



(860) 434-7802 90 Lyme Street, Old Lyme CT 06371 www.LymeArtAssociation.org

AGENDA
BOARD OF DIRECTORS MEETING
November 15 2017 4:00 pm

Call to Order	Katherine Simmons
Minutes Review & Approval	Katherine Simmons
Treasurer's Report	John Beatty
Gallery Report	Jocelyn Zallinger
Development:	
Second Century Committee	Carrie Walters
Palate to Palette	Emily Reynolds
2017 – 2018 Annual Fund	Gary Parrington
Building and Grounds Report	Jack Montmeat
Education and Activities Committee Report	Lisa DeFilippo
Governance Committee Report	Lee Ruck
Election of Officers	Katherine Simmons
Other Business	
Vote on contracting to sell art in storage room	Gary Parrington
Adjournment of Meeting	Katherine Simmons



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BOARD MEETING MINUTES
Wednesday, September 20, 2017 at 4:00 pm

Board members present:

Gayle Asher, Del-Bourree Bach, John Beatty, James Berryman, Donna Gilberto, Sarah Lucas, David Moore, Michael Moses, Steven Ross, Lee Ruck, Kim Sapia, Katherine Simmons, Carrie Walters

Board members absent: Roger Clements, Lisa DiFilippo, Debbi Goodman, Jack Montmeat, Emily Reynolds

Staff: Gary Parrington, Laurie Pavlos, Jocelyn Zallinger

Call to order: Kathy convened the meeting at 4:01.

Minutes: On a motion by Dave seconded by Carrie the August minutes were approved, with Lee abstaining.

Treasurer's Report: John pointed out an error in the "budget column that shows a net \$18,902 loss. This will be corrected. Otherwise the cash flow is 28,000 higher this year to date.

Gallery Report: Sales tables were presented. This was a record year for American Waters in terms of number of paintings (33) sold. Average price was \$528. *New England Landscape* is off to a very strong start with 10 paintings, average price \$1,212. More than a month to go. Year-to-date income is catching up to last year's record.

A.P.E.C. Report: 2018 calendar is being fleshed out with prospectus descriptions and potential jurors. 2018 juror honorariums proposed: \$150 for most shows, with \$200 - \$250 for Marine and Landscape shows. On a motion by Del, seconded by Sarah the board approved honorariums for jurors in the \$150 to \$250 range. Following discussion about "patrons" assisting or participating in the jury process, there was consensus that there should be a better way to involve patrons in our gallery shows without changing a jury process that works well and the matter was referred back to the committee. The committee is currently working on several projects: 2019 gallery rental to CT Watercolor Society; 2019 special Griswold Point show including Don Demers works; development of a more equitable online vs. in person jurying approach; possible EA screening process changes to improve nominations for EA status.

Development Report:

Second Century Committee. Before Carrie gave her report, Kathy said that Kim had to recuse herself from discussion and voting on this matter. Following Carrie's report, (see attached) board members had time for questions and discussion. The Old Lyme Historic District Commission approved the project to repair and restore the exterior of the building, including the use of Azek trim as specified by Centerbrook Architects, in the RFP. Centerbrook Architects specified Azek, noting that while it is more expensive than wood, it is more durable than wood and involves less maintenance over the long run. The two finalists for the project were Sapia Builders and Gunther Homes. Sapia Builders' bid met the requirements of the project best although their bid was higher because they included the cost of Azek trim, Gunther Homes' bid included the use of wood trim. Kathy pointed out that the LAA was in the best financial standing in years and that it was the view of the Executive Committee and the 2nd Century Committee that we have the opportunity to follow the advice of the Architects and use synthetic trim materials for a more permanent, long lasting renovation.



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On a motion by Steven, seconded by Dave, the board unanimously approved, with Kim abstaining, to award Sapia Builders the contract for the exterior renovations.

