

Cumberland Historical Society
1 October 2018

Board of Director Meeting
Minutes

Attendance: Linda Fulda, Brian Jensen, Sandy Nickerson, Margery Gruber, Pete Wilson, Nancy Latham. Absent: Carolyn Small, Betsy Huston

Call to Order: The meeting was called to order at 6:59 pm by Linda Fulda, Chair.

Approval of Minutes: The minutes of the 19 July 2018 meeting and enclosures as published and amended were approved unanimously. The secretary suggested that future minutes should include a listing of the enclosures at the end of the minutes.

Treasurer Report:

a. YTD Financials. Enclosure (1). The CHS had a net loss of \$2000 ending 31 Aug 18 (FY YTD)

b. Operational Budget. Enclosure 2 is a work in progress. Once Pete completes, the Board will need to review and decide if new revenue sources are needed, if expenses should be eliminated or reduced, or if the CHS should operate in a deficit position for the year as supplies, services, storage items, etc. are addressed in preparation for the move and to be ready for the upcoming Bicentennial celebration. \$5000 from TDBank should be deleted; this revenue was a one-time contribution. The BOD discussed increasing fees, and charging non-members for programs. BOD needs to be aware that the Town may begin to bill for the Windows365 software. The BOD needs to discuss the Scavenger Hunt; should proceeds go to the Scholarship Fund? The Board needs to discuss the Scholarship Fund; is it a scholarship fund or essay contest?

c. D&O Insurance. The BOD unanimously agreed that CHS should purchase the D&O insurance for \$740 annually as quoted in the policy from Hub Norton who the CHS has had a policy with since 2012. Enclosure 3 provides more information.

d. Quilt update. The final insurance bill hasn't been settled yet. Pete is working with Marilyn at Averill Insurance Agency. The cost of the appraisal to Kathy Kenny was \$300 plus 2 bottles of a special laundry wash.

e. Dues Structure/Corporate Sponsorship. BOD agreed they were not in favor of lifetime memberships in the dues structure. A lengthy discussion ensued about the confusion of keeping "business" as a membership. Businesses are now being treated as corporate sponsors (recognition at the end of the newsletter). Whether cash or in-kind services, this kind of recognition falls under corporate sponsorship. A proposal was made to drop the "business category" from the membership categories and to incorporate business contributions under corporate sponsors. And, that a subcommittee should be formed to address corporate sponsorship... cash donations and in-kind services. The proposal was unanimously approved.

Curator Report. No report; curator absent.

Membership Report. No report.

Gardening Committee. Gardening effort slowing down; fall clean-up is ongoing. Edging and walkway project is complete. Thanks to Jonathon Carter and PW.

Old Business.

a. Seacoast Museum. Tabled until the Curator can report.

b. Policy Manual Update. Margie reports that the policy manual is at about 80%. The BOD voted to start using the manual with one abstention (Pete Wilson) in draft form in the interim so that new board members will start with some general knowledge on how the BOD works and what its responsibilities are. Discussion topics that still need to be resolved are identified **in Bold Italics** in larger font in the draft manual.

c. Textile Storage Update. The acid free boxes have been purchased and the quilts are being prepared for storage. The next step is leasing climate controlled storage space outside of the current facility. The BOD approved leasing the space at a prior meeting.

d. General Membership Meeting. The agenda will be sent out to all members either by email or USPS; the distribution will meet the 10 day business day notification requirement stated in the By-Laws.

e. FY 19 Slate for BOD. The slate now lists: Linda Fulda, Margie Gruber, Sandy Nickerson, Martha Morrison, Deb Dugas, Judy Gagnon, and Kathy Kenny. Per the Bylaws, once the General Membership approves the slate, the slate will decide among themselves who will assume which officer position and who will fill the 3 Director-at-Large positions. The BOD will appoint the curator.

