

# The Falmouth Historical Society

Meeting of the Board of Directors

Zoom Meeting—March 1, 2022

The meeting came to order at 6:35 p.m. Present were Betsy Whitcomb, Carol Kauffman, David Farnham, Rich Meserve, Ron Scorsone, Sally Farneth, and Sue Farnham.

## **President's Remarks**

David announced that this is the last time we will hold a board meeting on the first of the month. The treasurer and technology committee reports are distilled from monthly data that isn't complete until the first day of the new month. There simply isn't time to review the data, correct any errors, and produce the reports before the early evening meeting. In the future, we'll push back the board meeting to the eighth.

## **Secretary's Report**

Minutes. The minutes for the December and annual meetings were published to the Society website. Thanks to the transcripts generated from the Zoom recording, the minutes and speakers' notes are almost verbatim records of the business meeting and the two presentations. Anyone who missed the meeting can use those records in conjunction with the full deck of presentation slides to review the details of everything covered at the meeting.

The minutes for the January and February board meetings were distributed for review. Please send any corrections or omissions to Sue. If they're fine, please say so and we'll publish them as soon as they are approved.

Membership. Our active membership slid to 86 and the number of members "pending renewal" jumped because this is anniversary of our winter mailing with renewal notices.

## **Treasurer's Report**

The annual tax return was filed.

David observed that 2021 was a year filled with surprises involving financial administration for nonprofits. We had been adhering to standards for small businesses, blithely unaware of standards applicable only to nonprofits. We missed cues such as the peculiar reporting requirements on the Form 990.

To avoid any more surprises, we reviewed our accounting procedures to see what else may have been overlooked. We are making necessary changes to bring our accounting into compliance. Some are cosmetic such as using the correct nonprofit names for our financial reports. Others involve using more advanced features of QuickBooks to better track restricted funds and program expenses.

Accounting is a function where we must be self-sufficient; outsourcing would be prohibitively expensive. We have identified resources to help our volunteers to build competency in nonprofit financial administration.

Finances. The Society has a balance of \$11,278 in its operating accounts and \$15,851 with Maine Community Foundation. Our accounts payable is \$360, and sales tax payable is \$30.

## **Committee Reports**

Programs. There was a lengthy discussion about the proposed scholarship criteria that had been circulated prior to the meeting. Rich will share the criteria with Falmouth Schools and seek their advice on the best way to proceed.

Museum Operation & Exhibits. Nothing significant to report.

Collections. Nothing significant to report.

Local History. We responded to four queries this month.

Communications. We had expected to have the winter mailing out by now.

Merchandise. With some semblance of normalcy returning, the Society bookstore can expect to see increased sales. David alerted the Board to a potential issue discovered during the review of nonprofit accounting: UBIT (Unrelated Business Income Tax). Nonprofits can be taxed on items unrelated to their mission. Items involving Maine history or the Society are related. Town-themed items are unrelated. Some items, such as the throws, fall into a gray

area. A tax of 21% is applied to gross income from total sales of unrelated items greater than \$1,000.

Visitors to the museum or our table at public events are unlikely to carry cash or a check. Our older credit card reader works fine at the Museum but had trouble processing charges at public events last year. We solved the problems by getting a mobile reader that works wirelessly through a smart phone; it accepts a swipe, insert, or tap.

Our friends at Cumberland Historical advised us to also accept payments via SmartPhone. We now accept payment using PayPal and Venmo.

One of our long-standing goals has been to accept online purchases of merchandise. We “opened” our online bookstore. It needs work and is currently set up only for local pickup. We need to work out shipping costs and sales tax, but it’s a beginning.

Museum Buildings & Grounds. Ron reported that we continue to have problems with the sump pump at the Museum.

Technology. The website was updated to bring to provide textual descriptions of pictures.

Development. Nothing significant to report.

### **New Business**

There being no new business, the meeting adjourned at 7:45 p.m.

Respectfully submitted, Suzanne Farnham, Secretary