

WESTCHESTER LIBRARY SYSTEM
Trustee Meeting
October 27, 2020 – Approved December 1, 2020

REGULAR MEETING

The Regular Meeting of the Westchester Library System was called to order by Susan Morduch, President, at 6:07 p.m. via a virtual meeting. The quorum requirement was met with the following people in attendance:

Board Members present: Cathy Draper, Wes Iwanski, Karen Kelley, Maureen LeBlanc, Jonathan Marshall, Denise Matthews-Serra, Julie Mills-Worthey, Susan Morduch, Francis Okelo, Joseph Puglia, Edris Scherer, Bernie Seiler, Karen Zevin

Board Members absent: Andrea Bober

Also present from WLS were: Terry Kirchner, Wilson Arana, Patricia Brigham, Rob Caluori

Public Library Directors Association (PLDA) Representative: Jennifer Brown, Director, The Field Library/Peekskill

Guests: Joe Maurantonio, Karen LaRocca-Fels, Robert Huerster, Greg Wirszyla

MINUTES

The minutes of the meeting of September 29, 2020, were approved as submitted on a motion by Dr. Puglia and seconded by Ms. Zevin. The motion passed unanimously.

FINANCIAL REPORTS

The financial report through September 2020 was presented and reviewed by Ms. Scherer and Mr Caluori. Three training sessions will be hosted by Mr. Caluori for the WLS Trustees regarding the WLS Financials--Balance Sheet, Income Statement and Periodic Reports. Each session will be offered two times, one in the day and one in the evening; and the trainings will be developed into an instructional video. The Board approved the September 2020 finances on a motion by Ms. Scherer and seconded by Mr. Marshall. The motion passed unanimously.

ACTION ITEMS

WLS Investment of Funds Policy Revision: The WLS Board Restricted Fund has primarily been used to cover operating expenses in period of reduced cash flow, and the Board looked to formalize its governance and use. The Budget and Governance Committees met jointly on July 30th and September 22nd to review the current WLS Investment of Funds Policy #12. The revisions shown below were suggested to the second paragraph entitled *Investment Objections* to more accurately reflect appropriate levels of reserve and expectations for the rates of return. Per standard procedure, the policy revision was distributed and presented as an Information Item one meeting in advance.

Investment Objectives

The investment objectives of the Board of Trustees of WLS are, in priority order: (1) to conform to all applicable federal, state and other legal and regulatory requirements; (2) to preserve capital; (3) to provide sufficient liquidity to enable WLS to meet ~~all anticipated~~

operating requirements its goal of maintaining a reserve sufficient to meet at least ninety (90) days of operating expenses; and (4) to generate ~~the highest possible~~ higher rates of return than available through standard savings accounts consistent with the first three objectives.

The Board approved the revision of the WLS Investment of Funds Policy #12 as noted above on a motion by Ms. Draper and seconded by Mr. Marshall. The motion passed unanimously.

PRESIDENT'S REPORT

Dr. Morduch asked Mr. Arana to provide an update on the Information Technology (IT) audit process. Mr. Arana presented the different service case scenarios created for the draft Service Level Agreement (SLA). A total of 5 sessions were held to review the SLA, and 30 libraries attended. The current focus is on the responsibilities section of the SLA, and a flow chart is being developed to outline problem-resolution work flows. The SLA will be shared with the WLS Board before it is finalized. The cost structures are being formulated for wireless, and Mr. Arana is working with vendors to ensure the best pricing. The three IT audits cost \$114,943. A question was raised regarding what type of guarantee regarding connectivity is being offered. WLS has a contract with LightPath and is exploring future opportunities to work with other vendors who are now providing services in parts of Westchester County.

Dr. Morduch is working with Ms. Zevin, Chair of the Nominating & Board Education Committee. Dr. Kirchner will work on setting up a framework for WLS Trustees and member libraries Trustees education. A presentation on outreach by Elena Falcone, Director of the Public Innovation and Engagement (PIE) Department, and Krishna Horrigan, Outreach Services Programmer, is scheduled for January.

As the WLS Innovation Group transitions into the Strategic Directions Committee, WLS will explore ways to include PLDA into strategic discussions about the roles of WLS and the member libraries in terms of providing library services in the short-term and long-term.