New Business

a. Curator/Board Chair Annual Report. Agreed the Chair and Curator should separate their reports by function. The Curator's report should focus on activities such as acquisitions and programs and the Board Chair should focus on activities of the Board (i.e. new Bylaws, computer upgrade, funding for quilt assessment and storage, "2nd Grade Walking Tour" booklet published, policy manual in draft format, meeting with museum consultant, inventory reviewed/adjusted, restricted cash issues resolved, and taxes adjusted.

b. Moratorium on Acquisitions. The inventory at the CHS museum has maxed out. A proposal was made to not accept any large furnishings or acquisitions due to space restrictions until decisions are made as to what and what not will be moved to the proposed space associated with the move to the Library. Vote: 4 in favor, one abstention (Pete Wilson), and one nay vote (Nancy Latham). The motion was carried.

Announcements:

a. Invite. The Town Manager, Bill Shane, accepted the Society's invitation to speak at the General Membership meeting to present the Town's vision for the proposed move of the CHS Museum to the Town Library.

b. Pier Demolition. One hundred and three year old Vinnie Lewis, who worked on the original pier, declined to be interviewed for a documented oral history.

c. *Book Sales.* CHS will be attending the Craft Show at Val Halla on 6 October and at the GHS Christmas Fair in December.

d. *"2nd Grade Walking Tour Book.* 6 additional books have been purchased under the \$100 purchasing authority of the Chairperson. The books had to be purchased by the 20 September because Apple was discontinuing publishing books, calendars, and cards. The books will need to be reproduced on another website such as Shutterfly, Mixbook, etc.

Adjournment: The meeting was adjourned at 8:37pm by the Chair.

Next Meeting:

a. *General Membership Meeting.* Scheduled for 18 October 18. All members have been notified either by email or USPS mail as required by the Bylaws.

b. *BOD Meeting.* A meeting date will be set by the new Board once the slate is approved at the 18 Oct general membership meeting.

Submitted by:

Margery Gruber
Secretary

Enclosure 1 YTD Financials
Enclosure 2 Draft Operational Budget 2018-19
Enclosure 3 Summary of D & O Insurance

Trial Balance

8/31/18

6/30/18

| | Ending | Beginning |
|--------------------------|---------------|---------------|
| | 31-Aug-18 | 30-Jun-18 |
| Assets | | |
| 100 Checking acct | \$ 13,049.60 | \$ 14,977.87 |
| 101 Savings acct | \$ 28.98 | \$ 28.98 |
| 102 Money Mkt | \$ 4,249.35 | \$ 4,249.35 |
| 103 CD | \$ 71,699.89 | \$ 71,584.33 |
| 104 Petty cash | \$ 100.00 | \$ 100.00 |
| 110 Town held | \$ 50,000.16 | \$ 50,000.16 |
| 111 Town held | \$ 72,280.83 | \$ 72,280.83 |
| 120 Accts rec | \$ - | \$ - |
| 121 Due from town | \$ - | \$ - |
| 125 PPD Insurance | \$ 524.00 | \$ 763.00 |
| 127 Sales tax recoverab | \$ - | \$ - |
| 130 Inventory | \$ 1,139.00 | \$ 1,164.00 |
| Total assets | \$ 213,071.81 | \$ 215,148.52 |
| Liabilities | | |
| 200 Accts payable | \$ - | \$ - |
| 201 Scholarship payable | \$ - | \$ - |
| 202 Other payable | \$ 655.19 | \$ 655.19 |
| 203 Sales tax payable | \$ 1.65 | \$ 41.00 |
| 204 Due town | \$ - | \$ - |
| Total liab | \$ 656.84 | \$ 696.19 |
| 300 Unrestricted net as: | \$ 91,889.47 | \$ 91,844.27 |
| 301 Temp restricted ass | \$ 281.80 | \$ 327.00 |
| 302 Perm restricted ass | \$ 122,281.06 | \$ 122,281.06 |
| Income, (loss) | \$ (2,037.36) | |
| Total equity | \$ 212,414.97 | \$ 214,452.33 |
| L&E | \$ 213,071.81 | \$ 215,148.52 |
| Off: | \$ - | \$ - |

