguay
X	Jeremy Smith
	Dr. Tiffani Curtis
X	Gabriela Alcantara Pohls
X	Andrew Parker

Also present: Maria Pagan, Director; Jason Lefebvre, Assistant Director; Alexandra Aguirre, Finance Manager

Meeting was called to order at 5:40 pm by George.

Approve Minutes:

Andrew motioned to approve June minutes, Manuel seconded. **Motion passed unanimously.**

President's updates:

Upcoming for future meetings:

- Bylaw changes
- Look at fundraising policies, maybe hire someone?
- Revisit how we manage the endowment because the policy we had years ago was changed but he can't find the most recent signed policy
 - He has oldest one but doesn't have the newest one— newest one might not have the 8% specified

- Time to activate the nominating committee because we're down 3 board members
 - Gabriela has already recommended 2 candidates
 - 3 corporate spots are empty
- Absenteeism on the Board— Gabriela asks if there is a protocol to deal with this
- Maria and George say yes, if someone has 3 unexcused absences in a row they can be removed
- Brenna says the unexcused part is concerning because it means a board member can send an email saying they can't come indefinitely
- George says we can address this in the bylaws
- Gabriela asks about lack of confidence in a board member
- George/Maria will send proposed changes to the bylaws and all board members can discuss further and make suggestions
- City is paying to deal with the air compressor

Staff survey

- Gabriela moves to approve the survey to be passed on the staff. Manuel seconds.
Motion passes unanimously.

Budget

- Initially at \$200,000 over the \$350,000 we planned to take from the endowment
- After working on it, we're now around \$66,000 over
- Budget has been reformatted
- Budget is now split to make more sense— split between city and library (mostly state aid, endowment, donations, etc)

City Incoming and Expenses:

- City is providing payroll, some gas/electric, last year provided a small amount for materials
- \$699k is not the final number because the city is still not closed their books on FY24
- City budget we don't have much say over, Maria tries to advocate for raises every year but so far not really big change
- Net income from city is \$0

Library:

Income:

- State aid is fixed and based on complex formula
- Difference between state aid budgeted and actual
- Combination of what we received last year and the balance from previous years, including amount that city did not transfer to us previously
- Need to leave a bit of cushion in state aid just in case of emergency won't need to go through the corporation to get emergency funds from endowment

- Donations number for FY24 isn't final, not sure what the breakdown of grants vs straight donations
- Expectation is donation number will double from approximately \$5,500 to \$10,000
- \$40,000 grants is expectation but isn't enough
- It's a challenge to get to \$40,000
- Book fines— Brenna asks why this is on the list since we're fine-free
- FY25 budget does not expect any money from fines
- Money drawer is going well— Allie and Omar (IT) created an online form that allows us to track accurately and balance the drawer
- Staff has taken to it and it works well
- Questions about coin-op printing/faxing— maybe discuss in a future meeting
- Denise suggests we add ATM, several raise concerns
- Denise says there aren't ATMs in the area, others disagree and point out there are ATMs within 1-2 blocks of the library

Expenses:

- Library materials amount is based on the State Aid formula (13% of the municipal appropriations)
- Brenna asks for breakdown based on department, Allie says yes we'll share both the materials and programming breakdowns per department
- Supplies numbers for FY24 are not final
- Brenna asks about the difference between office, building, and library supplies
- Office supplies is paper, pencils, pens
- Building supplies is cleaning supplies
- Library supplies is for technical services (rebinding, bar codes, etc)
- Jeremy asks why the office supplies budget was so much larger than budgeted in FY24
- Allie says transaction labels aren't ideal, bottom line of supplies is almost even it's just that transactions aren't allocated the same way the budget was designed
- Security contract is huge chunk of money— vendor is Orion
- \$75,000 in the Accounting contract services line is for tax exempt status (audits for FY22, FY23, FY24)
- Remainder of tax exempt status costs are in Legal Fees
- \$20,000 in Contract Services Other is for endowment advising OR fundraising
- Previously we used to do RFP for endowment every 3-4 years, we haven't done it recently and have stuck with the same company
- Discussion of whether to budget \$20,000 on fundraising vs endowment policy review/advising
- Andrew says he'd rather spend it on fundraising and do RFP for endowment
- Brenna agrees
- Gabriela says it's important to get a new perspective on the endowment bylaws and try to form an active/aggressive fundraising committee for 6 months to see how much we can raise
- George says Nancy is current person in that position and the position is quite limited
- There's more fundraising opportunities, we're weak on grants

