

Craig Benson asked if we had a cash account in Janney to pull money from.

We only receive 3% from Janney and it is generated by the Lott & Post Investments only. The McKeage Fund is for Historical Society only.

President Spero requested a Motion to withdraw up to \$12,000.00 from the unrestricted funds of the Historical Society to cover the 1st of the year expenses (if needed) and repay the entire amount as soon as monies from the Janney Accounts (which is 3%, \$28,715) or Sue Stone Endowment are received. This amount would be paid back by the end of January 2025

All In Favor: all but Craig Benson

1. Rob Vermette

Oppose: Craig Benson

2. Lorraine Chidester

In the December 12th Finance committee meeting it was discussed to give a 2% bonus to all Library personnel. This bonus would be divided over 2 payments. The cost to the Association would be approximately \$13000.00. No motion was made regarding this and no vote was taken. Dawn Augenti asked to discuss the bonuses in an executive session.

The Finance Committee recommends that the amended 2025 budget be approved by the Board. The shortfall was anticipated to be \$52,000, but is now shown as \$59,000 due to the start-up amount of petty cash for the BBF being categorized incorrectly in QuickBooks.

Need to adjust the budget: Administrator Kris Ely proposed a \$1.17 million spending plan, that did not include adjustments to staff payroll. The finance committee wants fund-raising lines reduced to more realistic outlooks and increased expenses. Please see the attached finance committee notes. Kris will revise her proposal to reflect the committee's recommendations.

Blueberry Festival income to \$86,000.00

Adjust total budget to reflect a shortfall of \$59,000.00

Rob informed everyone that the IRS denied our request for abatement. This is regarding the non-payment of lottery tax withholdings from 2022. The amount in penalties and interest incurred as a result is approximately \$4000. Rob answered affirmatively the question on whether or not Peretore Accounting has been contacted about getting some of this back due to their not filing timely. There has been no response yet from Peretore. The reason for denial given by the IRS stated it was due to "past penalties". Dawn Augenti advised that we need to recontact the IRS to ask more questions on why denied? And what year were these past penalties based on?

The new checking account for the restricted funds of the 3 branches (Forest City, Hallstead, and Susquehanna) has been set up at Visions Federal Credit Union, but the funds have not been transferred there yet.

Bylaws & Policy Meeting: Jim'Pecko

This monthly meeting for this Committee was not held on December 5th due to inclement weather. The postponed meeting scheduled for December 12th was also not held due to inclement weather.

Strategic Planning: Rob Vermette; (See Attachment B)

It was discussed that the library needs to pursue obtaining more grants. Maybe get grant training.

Historical Society: Bonnie Yuscavage

She gave a few updates:

- Policies need to be updated reflect how we actually operate now. There have been many advancements due to the use of technology.
- Add to mission statement- may tweak it and include a vision statement
- Need to have a updated process on deaccession of items in the Collection
- Bonnie explained that all of these ideas would first be reviewed by the Friends of the Historical Society Group. Then any changes would be brought before the entire Board. It would take at least a year for these changes to be made.
- There is an update in the Historical Society Newsletter regarding plans for the window restoration project.
- They have started a Development Committee
- Applied for a National Park Service Grant of \$237,000.00. This would be a matching grant.
- Need to have volunteer and Docent training
- Working with all Historical Societies in our county to coordinate events that are being held. Would like to hold a Historic Trail Event. This would be a unified event so that the different societies do not hold events on duplicate dates.
- Craig Benson noted that The Endless Mountain Heritage Group has a Grant Writing Workshop this weekend. He also noted that Bonnie and Brian Lione have had good success with grant writing in the past.

New Business: It was decided to change the date and time of the Board Meeting in January to the 4th Monday at 6:00 PM which would be January 27, 2025. This would be held in the Main Library on High School Road, Montrose. This was made into a motion and agreed upon as follows:

All in favor: all 1. Will Squier
Oppose: none 2. Rob Vermette

President Spero advised Kris Ely to let the public know about this new date.

The regular board meeting was adjourned at 4:58 PM. The Board then went into a private meeting.

Summary of Private Meeting

A motion was passed by a vote of 6-4 to lay off Administrator/Librarian Kris Ely, effective immediately. A detailed description of the private meeting is included in the Board files.

