

The annual meeting of the Reynolds Library was held February 14, 1941, at 4 p. m., in the Board Room of the Reynolds Arcade.

Present: Messrs. Anstice, Goodenough, Lowe, Middleton, Miner, Pike, Sibley, Slater, and Sproat; President Anstice presiding.

The minutes of the previous meeting were read and approved. The Report of the Treasurer, presented by Mr. Goodenough, showed for the calendar year 1940 total cash receipts of \$116,550.36 and total cash expenditures of \$113,349.07 of which \$16,000 was the annual payment on principal of the mortgage. The cash balance on January 1, 1940 was \$31,532.18 and on December 31, \$32,112.47, the sum of \$2,621 having been invested in stocks during the year. After deducting depreciation the net operating loss for the year was \$9,107.58 and after deduction of legal and trust fees and library insurance, the net loss was \$9,555.44. The book value of bonds and stocks now owned by the corporation is \$108,314.75. On motion of Mr. Miner, duly seconded and carried, the report of the Treasurer was adopted.

A budget of estimated income and expenses submitted by the Treasurer for the year 1941 amounting to estimated income of \$118,869.00, estimated operating expenses of \$97,801.50 and Reading Room expenses of \$2,900.00, total \$100,701.50, was then adopted on motion of Mr. Sproat, duly seconded and carried.

The complete texts of the reports of the Treasurer and the auditors with accompanying schedules are filed with these minutes.

The report of the Building Committee was presented by Mr. Pike. A traveling agent for the Western Union has suggested a reduction of the present rental to \$15,000, but as the lease has some years to run no action on this informal proposal was thought necessary. Tucker, Anthony and Company, now paying \$300 a month on a lease expiring March 31, 1941 requested a reduction to \$250 until July 1, at which time a reconsideration would be asked for. On motion of Mr. Miner this reduction, recommended by the Building Committee, was granted from February 1. Little and Hopkins desire by reducing space to reduce their rental to \$50 a month in case either partner is called into war service. This understanding was approved by motion of the Board.

Respecting Mr. Pike's interviews with the City Assessor regarding a reduction of the assessment on the Arcade, it was reported that no reduction could be made at this time in the assessment on the land, now \$429,400.00, but that the assessment on the building would be reduced from \$500,600 to \$441,649 making a total revised assessment of \$871,049.00. It was agreed that the present exemption for the Reading Room of \$130,000 would be allowed to stand if the Reading Room is continued, making a revised net assessment of \$741,049. At a tax rate of \$43 per thousand this would mean a tax of \$31,865.00 or

\$2,660.56 less than the present tax. Since the Reading Room costs \$2,690 to maintain, if it is abandoned and the higher tax paid on the revised assessment without exemption, the additional cost would be about \$210. This estimate, however, does not take into account the rentable value of the space now occupied by the Reading Room. On the other hand, it is a question whether if the Reading Room were closed the corporation would not be required to pay unemployment and social security taxes on its payroll which would amount to much more than the estimated saving.

Since these comparisons are based on an informally promised reduction in assessment which the City Assessor declined to put in writing, it was agreed that no action be taken with regard to closing the Reading Room at least until the assessment rolls for the current year are formally approved and entered on the books.

Mr. Pike also reported that the Corporation Counsel had given him a copy of an anonymous letter attacking the Reynolds Reading Room for Sunday closing and reduction of the number of newspapers taken, which letter, apparently written by one Charles Dorey, contained also an estimate of the cost of maintaining the Reading Room compared with the saving in taxes by reason of the exemption, submitted with the intent of showing the Board to be remiss in its duty toward the public. Mr. Lowe also reported that this person was probably the same who had come to his office to present similar complaints. In view of the evident bias of the writer and his refusal to give his name it appeared that no notice needs to be taken of the letter, except as showing that the question of maintaining or closing the Reading Room will have to be handled with some care in order to prevent criticism from interested or prejudiced parties.

It was moved by Mr. Miner, duly seconded and carried that the report of the Building Committee on the subject of securing a reduction of assessment be accepted as an interim report and that the committee be asked to continue its efforts until the proposed reduction is assured.

There was also a discussion of transferring a part of the insurance on the Arcade to mutual companies in order to save money. If all the insurance were transferred there would be a saving of \$500 a year. It was also asked whether it is any longer desirable to pay premiums on insurance of the books now in the Public Library building, since the Public Library is a fireproof building, and since the Reynolds books are certainly not worth the nominal valuation of \$80,000 now carried on the books. Both questions were postponed for further consideration at the next meeting of the Board.