The issue of outstanding balances for IT invoices was discussed. Better support and communications with the libraries will be sought that would use an approach of collaboration and cooperation. This would include a clearer follow-up process starting with the Executive Director and Chief Financial Officer reaching out, then the Board President and Treasurer and possibly meeting with the library board. Ongoing discussions will also be held with the PLDA Finance Committee about transparency regarding those libraries with overdue balances and the conversations held with them.

The following topics were also discussed around this issue:

- Explaining and demonstrating all of the services offered by WLS and the value of being part of WLS.
- Submitting a brief white paper to help focus the discussion, possibly with the inclusion of former board members
- Addressing the perception that libraries are not receiving “bang for the buck” and having the WLS Board able to engage in the conversation with the member libraries and finding out what are the services and programs that the member libraries really want to receive from WLS.

Dr. Morduch reminded the Board about Giving Tuesday taking place on December 1st and asked the trustees to consider donating to WLS.

Feedback is needed for the Executive Director's evaluation for 2020, and Dr. Morduch will send a survey to each board member. A more formal review process is being considered for 2021, and Dr. Kirchner has been asked to present his goals for the year at the January 2021 Board Meeting.

COMMITTEE REPORTS

Budget Committee: Ms. Scherer noted that the Committee met on October 15th and is scheduled to meet on November 9th. Mr. Caluori provided a line-by-line overview of the 2021 budget, and further discussion is taking place regarding the IT budget.

Governance Committee: Ms. Draper noted that there is no current activity, and nothing is planned for the rest of the year.

Nominating & Board Development Committee: Ms. Zevin has drafted a WLS Handbook/Manual that will be posted to the WLS website ideally by December. The NonProfit Westchester (NPW) webinar on Board Governance was a good overview and will be added to this website. Eventually, more trainings will be added for the member library trustees as well. Brief descriptions of the WLS Committees are being collected, and one is still needed for the Budget Committee.

A motion was made by Ms. Zevin to appoint Mr. Robert Huerster to fill the vacancy for District 5 (Armonk, Bedford, Mount Pleasant, Pound Ridge) that was seconded by Ms. Kelley. Mr. Huerster is currently on the board of the Mount Pleasant Public Library and is seeking employment at a WLS member library. Currently, the WLS Bylaws do not address this specifically. The assumption is that Mr. Huerster would recuse himself from any potential conflicting votes. Discussion followed regarding the larger issue of whether a member library employee should serve as a WLS Trustee and if this poses a conflict of interest. While generally thought about in relation to a financial impact, there is concern about potential perceived influences and whether situations could arise where the trustee might not be able to speak out if the employing library director had a strong opinion. The question was raised whether there was any law or regulation that would prevent this appointment, and Dr. Kirchner was asked to seek a legal view from Division of Library Development and to reach out to other public library systems as well as other sources.

The Board decided to table the decision on the appointment that passed unanimously. [Ms. LeBlanc and Dr. Puglia not present for the vote.] Mr. Okelo made a motion to have it noted in the minutes that this decision was made with understanding and deep appreciation for Mr. Huerster's qualifications. The motion was seconded by Mr. Iwanski and was passed unanimously. [Ms. LeBlanc and Dr. Puglia not present for the vote.]

EXECUTIVE DIRECTOR'S REPORT

A copy of the Executive Director's Report was mailed in advance of the meeting. Dr. Kirchner noted that over the previous month he has devoted much of his time working with staff to develop the 2021 WLS and Project Hope budgets, engaging with staff from other Westchester County nonprofits and Supreme Court personnel on the Access to Justice Initiative, and working with Wilson Arana on IT related activities.

WLS IT Manager Wilson Arana noted that he is continuing to work on the draft Service Level Agreement (SLA) documents that will be used to outline IT services provided to the member libraries.

Mr. Arana also noted that numerous helpdesk software platforms have been reviewed and the lead contender is a product called SolarWinds.

Mr. Arana and the IT staff are working with Capira, the vendor that provides the app used by the member libraries, to better integrate the Capira Curbside and the self-checkout features of the app. WLS is currently working with 4 member libraries to pilot an online payment feature in the Evergreen catalog that could be used by library patrons.

Mr. Arana reviewed a tentative timeline of the current and anticipated IT priorities planned to address member library needs and to follow up on the recommendations from the three audits that he is using to guide the IT department. The computer replacement process is underway but is moving slower than originally planned due to additional logistical challenges due to the pandemic. In terms of VDI utilization by member libraries, there is now a higher interest in VDI and this is largely based on the functionality that VDI has provided to member libraries during the pandemic. The IT Service Change deadline was extended to October 16 from the original date of September 30. As of this meeting, based on the Service Change forms received, it appears that only one more library at the moment, the Katonah Village Library, is planning to move most of its IT services to a third-party vendor by the end of the year. A brief discussion of the potential capabilities of a 5G WiFi option occurred, but at this point in time WLS has not identified a vendor that could fully address member library WiFi needs only using 5G services.