Palate to Palette: Kim reported for Emily, reminding everyone that the date is Thursday, October 19 from 6 to 9 pm. Sponsorship support is a record \$22,500 (5K more than last year). Special thanks to Board member sponsors. The participating restaurants and caterers include: A Thyme to Cook Charlie's Place, Chow Food & Beverage Co., Coffees Country Market, Fromage Fine Foods & Coffee, Gourmet Galley, Old Lyme Inn, Old Lyme Seafood, Old Saybrook Soup & Sandwich, Stella's Restaurant & Pizzeria, and The Essex. Invitations will be in the mail early next week to 1,492 homes. Extra invitations will be available as of Monday. ARTIST PANELS are due by October 1st and we are asking for 100% Board participation!

Building and Grounds: The trees along Lyme Street and south parking lot were trimmed and a dead tree removed. A truckload of gravel was delivered and spread by staff at the driveway entrance and low spots. Steven reported that Dave Duncan, Architect developed a lighting plan for our parking lot that was approved by the Historic District Commission. There will be 24 twelve -volt fixtures installed in the trees. The installation begins Monday, September 25th.

Education and Activity Report: Laurie reported: the August Demers workshop was sold out; the November Steven Assael drawing workshop is also full; and the Fall class schedule includes ten classes, all running. Education income will exceed last years. 2018 Art Expo vendor sign-ups are coming in: 7 vendors have already paid – last year we had 10. The committee is currently working on two additional projects: a female morphology lecture/workshop by Allana Benham; and a casual “painting party” with holiday-themed still life setups.

Governance Committee Report: Lee presented a working plan for analyzing where we are in terms of minutes and agenda documentation, how to address any gaps in past documentation and developing templates for minutes and agendas going forward. His proposed work plan was reviewed and approved by the Board. Priority will be given to items number 4, 5, and 6. Lee will provide an electronic update of the LAA’s policies. Lee presented a draft of the new Proxy Authorization to be used at the upcoming membership meeting. The authorization was approved with two small changes: the form will include the meeting date and a line will be added to show that the Secretary received the form as required.

Annual Meeting: Kathy presented the slate of Directors, to be voted at the October 11 Annual Meeting. On a motion by John, seconded by Steven the Board unanimously approved the slate. A copy of proposed amendment to Article VI, Executive Director, section 5 Absence of Executive Director was presented. On a motion by Dave, seconded by Del the amendment was carried unanimously.

Other Business: Steven asked how inconsistencies in the bylaws would be resolved. Kathy referred this matter to the Governance Committee for review and recommendations.

Adjournment: On a motion by Carrie, seconded by John the meeting was adjourned at 5:24

Next meeting, is the Annual Meeting on Wednesday, October 11th. Starting at 5:30, with refreshments at 5 PM.



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METING MINUTES
ANNUAL MEMBERSHIP MEETING
Wednesday, October 11, 2017, 5:30 pm

Elected Artists and Board Members Present: **See attached list.** Guests present: Theodore VanItallie, Mary Mellot (chair of Education and Activities Committee). Staff present: Gary Parrington, Jocelyn Zallinger, Laurie Pavlos.

Call to Order: President Kathy Simmons convened the meeting at 5:32 and welcomed the members.

June Meeting Minutes: On a motion by David Moore, seconded by Ann Pierson, the June Special Meeting minutes were approved unanimously.

Treasurer's Report: John Beatty, Treasurer, asked everyone to refer to the pie charts in their packets (attached to these minutes). He reported that income is up approximately \$35,000. Significant income increases are in entry fees (\$8,000), fundraising (up \$14,000), education, and art commissions. Expenses show an increase that is mostly due to a change in the way that the salary for the Director of Development has been accounted. For most of 2016, this salary was charged against the Capital Campaign, which is not included in ordinary expenses. For 2017, the salary for the Director of Development has been included in ordinary expenses and is shown on the pie chart. Kim Muller-Thym asked what the in-kind expenses and income were: mostly advertising, but also things like part of the tent rental, printing, and food for Palate to Palette. Kathy Simmons noted that it is important to track in-kind income and expenses because if it was not donated we would have to pay for it and it's good to know what that amount would be.