PW
9/28/2018
Enclosure 3

2 months Ended 8/31/2018

Income Statement

Revenues

| | | |
|----------------------|----|----------|
| 400 Donations | \$ | 91.00 |
| 410 | \$ | 135.00 |
| 411 Dues | \$ | - |
| 420 Donated facility | \$ | 3,000.00 |
| 430 Program revenue | \$ | 280.00 |
| 431 Program expense | \$ | 225.00 |
| 440 Net Programs | \$ | 55.00 |
| Sales of inventory | \$ | 29.95 |
| CGS | \$ | 25.00 |
| 441 Margin | \$ | 4.95 |
| 450 Sales Other | \$ | - |
| 451 Interest income | \$ | 115.56 |
| Other income | | 0 |
| Total Revenues | \$ | 3,401.51 |

| | | |
|--------------------------|----|----------|
| 501 | | |
| 510 | \$ | - |
| 520 Supplies | \$ | 113.93 |
| 530 IT | \$ | - |
| 531 Postage, shipping | \$ | 82.00 |
| 532 PO Box | \$ | - |
| 540 Gardening | \$ | 22.99 |
| 550 Imputed rent expense | \$ | 3,000.00 |
| 555 Equip rent and r | \$ | - |
| 556 Display Item Re: | \$ | - |
| 557 Acid free boxes | \$ | 625.56 |
| 558 Gifts to community | \$ | - |
| 560 Appraisals | \$ | 300.00 |
| 561 Insurance | \$ | 239.00 |
| 562 Sales tax expense | \$ | - |
| 565 Advertising | \$ | 45.20 |
| 570 Scholarships | \$ | 1,000.00 |
| 580 Other expense | \$ | 10.19 |

Total expense \$ 5,438.87

Net loss \$ (2,037.36) ← July/Aug 18

CHS

PW
9/28/2018 2/3
Encl. 1

Checks written
7-2018 78/31/2018

| Activity | Amount | Purpose | Account |
|---|-------------|-------------------|---------|
| Disbursements: July 1, 2018 through August 31, 2018 | | | |
| 2249 | \$ 1,000.00 | scholarship | 565 |
| 2251 | \$ 22.60 | Adv/rest | 562 |
| 2252 | \$ 22.99 | gardening | 532 |
| 2253 | \$ 200.00 | program speaker | 431 |
| 2254 | \$ 79.89 | acid free boxes | 556 |
| 2255 | \$ 41.00 | sales tax | 203 |
| 2255 | \$ 10.19 | filing fee | 570 |
| 2256 | \$ 300.00 | quilt appraisal | 558 |
| 2257 | \$ 82.00 | postage | 530 |
| 2258 | \$ 113.93 | printing supplies | 510 |
| 2259 | \$ 22.60 | Adv/rest | 562 |
| 2260 | \$ 25.00 | Craft fair | 431 |
| 2261 | \$ 545.67 | acid free boxes | 556 |

PW 9/26/2018
Encl 2 3/3

| | Actual YE 6/30/2018 | 1st Draft Budget YE 6/30/2019 | |
|------------------------|------------------------|-------------------------------------|----------------|
| Revenues | | | same |
| contributions | 6181 | 6181 | same |
| dues | 1665 | 1665 | same |
| program revenue | 1606 | | |
| program expense | 355 | | |
| Net programs | 1251 | 750 | 3/4 |
| Sales | 3064 | 3064 | |
| Cost of goods sold | 2654 | 2654 | |
| Gross margin | 410 | 410 | same |
| Donated facility | 18000 | 18000 | same |
| Interest income | 705 | 700 | same |
| Other income | 78 | | |
| | 28290 | 27706 | |
| Expenditures | | | |
| Tech | 2472 | 216 | 1/4 |
| Insurance | 1418 | 2000 | est |
| Inventory write-down | 1400 | | |
| Storage items | 559 | 2000 | 3/4 |
| Storage unit | | 3000 | 3/4 |
| Supplies | 340 | 500 | 3/4 |
| Gifts to community | 300 | 200 | 1/4 |
| Postage | 353 | 388 | add 10% |
| Grounds, equip maint | 184 | 184 | same |
| Imputed rent | 18000 | 18000 | same |
| Other | 152 | 100 | 3/4 newsletter |
| Sign | | 200 | 3/4 |
| Newsletter | | 400 | est |
| Memberships | | 50 | est |
| Filing fees | | 30 | est |
| Bicentennial | | | |
| Scholarships | | 1000 | 3/4 |
| Programs Kenny | | 1650 | 1/4 - note w-9 |
| Strategic Planning | | 500 | 1/4 |
| museum exhibit display | | 1000 | 1/4 |
| | | 31008 | |
| | 25178 | 31418 | |
| Net | 3112 | 3712 -3312 | |