Mr. Arana was asked the anticipated financial costs required to upgrade the VDI network and equipment to fully support the member library needs, and he noted that his best estimate at this time was around \$300,000 for this year with the need to reassess our options in 2022 based on the usage demands and any future service enhancements that would be available.

Because technology becomes obsolete so quickly, many on the Board expressed a desire for a more clearly defined roadmap that addressed a broader range of related factors such as the purchase and operating costs, the replacement cycle, clarity on how this technology relates to anticipated strategic directions, a description of why this technology is important for the work done by WLS and the member libraries, and to what extent, if any, is the cost of this technology fully absorbed by WLS or shared with the member libraries.

While the IT Audit Working Group will be addressing other issues raised in the audits, the current focus is on addressing the key foundational concerns raised, including the need for service level agreements to replace the PLDA IT Funding Model, the replacement of the helpdesk platform and the enhancements to the WLS network and VDI infrastructure to provide secure and stable access to the Evergreen catalog and other digital services. Working through the audits is a shared responsibility of the Board and the WLS staff and it requires input from the member libraries.

PLDA LIAISON'S REPORT

Ms. Brown noted that the IT aspects discussed at their October meeting was already covered. PLDA is taking nominations for new officers to begin their terms in January 2021. They are also creating an E-rate working group as a way to address their internal infrastructure. Dr. Kirchner and Ms. Brown will be presenting at the New York Library Association (NYLA) Annual Conference in early November. Ms. Brown also noted that due to the high demand in this year's election, early voting hours were increased by one hour per day.

ADJOURNMENT

Having completed its agenda, the Board adjourned its meeting at 8:43 p.m. on a motion by Mr. Iwanski and seconded by Mr. Okelo that passed unanimously. [Ms. Draper, Ms. Kelley, Ms. LeBlanc and Dr. Puglia not present for vote.]

Respectfully submitted,

/s/ Bernie Seiler

Bernie Seiler
Secretary

Subject: Investment of Funds

Application: Trustees and employees

Westchester Library System (WLS) is committed to investing its funds in a way that will maximize the security of principal, satisfy cash flow requirements, and use approved investments to provide the highest possible return. All investments shall conform with all applicable laws and regulations applicable to library systems in New York State.

Investment Objectives

The investment objectives of the Board of Trustees of WLS are, in priority order: (1) to conform to all applicable federal, state and other legal and regulatory requirements; (2) to preserve capital; (3) to provide sufficient liquidity to enable WLS to meet ~~all-anticipated operating requirements~~ its goal of maintaining a reserve sufficient to meet at least ninety (90) days of operating expenses; and (4) to generate ~~the highest possible~~ higher rates of return than available through standard savings accounts consistent with the first three objectives.

Authorized Investments; Security

All WLS funds (including privately raised moneys, but excluding trust funds that may be invested as provided in the Estates, Powers and Trusts Law) shall be invested in accounts or securities permitted under Sections 10 and 11 of Article 2 of the General Municipal Law, as from time to time amended and in effect, or any successor or similar laws. All deposits in commercial banks or trust companies in excess of the amount insured from time to time under the Federal Deposit Insurance Act shall be secured as provided in said Section 10.

Designation of Depositories

The Board of Trustees shall designate one or more banks or trust companies authorized to do business in the State of New York for the deposit of WLS funds, and the maximum amounts that may be deposited in each such financial institution, at the January meeting of the Board of Trustees. Such designation and amounts may be changed at any time by resolution of the Board of Trustees.

Delegation of Authority

The Board of Trustees hereby delegates management responsibility for investment of WLS funds to the Treasurer and the Chief Financial Officer, who shall jointly (1) invest WLS funds in accordance with the investment objectives and subject to the limitations described in this policy; and (2) establish procedures consistent with this policy. No person may engage in any investment transaction on behalf of WLS except as provided in this policy and the procedures established hereunder.

Reporting

The Treasurer shall provide the Board of Trustees with investment reports at regular board meetings, specifying the types of investments, principal balances, rates of return and maturities.

Last approved: May 26, 2015