Steve Ross, Secretary and Assistant Treasurer, reported that LAA has four investment funds: 1) Bonds held by Essex Savings Bank serve as collateral for a line of credit should we need it; 2) Cooper Ferry, 3) Unrestricted Kriebel Fund, and 4) Foster Caddell Fund. Funds 2, 3, and 4 are held by Sky Investments in 65% equities/35% bonds. At the beginning of 2017 the total of the four funds was \$711,212. As of end of September the total was \$756,784. Total portfolio performance is 10.2% year to date. Income from interest and dividends this year was over \$25,000 this year. Advisory fees are under 1%.

Proxy Ballots: Kathy Simmons asked Secretary Steven Ross to report on the number of proxy ballots received for this meeting. Steve reported that there were nine proxies.

Amendments to Bylaws: One section of bylaws revision, Article VI, Executive Director, Section 5: Absence of Executive Director, was tabled during the special June Membership meeting. The language proposed by the Board was distributed to the voting members prior to this meeting and is attached. Lee Ruck moved to adopt the amendment, Del Bourree Bach seconded. The amendment was unanimously approved by those present.

Election of Directors: Kathy Simmons directed the members to the Board slate (attached) saying that eight Board members are up for election. Faripour Farhauer moved to accept the slate, and Bill Hanson seconded. Ann Pierson asked who was the Nominating Committee. Kathy explained that the Executive Committee with the advice and approval of the Board, served as the Nominating Committee. Ann asked why more Elected Artists weren't nominated, since there are more openings on the Board. Kathy said that two EAs have been approached and are in the process, which includes the explanation of the duties and responsibilities of Board service and the identification of specific committee assignments for each potential Board nominee. The proposed slate of Directors was unanimously approved by those present.



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Approval of Life Members: Kathy Simmons directed the members to the description of the two proposed Life Members, Gail Caddell and Eliza Sharp. Lee Ruck moved to approve Gail Caddell, Faripour seconded, and vote was unanimous in favor. Emily Reynolds moved to approve Eliza Sharp, Ann Pierson seconded, and the vote was unanimous in favor.

APEC Report: Jocelyn Zallinger, Gallery Manager, reported that the Artistic Policy and Exhibitions Committee (APEC) met quarterly and welcomed three new members: Janine Robertson, Jane Zisk, and Sara Stifler Lucas, two of whom are Elected Artist Members. There are 14 themed shows in 2017. Stonington Printmakers, the American Society of Marine Artists, and the Society of CT Sculptors were invited and exhibited here over the past year. There will be a show of plein air work from the sixth annual paint out, a cooperative effort with the Lyme Land Conservation Trust. The 2018 calendar has 15 themed shows, with collaborative shows with the Salmagundi Club, and the Hudson Valley Art Association in two galleries next summer. We also have off-site gallery space at the Old Lyme Country Club, thanks to Dave Moore. This is the second year we have been offering cash prizes at our exhibitions and it is going well. More new members are joining and old members are beginning to exhibit again. Quality of work is continuing to improve, which has to do with using outside jurors and awarding prizes. Six Associate Artist Members were nominated for Elected Artist status this year. Jocelyn reminded Elected Artists present to make sure to cast their votes for Elected Artist nominees before leaving this evening.

Building and Grounds Report: Jack Montmeat, Building and Grounds Chair, reported that volunteers helped clean the lay lights at the beginning of last year. Steve Ross reported on the installation of the low voltage parking lot lights throughout front and back lots. Architect David Duncan, on a pro bono basis, assisted Steve in the selection of the lighting system, that was approved by the Old Lyme Historic Commission and installed in trees. The Historical Commission insisted that any recommendation on exterior lighting should be made with the advice of an architect.

Development Report:

Annual Fund/Spring Challenge: Gary Parrington, Director of Development, reported that the Spring Challenge projects, lighting the parking lot, installing sound system, cleaning up the wetlands, were all fully funded and have been accomplished or are near completion.

Swing for Art Golf Party: David Moore reported that last May's Golf Party was a bit rainy but made money since greens fees were not charged. Next year's Swing for Art will be May 21, 2018.

Second Century Capital Campaign: Caroline Walters reported that the campaign is \$99,000 short of the \$350,000 goal. Eleven contractors were asked to bid and we received four bids. Sapia Builders was selected based on price and understanding of the job as defined by Centerbrook Architects. The historic commission in Old Lyme approved the materials to be used. Repairs and renovations to the exterior of the building will begin on October 23.

