

4/23/21 LMA

MINUTES
LIBRARY, MUSEUM & ARTS COMMITTEE MEETING
April 23, 2021 4:00 PM
Zoom Meeting ID: 854 7436 4871

COMMITTEE MEMBERS PRESENT:

Amy Kaplan, Chair

Harris Falk

Arline Gertzoff

Lisa Newman

Karen Kramer

Sal Liccione

Dick Lowenstein

Wendy Batteau

Absent: Brandi Briggs

Guests:

Bill Harmer, Westport Library Executive Director

Iain Bruce, President, Library Board of Trustees

Scott Bennewitz, Board Member

Natasha Smith, Library Finance Director

Gary Conrad, Town of Westport Finance Director

The Library Museum and Arts Committee met to vote on recommending full RTM approval of the FY 21/22 appropriation request from the Westport Library.

At our April 7 meeting the committee had requested an up-to-date budget report (through 3/31/21) and the final numbers for FY 19/20 in order to see the \$981,100 the Library received as a PPP Loan Forgiveness Grant accounted for in the revenues, as well as other current revenues and expenses. We reconvened on April 23rd to review that supplemental information. The meeting was called to order at 4:03 PM. The Chair opened the meeting with a statement (copied below), and then introduced a motion to recommend approval of the appropriation, seconded by Sal Liccione. Ms Kaplan then opened the floor for discussion.

The PPP monies received were critical to the Library's operations, allowing them to keep valuable staff on board and develop new ways of delivering programs and services throughout the ongoing pandemic period. They did an admirable job of cutting expenses where possible even as required Covid-19 protocols created a need for new spending. The finalized numbers from FY 19/20 revealed a Covid- created deficit of \$78,546, which was covered by their General Reserve Fund. In FY 20/21, the real and

forecasted numbers show a projected deficit of \$739,176, before the PPP funding is applied. When that money is added as revenue and applied as allowed by the PPP program to expenses such as payroll, the numbers show a projected surplus of \$223,076. However, Covid-19 will continue to impact both revenues and expenses into FY 21/22. It is important for the Library's General Reserve Fund to maintain balances needed, especially in these times of uncertainty. In consultation with Westport Finance Director Gary Conrad, the surplus was transferred to the General Reserve: \$78,546 serving to replenish to amount drawn down to cover the deficit in FY 19/20, and the remaining \$144,530 projected to be needed for a forecasted FY 21/22 deficit. This allowed the Library to keep their appropriation request to the Town flat, a 0% increase from the last year.

Dick Lowenstein questioned whether the surplus should be transferred to the Reserve Fund or subtracted from the appropriation request. As the town has also been impacted by the effects of the pandemic, reducing the Library appropriation could be a way to reduce fiscal pressure on the town. Because the library is forecasting additional deficits, they felt that reducing their appropriation might result in them having to come back to the town for a special appropriation. Mr. Lowenstein also wanted more time to examine the supplemental materials, as they were provided to the committee on April 21, just 2 days before this meeting. As a result, Mr Lowenstein said he would abstain from the vote. The committee then voted 7-0, with one abstention, to recommend that the RTM approve the full requested appropriation of \$4,817,653. The meeting adjourned at approximately 5pm.

Submitted by:

Amy Kaplan

RTM LMA Committee Chair

4/26/21

Opening Statement, Amy Kaplan LMA Chair

Before we begin, I'd like to say a few words. I certainly want to say that I do appreciate the updated budget Report, and I also appreciate the quick response to my additional request last night. However, I remain disappointed that you did not have this information readily available to share with us when we met on April 7. At that meeting, this committee had legitimate questions concerning the impact of Covid on revenues and expenses, and how the PPP money received was used. We had remarked at our April 2020 meeting that when this year's budget season rolled around, we would want to see an accounting of that very thing. Last year, there was not a lot of information to be shared: we were in the early

months of the pandemic, and there were many factors unknown to us all at that time. Although we are not out of the woods yet, and Covid is still causing anomalies and disrupting norms, there is no reason why the budget request and backup materials presented to us would not transparently reflect real and accurate numbers, including that substantial infusion of government grant money. While it is true that the PPP money was initially a loan, at some point it did become known that the PPP Loans would be forgiven. It was certainly known by April 7, and the supplemental documentation you provided us on April 21 would have been appreciated then. In fact, I did communicate before that meeting that we would ask for more specificity on this topic. So it was disappointing that you did not come prepared to that meeting with a report that showed the \$981,100 received as revenue, and a more current accounting of the reduced revenues and increased expenses across categories. It was also disappointing that our questions did not appear to be received well. The role of this committee, and the full RTM, is to exercise oversight by the study of the library's operations, especially since the amount of the annual library appropriation is close to 5 million dollars. Neither this committee nor the RTM should be considered a rubber stamp for appropriation requests. We expect a full and transparent disclosure of your accounting, and we have a duty to ask pertinent questions in order to understand the context of your request to the town. In the future, I trust that the spirit of collegiality and mutual respect that is a hallmark of the Library's relationship with the Town will prevail. I know we all recognize the value of the Library to Westport, and I do want to make the point that during this year of Covid, when so much has been so difficult or seemingly impossible, the Library pivoted immediately, modified their operations, recreated themselves to continue providing services and even to function as a community center, especially during the lengthy power outage that hit our area last summer. In short, I am glad to see this updated report, and to have all of you here today to answer whatever questions remain.