- Gabriela says now that Bellamy is no longer on the board, it's good to get some external perspectives on the endowment
- Brenna reiterates we can do both fundraising and external perspectives if we RFP for the endowment
- Iohann we can have really ambitious expectations not just for raising money but also to reposition the library as not only a library but also a cultural hub (with the Puerto Rican Cultural Society work that Manuel is doing) that will also attract funding and attention
- Gabriela says she's game to do fundraising but we need a volunteer to sit down with us and strategize
- She knows someone who might be able to volunteer to sit down for a single meeting, she'll email her
- Jason asks if we're talking about a consultant who will come in and train staff, or a new position
- George clarifies it's not for training staff, the person would be doing the fundraising themselves
- Gabriela asks if we need to hire a new person who can do more than the current fundraiser
- George says we'd want a consultant to look at what we're doing now and give us a recommendation, in addition to doing the fundraising itself
- Brenna clarifies that we're talking about hiring a consultant to both do the fundraising, how we're currently doing it and give suggestions, and possibly also doing some grant writing training for staff so they can write grants for their individual departments
- Jason points out this is an inflated version of what Nancy's job description is— she was initially hired to just do the annual appeal
- She's currently just writing grants for specific programs vs writing general grants
- Denise expresses concerns about dismissing Nancy, others say that's not what we're talking about
- Jeremy points out there's important historical perspective we need to remember
- Previously, Friends did the fundraising
- We realized we were a nonprofit and could do the fundraising ourselves
- Friends had membership issues and ended up giving up their nonprofit status
- Left Friends as ad-hoc committee but it's never been activated because there's no members of the Friends
- Friends and the board did a lot of the fundraising, we brought in the consultant for the building because we knew we couldn't do \$14,000,000
- Jeremy says consultant could come in and we can say "here's our goal, can you help us get there in 1-2 years (or whatever)"
- Brenna clarifies that we're leaving Contract Services Other as unspecified and we'll discuss further and decide later how we're going to use that money
- Allie says endowment needs a revision, especially if we're running a deficit, we need to know how much we can stretch the endowment
- Reminds us that Nancy is a part-time employee
- Might need help with marketing/communications, may need to rewrite job description

- Andrew asks why don't we remove this \$20,000 entirely since we still have a \$60,000 deficit
- Gabriela says we should leave it as-is, others agree
- For now just leave \$20,000 as unspecified
- Brenna asks about the \$41,895 from FY24 in Legal Fees is also for the tax-exempt status
- Allie says yes, so far
- The estimate for dealing with the tax-exempt status is \$130,000 and will likely grow as we don't know the final numbers
- Allie points out that Nancy has also been subbing in as the Finance Assistant since the position is still open and that's been very helpful
- \$10,000 rent to corporate is earmarked for technology upgrades
- \$20,000 Programs for the Public is split between departments
- Payroll line is salary for hourly (Nancy)
- Finance Assistant and Nancy were put into the payroll of the city as paid by state aid so they're considered consultants not salary/employee
- Maria was told that they can't be considered employees and can't be on the payrolls, they need to be contractors
- \$44,000 is Nancy & Finance Assistant for upcoming year
- R&M is Repairs & Maintenance supplies— air filters, new lights
- Brenna asks why this is separate from Building supplies
- Andrew says this was originally separate because of the State Aid financial report requirements
- Brenna requests we combine R&M Supplies and Building Supplies (remove R&M Supplies and keep Building Supplies, move the money from R&M to Building)
- Gabriela asks what Upgrade Systems (in building) line item is
- No one is sure so we will change the Charter of Accounts and remove this line
- Iohann says we really need to overhaul this so we don't even need to look at lines we don't use (and maybe reclaim money like the \$1,000 that was in the Upgrade Systems line)
- Allie agrees and says that changes to the Charter of Accounts need to be reviewed by a CPA, she can't just make them
- We also have an issue with the current version of QuickBooks because it's old and we need to upgrade to Cloud
- Iohann asks if the upgrade is free
- Brenna says it's Software-as-a-Service (SaaS) so it will cost money monthly/annually
- Andrew says cost will approximately triple annually from desktop to SaaS
- George and Allie say we need to do it regardless of cost
- Allie says Nancy was managing donations on an old software that wasn't working and we've now moved to Bloomerang
- Brenna asks which line item that is in because it's SaaS
- Allie says in Office supplies
- Gabriela asks if the Office supplies line contains the QuickBooks upgrade, Allie says yes
- CPA to review Charter of Accounts is also in the \$20,000 Contract Services Other