The report of the Library Committee presented by Mr. Lowe showed that some further disposal of unwanted duplicates from the Reynolds collection has been made by gift to a library at Greenville, South Carolina.

The term of office of Mr. Miner as representative of the Reynolds Library on the Public Library Board having expired, it was duly moved, seconded, and carried that Mr. Miner be reappointed to succeed himself. While the new five-year term would not expire until 1945 it was agreed that Mr. Miner might feel obliged to resign his duties before that date and that in that case another representative would be chosen.

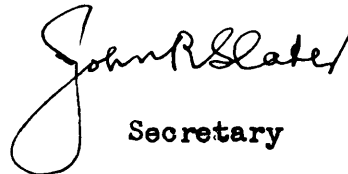
The annual election of officers being then in order, a nominating committee consisting of Mr. Pike, Mr. Sibley, and Mr. Smith submitted a report recommending re-election of the present officers which was unanimously adopted, as follows:

President, Mr. Anstice
Vice-President, Mr. Weller
Treasurer, Mr. Goodenough
Assistant Treasurer, Mr. Middleton
Secretary, Mr. Slater

President Anstice announced that the present committees would be reappointed.

In order to fill a vacancy in the Board, Mr. Pike nominated as Trustee Mr. Mortimer R. Anstice, Jr. This nomination according to the by-laws will lie over until the April meeting.

There being no further business, the meeting was then adjourned.


Secretary

THE REYNOLDS LIBRARY INCORPORATED

TREASURER'S REPORT

March 31st, 1941

THE REYNOLDS LIBRARY INCORPORATED
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

CASH BALANCE JANUARY 1st, 1941	32,112.47	
RECEIPTS FOR THREE MONTHS	<u>29,099.97</u>	
		\$ 61,212.44
TOTAL DISBURSEMENTS FOR 3 MONTHS		<u>37,401.34</u>
CASH BALANCE MARCH 31st, 1941		\$ <u>23,811.10</u>

Above Represented By:

Lincoln-Alliance Bank A/C	21,389.40
Rochester Trust Bank a/c	2,411.70
Petty Cash	<u>10.00</u>

\$ 23,811.10

THE REYNOLDS LIBRARY INCORPORATED

STATEMENT OF INCOME & EXPENSES ON THE ACCRUAL BASIS

COMPARISON - BUDGET

<u>INCOME</u>	<u>3 MOS ENDED MAR 31, 1940</u>	<u>3 MOS ENDED MAR 31, 1941</u>	<u>BUDGET 3 MOS 1941</u>
Rentals	26,823.74	26,831.72	27,085.98
Electricity & Water	1,088.94	1,220.97	1,000.00
Sundry	47.66	62.41	62.50
Discount	7.89	15.57	
Parking Station	450.00	450.00	451.25
	<u>28,418.23</u>	<u>28,580.67</u>	<u>28,579.73</u>
Interest & Dividends	<u>1,092.18</u>	<u>1,131.75</u>	<u>1,137.48</u>
<u>TOTAL INCOME</u>	<u>\$ 29,510.41</u>	<u>\$ 29,712.42</u>	<u>\$ 29,717.21</u>
<u>EXPENSES</u>			
Arcade Building - Operation	5,677.79	8,883.14	5,993.28
Payrolls	4,738.39	4,868.53	5,000.00
Insurance	334.22	333.29	375.00
Misc. Taxes	30.30	34.14	25.00
Taxes: City & County	8,630.93	8,571.48	8,526.00
Interest on Mortgage	4,308.75	4,128.75	4,047.75
Misc. Expense	159.54	36.22	100.00
Legal & Audit	150.00	150.00	37.50
Legal & Professional			<u>75.00</u>
	<u>\$ 24,029.92</u>	<u>\$ 27,005.55</u>	<u>\$ 24,179.53</u>
Reading Room -			
Operation	15.14	55.83	191.25
Salaries	<u>504.00</u>	<u>519.05</u>	<u>533.73</u>
	<u>519.14</u>	<u>574.88</u>	<u>724.98</u>
Library Property Expense	29.28	21.00	21.00
<u>TOTAL EXPENSE BEFORE DEPRECIATION</u>	<u>24,578.34</u>	<u>27,601.43</u>	<u>25,175.49</u>
Profit or Loss	4,932.07 Pr.	2,110.99 Pr	
Less Depreciation Expense	7,109.82	7,109.82	
<u>NET PROFIT OR LOSS</u>	<u>2,177.75 L</u>	<u>4,998.83 L</u>	