Palate to Palette Gala: Emily Reynolds said her goal is to increase the net income by \$10,000 each year, and this year she thinks the goal will be met. All preparations are nearly complete. She thanked those who donated panels and encouraged members to purchase reservations to the event on Thursday, October 19.

Operations Management

Membership/Web Presence: Laurie Pavlos, Business Manager, reported that the functionality of the website continues to be improved. This year we made it easier to renew membership and donate online. We have worked to make sure that our information comes up when people search for events or activities related to LAA on Google.

Education/Activities: Mary Mellot, Education and Activities Committee Chair, reported on the successful Art Supply Expo last April which drew more than 300 people. The 2018 Art Supply Expo will be held on April 7, 2018. Workshops have all run with sold-out classes, and the weekly classes are all running



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as well. There are two monitored sessions, both on Thursdays. Upcoming activities include a holiday painting party, a lecture series, and critique nights.

Gallery Sales: Jocelyn Zallinger referred to the report included in the packet showing sales tracking well with last year's record. The marine show sold the most pieces so far. The average price has fallen slightly. Sales from the Elected Artist gallery are up and EAs should remember to rotate their pieces in that gallery. Jocelyn thanked gallery associates Sara Drought Nebel and Brittany Hilpertsauer for all their help selling art in the Gallery.

On a motion by Lee Ruck, seconded by Carrie Walters, those present voted unanimously to adjourn the meeting at 6:40 pm.

Lyme Art Association
Profit & Loss Prev Year Comparison
January through October 2017

	<u>Jan - Oct 17</u>	<u>Jan - Oct 16</u>	<u>Budget</u>
Ordinary Income/Expense			
Income			
4002 · Membership - Dues	30,289.00	30,860.00	31,680.00
4003 · Entry Fees	24,390.00	17,275.00	17,576.75
4004 · Donations	37,050.10	35,671.00	33,453.48
4004.10 · Fundraising Events	44,115.58	29,720.80	33,600.00
4005 · Exhibition Rental	360.00	2,524.00	1,000.00
4005.5 · Facility Rental	6,225.00	5,015.00	4,000.00
4006 · Misc Sales	40.00	-184.00	0.00
4007 · Education	48,302.05	20,780.00	34,166.68
4009 · Commissions - Sales of Artwork	39,898.74	37,493.20	39,166.68
4011 · In Kind Donations	39,781.00	19,906.39	32,500.00
4100 · Grants	6,000.00	6,000.00	5,000.00
4200 · Interest & Dividends	17,873.61	21,550.94	23,333.34
Total Income	<u>294,325.08</u>	<u>226,612.33</u>	<u>255,476.93</u>
Expense			
5000 · Education -Class Expense	13,898.44	2,453.89	10,500.00
5300 · Utilities	10,724.71	9,198.65	10,416.00
5401 · Maintenance-Cleaning	4,918.81	3,935.53	4,584.00
5402 · Maintenance	2,795.97	6,225.47	5,500.00
5404 · Grounds	10,225.79	6,587.23	7,084.00
5451 · Office	4,438.64	4,523.78	5,666.00
5453 · Miscellaneous	75.14	121.71	416.00
5461 Fund Raising	2,109.22	782.14	600.00
5650 · Insurance	8,012.25	4,120.25	8,334.00
5701-3 · Gallery Rental Costs	0.00	100.03	0.00
5701 · Exhibits	11,026.75	12,687.80	13,000.00
5725 · Postage & Shipping	1,063.66	831.62	1,000.00
5751 · Printing	290.00	197.63	834.00
5801 · Publicity/Advertising	5,244.36	8,595.46	6,666.00
5802 · In Kind Expenses	39,781.00	13,516.00	32,500.00
5850 · Capital Expenses	13,240.16	6,194.00	13,334.00
5901 · Bank & Credit Card Fees	5,592.36	6,705.42	6,250.00
5902 · Interest	42.87	126.12	0.00
6500 · Payroll	109,283.27	104,198.92	121,650.00
6561 · Gallery use expense	437.47	486.34	1,000.00
6750 · Taxes - Other	75.00	0.00	
8300 · Promotion and Travel	1,045.56	508.04	2,100.00
8401 · Training	0.00	45.00	630.00
Total Expense	<u>244,321.43</u>	<u>192,141.03</u>	<u>252,064.00</u>
Net Ordinary Income	<u>50,003.65</u>	<u>34,471.30</u>	<u>3,412.93</u>
Other Income/Expense			
Other Income			
4004.6 · Grants - Capital Campaign	0.00	30,000.00	10,000.00
4010.3 · Capital Campaign Donations	46,896.80	121,000.00	105,000.00
5800 · Fund Raising Events	0.00	140.00	
Total Other Income	<u>46,896.80</u>	<u>151,140.00</u>	<u>115,000.00</u>
Other Expense			0.00
6701 · Capital		0.00	
6702 · Capital Campaign Exp	41,101.46	5,183.90	4,200.00
Total Other Expense	<u>41,101.46</u>	<u>5,183.90</u>	<u>119,200.00</u>
Net Other Income	<u>5,795.34</u>	<u>145,956.10</u>	<u>-4,200.00</u>
Net Income	<u><u>55,798.99</u></u>	<u><u>180,427.40</u></u>	<u><u>-787.07</u></u>