- We'll need to discuss how we're allocating this in a future meeting
- Brenna says it sounds like we need 3-4x as much as we currently have budgeted
- Gabriela says we were really wounded by the negligence of the previous accountant and the loss of the tax-exempt status, Brenna agrees
- Brenna asks how much it would have cost (if we didn't lose tax-exempt status), George says \$35,000 per year
- $4 \text{ years} \times \$35,000 = \$140,000$ (vs the minimum \$130,000 we're spending on only 3 years of audits & regaining tax-exempt status)
- Brenna points out even if the audits were similar we've spent and are continuing to spend huge amounts on legal fees that we wouldn't have needed if we hadn't lost tax-exempt status
- Gabriela says the deficit we have is because of the loss of the tax-exempt status, George agrees
- Utilities line item is in addition to amount from the city (city cut it this year)
- City gave us more than we asked for in salaries and for the AC and the carpet in the community room
- Brenna asks why the Maintenance Contracts is reducing enormously, what did we cancel between last year and this year
- Allie and George think something was moved (not canceled)
- There's a second R&M Supplies line, what's the difference
- Allie has questions for Andrew about capitalizing expenses
- Andrew says it depends on how much you spend and what you buy
- Capital threshold is a single purchase of \$5,000 or more
- Brenna asks if we buy computers one or two at a time we can't count them because it's under \$5,000
- Andrew says yes, we chose this threshold many years ago to prevent spending money/time on asset tracking, we should only track bigger purchases
- Brenna says this doesn't make any sense
- Gabriela says maybe new CPA could explain this better
- Brenna asks why, because (for example) the projector is a capital asset, it shouldn't matter if we buy it in a bundle with other things to get >\$5,000 or if we buy it on its own
- Gabriela and Iohann agree
- Iohann points out \$5,000 in chairs versus 1 computer that could be managing the most sensitive information of the organization, he's more concerned about the computer than the chairs, Brenna agrees
- Andrew says this number is arbitrary
- Gabriela and Brenna say we should discuss and change (reduce threshold)
- Andrew said this was originally decided when we were in a capital building project and couldn't spend the time/money on tracking every \$800 building piece separately
- George agrees cost would have exceeded value
- Conversation about dropping the threshold to \$750-\$1000
- Gabriela asks what Allie thinks
- Allie says we can change the number for FY24 before the auditor gets to it
- George says it's a trade-off, deciding what we want to track, how low do we want to go

- Brenna asks, since we're tax-exempt, what is the purpose of tracking amortization, for insurance?
- Andrew says yes, insurance and if we needed to apply for a loan
- Andrew says we wouldn't file an insurance claim for a \$1,000 computer so why would we track it
- Allie points out this would impact how we track the P&L because the expenses will be lower
- Andrew says yes but then the risk is that we're counting as a capital asset something we threw away because we thought it was so low value it didn't matter, unless we spend money on asset tracking systems
- Agreement to table this and Allie to discuss with the CPA
- Biggest chunk is Furnishings and Equip Other - \$65,000
- This includes Ubeo/Laserfiche
- Conversation about what exactly has been approved in terms of Ubeo/Laserfiche
- Bellamy signed the Ubeo/Laserfiche contract
- Brenna asks if this is instead of QuickBooks, Allie and George say no
- This is for procurement
- \$65,000 is only for digitization and building the system, not the annual SaaS going forward
- LaserFiche SaaS is very expensive, concerns about overlap with QuickBooks
- Issue is currently we don't have reliable databases, processes, etc
- Gabriela suggests that we discuss this separately
- Technology committee and Allie need to sit down and compare QuickBooks and LaserFiche
- Reminder that LaserFiche contract is already signed
- This year we have \$66,458 deficit due to unforeseen expenses
- July 2024 and some of June due to Munis system updates we needed to pay invoices from the endowment

Gabriela moves to have another meeting between now and the next scheduled meeting, Iohann seconds. Motion is not voted on, as the budget was not approved until later last year, so we have time to keep discussing this in normal board meetings before approving it.

Andrew moves to adjourn. Brenna seconds. **Motion passes unanimously.**

Meeting adjourned at 8:01pm.