THE REYNOLDS LIBRARY INCORPORATED
COMPARATIVE STATEMENT OF ASSETS & LIABILITIES

<u>ASSETS</u>		<u>DEC 31, 1940</u>	<u>MAR 31, 1941</u>
CASH -			
General Funds		29,725.77	21,899.40
Permanent Funds		2,386.70	2,411.70
RECEIVABLES -			
Accounts - Rents			.60
Interest & Dividends		107.50	768.75
INVESTMENTS - Regular a/c		108,314.75	108,314.75
Fund a/c		9,747.55	9,747.55
REAL ESTATE -			
Main Street	951,008.22		951,008.22
Less Depreciation	<u>100,160.16</u>	850,848.06	<u>105,198.39</u>
			845,809.83
EQUIPMENT			
Library Books		80,000.00	80,000.00
DEFERRED CHARGES			
Construction a/c Spc.	82,864.12		82,864.12
Less Depreciation	<u>37,918.70</u>	44,945.42	<u>39,990.29</u>
			42,873.83
Prepaid Expenses		1,695.24	8,186.49
Inventory		<u>854.16</u>	<u>788.14</u>
<u>TOTAL ASSETS</u>		<u>\$ 1,128,625.15</u>	<u>\$ 1,120,301.04</u>
<u>LIABILITIES</u>			
ACCOUNTS PAYABLE			
Accrued Taxes		9,133.04	2,290.02
Sundry Bills		636.01	
NOTES PAYABLE			
Mortgage a/c		367,000.00	367,000.00
Interest Accrued		3,303.00	7,431.75
Fund Invest. a/c (Income)		1,107.08	1,132.08
Permanent Funds		11,027.17	11,027.17
NET WORTH		<u>736,418.85</u>	<u>731,420.02</u>
<u>TOTAL LIABILITIES</u>		<u>\$ 1,128,625.15</u>	<u>\$ 1,120,301.04</u>

MEETING OF THE BOARD OF TRUSTEES, APRIL 11, 1941

A regular quarterly meeting of the Board of Trustees was held April 11, 1941, at 4 p.m., in the board room of the Arcade. Present: Messrs. Amstice, Lowe, Miner, Pike, Sibley, Slater, Smith, and Weller. President Amstice presided.

The minutes of the last meeting were read and approved. The Treasurer's report, in the absence of Mr. Goodenough, was presented by the Secretary. For the three months ending March 31, 1941 it showed income of \$29,712.42 and expenses of \$27,005.55, of which about \$3,000 was for partitions, one-half set in place and one-half reserved for future use. The question was raised whether such items, representing investment in plant rather than recurring annual expenditures, should be included in operating expense or charged to building account, but no such change was acted upon. Mr. Miner also raised the question whether conspicuous inequalities in quarterly reports due to irregular payments for taxes and interest might not advantageously be removed by keeping the books on an accrual basis for these as for other items, taxes and interest being divided into twelve parts and entered as accounts payable each month. The Finance Committee was asked to take this question into consideration. The quarterly profit before depreciation was \$2,110.43, and the net loss after depreciation \$4,996.83. The report was ordered accepted.

Mr. Pike presented the report of the Building Committee. All first floor space is now rented and 91% on the upper floors. In accordance with action taken at the previous meeting a part of the insurance on the Arcade has been transferred to mutual companies with a saving in premiums. A contract with the Otis Elevator Company covering service and repairs on the elevators has been renewed with an increase from \$100 to \$104 a month on account of the occasional need of over-time work. This change was approved by the Board. With reference to the arrangement for reducing the net assessment on the Arcade reported by Mr. Pike at the February meeting, he stated that he had reminded the City Assessor of this unwritten agreement and was assured that it would be carried out in placing the new assessment on the books. The report of the Building Committee was accepted.

The report of the Library Committee was presented by Mr. Lowe. He reported progress in disposing of duplicate Reynolds books now at the Public Library, and expressed the opinion that the Reading Room under the new arrangements is running as well as could be expected. In his judgment the question of discontinuing the Reading Room need not be reopened at present.

The question of discontinuing fire insurance on the Reynolds books now at the Public Library coming again before the Board, it was stated by Mr. Lowe that the Public Library carried no insurance on its own books, housed in a fireproof structure, and that he could see no

reason for spending money on insurance premiums for the Reynolds collection. On motion of the Secretary, duly seconded and carried, it was voted that fire insurance on our books be discontinued as of May 1, 1941, with such refund of premiums on the canceled policies as may be due on that date.

The name of Mr. Mortimer R. Anstice, Jr., nominated for membership in the Board at the February meeting, coming up for action at this time according to the by-laws, Mr. Anstice, Jr., was unanimously elected as a Trustee.