Project Status: Art in Archive Room

Background: Over the years the LAA has accumulated roughly 50 pieces of donated art. This collection consists of oils, watercolors, charcoals, etc. in assorted sizes, and condition. Some framed, some not. We do not have records on this art that identifies the donors or why the LAA accepted the artwork.

In the past few weeks, Patricia Shippee, Accredited Senior Appraiser of fine art (and LAA member), volunteered to evaluate the collection. Patricia estimated a low sale price at \$14,000 and the estimated high selling price at \$21,150.

Based on Patricia Shippee's assessment, this collection contains no significant pieces. The Executive Committee and staff believe that this collection has no archival value and that the LAA has no purpose keeping it. Furthermore, it is taking up valuable space in the small storage room opposite the staff office downstairs.

After reviewing several options on how we might best liquidate this artwork, including the time and resources it would take to sell the collection ourselves, we asked Patricia Shippee about turning the whole collection over to an Art Auction House. Patricia recommended Linda Stamm of Winter Associates in Plainville CT.

Action Required: At the November 15th Board meeting the LAA Directors will be asked to discuss and decide whether the LAA will do business with Winter Associates. Please read the attached proposal, and be prepared to discuss this opportunity.

Patricia Shippee has reviewed the proposal and confirmed that the terms and commissions schedule are "standard for a regional auction company".



21 Cooke Street
Plainville, Connecticut 06062
Tel: 860-793-0288 Fax: 860-793-8288
www.AuctionsAppraisers.com

The property set forth on invoice # _____ shall be sold in accordance with the terms set below:

- DATE OF SALE:** Property to be sold at an appropriate future auction. Items will be offered at auction within one year of receipt of items at auction gallery; if any items remain unsold at the end of this year they will be discussed with the consignor. Consignor will receive an updated catalog entry with estimates approximately ten business days prior to assigned auction. Please review this carefully to ensure that you agree with how your items are cataloged.
- COMMISSION:** The consignor agrees to pay us the following commissions, based on the successful bid price of each lot sold:
 - 30% per item/lot sold for less than \$201.
 - 20% per item/lot sold from \$201. to \$1,000.
 - 10% per item/lot sold at \$1,001. or more
 - 1% of the total sales to cover insurance costs
 (any claims to be paid as if sold at mid-point of auction estimate less commission)

It is further understood and agreed that the balance of our commission, to wit, a buyer's premium of 20% (twenty percent) of the successful bid price of each lot sold is to be collected by us, from the purchaser, as your agent. Please note: items that are sold to an Invaluable.com/AuctionZip/eBay Live purchaser are charged an additional 5% (five percent) buyer's premium, which is collected by Winter Associates, Inc. from the purchaser on the behalf of Invaluable.com/AuctionZip/eBay Live.