end 1/4

1 Oct 18...Conversation with Hannah at Hub Norton Insurance

D&O insurance policies offer **coverage** for defense costs, settlements, judgments arising from lawsuits and wrongful allegations brought against the nonprofit. These can be frivolous.

Nonprofit directors and officers may have an even more demanding job than their for-profit counterparts, because the affairs of the organization may be less familiar to the individual and may be conducted under less efficient conditions than in business corporations.

The CHS has had a D&O policy with Hub-Norton since 2012.

Our current policy expires the end of October.

Online research for average cost of D&O for small nonprofits averages between \$600 and \$700 per annum; the longer you have the policy the price increases because the policy coverage "goes back in time". Our "back in time" would go back to 2012.

CHS cost for this insurance in 2012 was \$535; 2014 \$700 and for this renewed policy we are quoted \$740.

The amount quoted is **not** based on the assets the board has.

Some examples of where D&O comes in handy:

- (a) The CHS has an event and a volunteer discriminates for access and the BOD gets sued
- (b) someone on the BOD embezzles CHS \$'S. The embezzler is not covered, but the embezzled funds are
- (c) the current BOD will be covered if there is a claim against the policies of prior board members (back to 2012)

... and many other frivolous claims that you can entertain yourself with online.

End 3
1/2



301 E. Fourth Street, Cincinnati, OH 45202

ExecProsm
DECLARATIONS
for
Nonprofit Solutions
Insurance Policy

Insurance is afforded by the company indicated below: (Each a capital stock corporation)

☒ Great American Insurance Company

Policy Number: EPP2452393

Policy Form Number: D16100-G

Item 1. Name of **Organization**: CUMBERLAND HISTORICAL SOCIETY

Mailing Address: 6 BLANCHARD ROAD; PO BOX 82

City, State, Zip Code: CUMBERLAND, ME 04021

Attn: Executive Director/President

Item 2. **Policy Period**: From 10/29/2017 To 10/29/2018
(Month, Day, Year) (Month, Day, Year)
(Both dates at 12:01 a.m. Standard Time at the address of the **Organization** as stated in Item 1)

Item 3. Aggregate Limit(s) of Liability for each **Policy Year**:

- (a) \$1,000,000 for all **Claims** other than **Claims** for **Employment Practices Wrongful Acts**.
(b) \$10,000 Donor Data Loss Crisis Fund Sublimit of Liability. This limit is part of and not in addition to the Limit of Liability provided for in 3(a).
- (c) \$1,000,000 for all **Claims** for **Employment Practices Wrongful Acts**. This limit is:
☒ part of and not in addition to the Limit of Liability provided for in 3(a).
☐ separate from and in addition to the Limit of Liability provided for in 3(a).
(d) \$150,000 FLSA Defense Sublimit of Liability. This limit is part of and not in addition to the Limit of Liability provided for in 3(c).

Item 4. Retentions:

Insuring Agreement A: \$ 0
Insuring Agreements B and/or C: \$0

Each Claim
Each Claim

Item 5. Premium: \$740

Item 6. Endorsements Attached:

D16335 D16548 D16712 (13) DTCOV IL7324

Item 7. Notices: All notices required to be given to the **Insurer** under this Policy shall be addressed to:

Great American Insurance Companies
Executive Liability Division
P.O. Box 66943
Chicago, Illinois 60666

Item 8. Prior & Pending Litigation Date: 10/21/2012

These Declarations along with the completed and signed Proposal Form and Nonprofit Solutions Insurance Policy, shall constitute the contract between the **Insureds** and the **Insurer**.

THIS IS A CLAIMS MADE POLICY. READ IT CAREFULLY.

D 16102 (01/09)

End 3