The meeting was then adjourned.



Secretary

April 15th, 1941

Mr. Mortimer R. Anstice, Jr.
111 Humboldt Street
Rochester, New York

My dear Mr. Anstice:

At the meeting of the Reynolds Library Board of Trustees on April 11th, you were elected a member of the Board.

Allow me to express my pleasure at your coming in this way into the line of succession to the Board of which your Father, Grand Father and Great Grand Father have been honored members.

Very truly yours

THE REYNOLDS LIBRARY INCORPORATED

Treasurer's Report

June 13th, 1941

THE REYNOLDS LIBRARY INCORPORATED

CASH RECEIPTS AND DISBURSEMENTS

CASH BALANCE JANUARY 1, 1941 \$ 32,112.47

RECEIPTS:

January	9,756.11	
February	9,723.39	
March	9,620.47	
April	10,250.86	
May	<u>9,972.28</u>	<u>49,323.11</u>

TOTAL RECEIPTS \$ 81,435.58EXPENDITURES:

January	19,938.72	
February	7,064.39	
March	10,398.23	
April	18,814.59	
May	<u>4,568.03</u>	<u>60,783.96</u>

CASH BALANCE MAY 31, 1941 \$ 20,651.62

Above Balance Represented By:

Lincoln-Alliance Bank a/c	18,229.92	
Rochester Trust Fund a/c	2,411.70	
Petty Cash	<u>10.00</u>	
		\$ <u><u>20,651.62</u></u>

THE REYNOLDS LIBRARY INCORPORATED

INCOME & EXPENSE STATEMENT ON ACCRUAL BASIS WITH BUDGET

<u>INCOME</u>	<u>5 MOS. ENDED MAY 31, 1940</u>	<u>5 MOS. ENDED MAY 31, 1941</u>	<u>B U D G E T 5 MOS. 1941</u>
Rentals	44,739.16	44,659.34	45,143.30
Electricity & Water	1,754.83	1,958.52	1,666.65
Sundry & Miscellaneous	99.22	85.88	104.15
Discount	9.96	16.42	
Parking Station	750.00	750.00	718.75
	<u>47,353.17</u>	<u>47,470.16</u>	<u>47,632.85</u>
Interest & Dividends	1,820.30	1,886.25	1,895.80
Totals	\$ 49,173.47	\$ 49,356.41	\$ 49,528.65
<u>EXPENSES</u>			
Arcade Building -			
Operation	8,827.17	12,060.07	9,988.80
Payrolls	7,912.33	8,221.65	8,333.35
Insurance	568.93	553.75	625.00
Taxes: City & County	14,384.83	14,285.80	14,210.00
Taxes: Miscellaneous	30.30	34.14	41.65
Int. on Mortgage	7,139.25	6,839.25	6,746.25
Miscellaneous Expense	303.14	232.23	166.65
Legal & Audit	150.00	150.00	62.50
Legal & Professional			125.00
	<u>39,315.95</u>	<u>42,376.89</u>	<u>40,299.20</u>
Library Property Expense	<u>46.04</u>	<u>19.76</u>	<u>35.00</u>
	\$ 39,361.99	\$ 42,396.65	\$ 40,334.20
Reading Room -			
Operation	83.82	64.15	318.75
Salaries	840.00	855.05	889.55
	<u>923.82</u>	<u>919.20</u>	<u>1,208.30</u>
TOTAL EXPENSE BEFORE DEPRECIATION	\$ 40,285.81	\$ 43,315.85	
Profit or Loss	\$ 8,887.66 P	\$ 6,040.56 P	
Less Depreciation Expense	\$ 11,849.70	\$ 11,849.70	
NET PROFIT OR LOSS	\$ 2,962.04 L	\$ 5,809.14 L	