- FEES:** Unless stipulated otherwise within this contract any and all costs associated with "clean-out" (i.e. man-hours and dumpster/disposal fees) are the responsibility of the consignor. Any expenses incurred over \$100 associated with retaining specialists who may be consulted in determining the auction value on specialty items (i.e. gems, coins, Oriental rugs, clocks, militaria, musical instruments, posters, prints, & dolls, etc.) will be the responsibility of the consignor and deducted from the proceeds. In addition, if incurred, packing and moving fees shall be collected from the consignor. Also, any possible presentation fees will be discussed and approved by consignor before incurred and collected from the consignor.
- TITLE:** You represent and warrant that the property consigned hereunder is your own unencumbered property and that you have the right to consign the property for sale and that it will be kept free of claims of others so that at the sale, good title and interest will pass to the purchaser. Your signature below indicates that you are not under a conservatorship, or if you are, your conservator has probate court approval. If you are consigning the merchandise as a fiduciary, you warrant that you are fully authorized to consign the property and will supply any additional documents which we may require. You expressly agree not to bid on any property you have consigned.
- ESTIMATES:** Any estimates set forth in a catalogue of ours shall not be deemed a representation by us in any way as to what the property will actually sell for at auction. If you desire to establish a minimum bid price for an item see "Reserves" (No. 6) below.

THIS AGREEMENT MAY ONLY BE CHANGED IN WRITING AND SIGNED BY BOTH PARTIES
PLEASE SIGN AND RETURN ONE COPY

Winter Associates

Auctioneers & Appraisers since 1979

21 Cooke Street
 Plainville, Connecticut 06062
 Tel: 860-793-0288 Fax: 860-793-8288
 www.AuctionsAppraisers.com

6. **RESERVES:** A reserve is the lowest price at which we will sell a given item and must be mutually agreed upon well in advance of the auction. Each item/lot is given a low to high value range by our staff which is published in our catalogues. Reserve amounts must be less than the low estimate. All agreed reserves are to be set forth on the accompanying invoice. It is understood that all bids to protect reserves will be made by us as your agent. In the event the property does not reach the agreed reserve and is "bought in" or passed by us for your account, you agree to pay us a commission of 5% (five percent) of the reserve price and 1% (one percent) of the reserve price to cover costs of handling and insurance. As well as any other fees agreed to above.
7. **WITHDRAWAL OF PROPERTY:** Consignor agrees that no property set forth on the attached invoice may be withdrawn by consignor after the execution of this agreement.
8. **UNSOLD PROPERTY:** If an item does not sell when offered at auction, Winter Associates, Inc. may sell it to a post auction bidder if the offer is within the auction estimate range, or at or above an agreed reserve price. All property which is not sold shall be returned to the consignor at the consignor's expense, unless the property is reconsigned by mutual agreement.
9. **USE OF NAME:** Winter Associates, Inc. is hereby authorized to use your name, or the name of the estate as the owner of the property in advertising, and/or promoting the sale, unless notified in writing to the contrary.
10. **LIABILITY OF SETTLEMENT:** You understand and agree that Winter Associates, Inc. shall not be responsible for settlement on any items sold at auction wherein the purchaser defaults, and wherein the property can be returned to the consignor. In addition, Winter Associates, Inc. shall not be liable for settlement until it shall have received payment from the purchaser.
11. **SETTLEMENT:** Settlement checks will be mailed to the consignor 20 (twenty) working days following receipt of payment, along with a post-sale invoice showing the successful bid price total of the items and the net amount due to the consignor.

PLEASE SIGN BELOW ACKNOWLEDGING YOU HAVE READ, UNDERSTAND AND AGREE TO THE TERMS OF THE CONTRACT SET FORTH ON THIS TWO PAGE DOCUMENT.

 CONSIGNOR'S SIGNATURE CONSIGNOR'S PRINTED NAME DATE

 WINTER ASSOCIATES, INC. LINDA STAMM
 WINTER ASSOCIATES, INC. DATE

**THIS AGREEMENT MAY ONLY BE CHANGED IN WRITING AND SIGNED BY BOTH PARTIES
 PLEASE SIGN AND RETURN ONE COPY
 Side 2 of 2**