

When the recent events at our library first came to light, we, the Library Board of Trustees, promised to provide status updates to our community. And as we have more information to report, we will provide further updates.

As you all undoubtedly know, there are forensic accounting and criminal investigations underway at the Library. The criminal investigation is ongoing is being conducted by the Westchester DA's Office. You may call the office, however it is confidential and the Board doesn't want to interfere and say anything that might jeopardize their investigation.

When we uncovered the error at the end of January, we immediately notified the police, hired forensic auditors, our financial manager was put on Administrative leave and then formally resigned, froze accounts and began to make cuts in our budget.

While we believe there has been misappropriation and theft by a former employee, this is only part of the overall story. The bigger part of the story was inaccurate financial reporting by that employee. We trust in law enforcement – the Westchester DA's office – and know that, in time, the full extent of what was improperly taken from the Library will become clear and known to all.

In the meantime, like all of you, we have felt a mixture of emotions about the Library's current position. Mostly anger and betrayal. We have asked ourselves many times, what could we have done better. Why did we put so much trust in an employee of 27 years and a Mamaroneck resident? Some of the answers seem clear, particularly in hindsight.

Could we – and prior Boards - have done a better job overseeing and verifying the finances of the Library? Undoubtedly the answer is YES.

Did we and prior Boards place too much trust in the words and information provided to us? YES.

Will we do a better job in the future? YES

For these errors and our misplaced trust, we sincerely apologize. We promise to be better stewards in the future.

We are always thinking of the community when we create our budgets. That is why we kept our tax increases in recent years to 0, 1 and 2 %. This year, due to inflation, increase in salaries, purchase of technology and programs, we needed to increase taxes. In order to keep taxes low, we thought we could take money out of a fund balance we relied on that was a great deal smaller than what we thought.

We have created a new budget committee with three members from our Board and two members from our community with financial expertise. Ellen Hauptman will speak to the committee's progress after my remarks. We have put into place updated internal controls which will be posted on our website. We welcome your scrutiny as it will help change the practices of this, and future boards for the better.

We could have never imagined the humbling position we currently face. We assure you that this affects each of us deeply. We all came to the Board as volunteers because of our love for the library and our belief in the critical role it plays in the fabric of our community.

If you look on the website (about us, strategic plans) you will see the 5-year plan that we, library personnel, and the community developed. It emphasizes our passion for books, programs, reaching out to our diverse community and their needs, and the importance of creating a tech center for Mamaroneck residents. We have made much progress

in meeting the objectives of the 5 year plan. That is why we took on this work. We wanted to support our wonderful Library, the community, and staff and make our Library what it has been recognized to be – the Best in Westchester and the most highly rated municipal service voted by Mamaroneck residents. Unfortunately it is clear to us that we should have been doing more, and better in our important role.

As is often the case during struggles in life, we are now seeing the best qualities of our community. We see the hope, kindness, and support that so many in our community are providing to the library. Our Village government has stepped in and addressed our immediate financial crisis by providing a mechanism for the Library to borrow approximately \$1.4 million in funds to tide us over during this interim period. Our local businesses are holding fundraisers to support the Library. We are writing grant applications. We will be filing a claim to retrieve money from our insurance carrier. Many of our patrons and residents are providing personal donations daily. For all of this, we are grateful.

To the Village of Mamaroneck, the businesses and our amazing residents and patrons – we can never thank you enough. Your tax - exempt donations are being put into a separate bank account and will be utilized to restore essential Library services that have been reduced during this challenging time.

To be sure, there is a lot of work to be done going forward. We have committed being transparent by putting our financial documents on our website for all to see. The Village and our forensic auditors will be looking at our monthly statements during this critical time. We will continue to work with the ongoing forensic and criminal investigations. We will continue to consider every measure possible to help the Library through this crisis in the way that is least impactful to our taxpayers and community.

In addition, I would like to correct a statement I made at a meeting about the Emelin Theater. The Emelin Theater does not owe the Library \$40,000. The Theater has paid on time its contractual obligations. Our current financial issues in no way impacts the functioning of the Emelin as the Emelin is a separate entity. Both institutions are essential to Mamaroneck and we look forward to collaborating on programs in the future.

We are moving forward with renewed passion for reinvigorating the library as a center of community. We hope you'll join us.