Respectfully Submitted,



Joann Reimel, Recording Secretary

Attachment A

FINANCE COMMITTEE NOTES- DECEMBER 2024

The finance Committee held a special budget review meeting on December 10. A detailed discussion of specific line items generated a decrease in income of \$28,000. This was based on the reduction of \$7,000 from BBF income (resulting in \$93,000 net income for the event), removing a golf tournament (\$4,000), reducing a new fundraiser by \$9,000, and reducing the lottery income by \$8,000 (to \$12,000).

On the expense side, increases in contracted services (\$6,000), legal fees (\$3,000), postage (\$3,000), preservation (\$1,000) and internet fees (\$1,000) were offset by a reduction in van fuel costs of \$15,000 (\$1,700 instead of \$17,000). Overall, a budgeted shortfall of \$10,770 was raised by \$28,000. More changes were to be made at the regular finance committee meeting on December 12.

From the December 12 meeting:

Highlights from November financial statements: total YTD income \$1,114,268; total YTD expenses \$1,086,149; net YTD income \$28,119; total assets as of 11/30/24 \$1,432,864; total endowments as of 11/30/24 \$1,151,162.

The committee discussed the 11-month financial reports, January – November. There are still some issues with the handling of endowment receipts. They should show up as non-operating income at the bottom of the report. Also, state aid should be at the top of the income side, not at the end. It appears that we will not meet the 12% of annual expenditures on materials. We will have to deal with the state library overseers next year.

Based on our current bank balances and expected major expenses through mid-January, we will not have to take any more endowment funds from Janney this year. There are three payroll disbursements in this period, but we have about \$70,000 in the bank plus there is about \$20,000 of unrestricted funds in the Historical Society bank account (to be returned later) and some BBF/lottery money left in their respective accounts. Also, a large insurance premium payment in early January may be shifted later in the month, or perhaps set up as quarterly payments. This will be pursued before year-end.

The draft 2025 budget was adjusted to take into account the 2025 employee bonuses of 2%. This adds \$13,000 to the annual shortfall, resulting in a total shortfall of \$52,000. The Finance Committee recommends that the amended 2025 budget be approved by the Board.

Other items discussed:

- 1) The non-payment of lottery tax withholdings is an ongoing issue. The IRS has turned down our request for abatement of penalties and interest from 2022. We have reached out to Peretore, the accounting firm at that time, for reimbursement of the penalties and interest of about \$4,000.
- 2) The audit report for 2023 and the 990 report have been received from Owens and forwarded to the county commissioners per their request.
- 3) The monthly bank reconciliations for October and November will be completed before year-end.
- 4) The new Visions checking account for restricted funds has been set up, but the funds have not been transferred as yet.

Rob Vermette, Treasurer

Attachment B

STRATEGIC PLANNING COMMITTEE MEETING NOTES- 12/11/24

Attendees- Rob Vermette, Steve Spero, Kris Ely

- 1) The Strategic Planning Committee has been working all year on assembling a new five-year plan for the Association. This process has included numerous surveys of staff and the public to gain insights on where we should focus our attention going forward. The result of all of this effort is a short list of primary goals to be included in the final plan.
- 2) The abbreviated committee reviewed the proposed list of ten strategic plan goals and the associated action plans. The goals cover the 2025 to 2029 time period.
- 3) Each action plan provides the primary category of the goal (personnel, awareness, operations, financing, or programs), a description of the goal, timing for completion, a list of recommended tasks, expected benefits, resource needs, measures of achievement, alternatives where applicable, and any additional comments.
- 4) The approved 2025 budget will be used as the starting point for a five-year financial forecast. There will be a base case, in which business as conducted up to now will be the basis. A second forecast will be made which incorporates applicable changes in finances proposed by the five-year plan.
- 5) It is expected that the final plan will be presented to the Board in early 2025.

PRIMARY PLAN GOALS- REV. 3

12/9/2024

<u>CATEGORY</u>	<u>GOAL DESCRIPTION</u>	<u>TARGET</u>
1 Personnel	Create Branch Friends Groups	2025

2	Awareness	Enhance community awareness	2026
3	Personnel	Reorganize financial tasks/responsibilities	2026
4	Operations	Maintain up-to-date technology/equipment	2026
5	Finance	Balance the budget-keep up with inflation	2027
6	Operations	Provide safer and more effective storage at HS	2027
7	Programs	Add more programs/events to meet public demand	2027
8	Operations	Upgrading of Historical Society windows/storage	2028
9	Operations	Strengthen relationships with stakeholders	2029
10	Operations	Feasibility studies for Hallstead/Susquehanna growth	2029