THE REYNOLDS LIBRARY INCORPORATED
STATEMENT OF ASSETS AND LIABILITIES

<u>ASSETS</u>	<u>JANUARY 1, 1941</u>		<u>MAY 31, 1941</u>	
CASH -				
General Funds		29,725.77		18,239.92
Permanent Funds		2,386.70		2,411.70
RECEIVABLES -				
Accounts (Rents)				92.90
Interest & Dividends		107.50		186.50
INVESTMENTS -				
Regular Account		108,314.75		108,314.75
Perm. Fund Account		9,747.55		9,747.55
REAL ESTATE -				
Main Street	951,008.22		951,008.22	
Less Depreciation	<u>100,160.16</u>	850,848.06	<u>108,557.21</u>	842,451.01
EQUIPMENT -				
Library Books		80,000.00		80,000.00
DEFERRED CHARGES -				
Constr. a/c Spc.	82,864.12		82,864.12	
Less Depreciation	<u>37,918.70</u>	44,945.42	<u>41,371.35</u>	41,492.77
Prepaid Expenses		1,695.24		3,767.50
Inventory		<u>854.16</u>		<u>765.81</u>
TOTAL ASSETS		\$ 1,128,625.15		\$ 1,107,470.41
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<u>LIABILITIES</u>				
ACCOUNTS PAYABLE -				
Accrued Taxes		9,133.04		3,816.70
Sundry Bills		636.01		
NOTES PAYABLE -				
Mortgage Account		367,000.00		359,000.00
Interest Accrued		3,303.00		1,884.75
Permanent Funds		11,027.17		11,027.17
" " Invest. Inc.		1,107.08		1,132.08
NET WORTH		<u>736,418.85</u>		<u>730,609.71</u>
<u>TOTAL LIABILITIES</u>		\$ 1,128,625.15		\$ 1,107,470.41

REGULAR QUARTERLY MEETING OF THE BOARD OF TRUSTEES, JUNE 13, 1941

A regular quarterly meeting of the Board of Trustees of the Reynolds Library was held June 13, 1941, at 4 p.m., in the Board Room of the Arcade. Present: Messrs. Mortimer R. Anstice, Mortimer R. Anstice, Jr., newly elected member of the Board, and Messrs. Goodenough, Middleton, Miner, Pike, Sibley, Slater, and Sproat. President Anstice presided.

The minutes of the preceding meeting were read and approved. The Treasurer's report, presented by Mr. Goodenough, showed for the five months ending May 31 accrued income of \$49,356.41 and expenses of \$42,396.65, in addition to \$919.20 for the Reading Room. The profit before depreciation was \$6,040.56, the net loss after depreciation \$5,809.14. The investments, regular account, amount to \$108,314.75, in addition to a permanent fund of \$11,027.17 and a permanent funds investment account of \$1,132.08. It is this last item, representing accrued income on the Bowman and Gordon funds, which could be expended for books at the present time without encroaching upon the regular current income of the corporation. The Treasurer's report was ordered received and filed.

Mr. Pike reported for the Building Committee that the proposed reduction in the assessment on the Arcade by about \$70,000 has been confirmed recently in conversation with the City Assessor. Adjustment of lower rentals for two leases, Tucker, Anthony and Penn-Dixie, was approved by the Board. Some transfers of insurance to mutual companies have been made. A proposal made by Mr. Donald G. Clark for a general survey of the insurance carried by the corporation with a view to securing a more favorable rating at lower costs was brought up, but no action was recommended at this time.

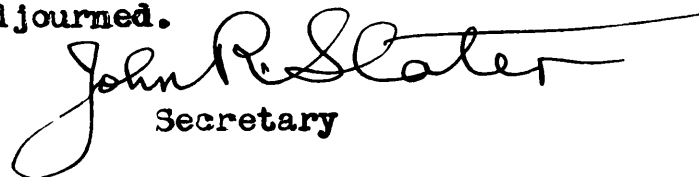
In the course of Mr. Pike's report it was brought out that if the still unrented 4200 feet of space in the Arcade were rented at \$2 a foot, the increased income thus provided would just about balance the annual deficit due to depreciation, and still leave no net income above depreciation to be devoted to the purchase of books for the Reynolds Reference Library. For some years past the tone of discussion in board meetings when finances were discussed has been that as the mortgage is gradually reduced and interest payments thereby decreased, the time will come when there will be a real net profit on each year's operation, to be devoted to the library purposes for which the corporation was established. The Board at this meeting faced more frankly the fact that this prospect is not bright. Only by a major reduction in assessment on the property, or a lowering of the interest rate on the mortgage, both of which have been tried without success, could the corporation expect in the near future to add substantially to its collection of reference books. In other words, we are a business corporation running an office building, with a theoretical obligation to perform a public service which we have no money to pay for. The problem how this dilemma can be more effectively brought before the city government and the Northwestern Mutual Life Insurance Company, holder of the mortgage, was discussed at length but without formal action. The report was ordered received and filed.

In the absence of Mr. Lowe there was no formal report from the Library Committee. It was mentioned that in accordance with action taken at the last meeting the insurance on our books now on deposit at the Public Library on a valuation of \$30,000 had been discontinued with refunds amounting to \$38.62. There was some discussion

as to the question whether the books should still be carried at the nominal figure of \$50,000 on the schedule of assets of the corporation, or gradually reduced by some scale of depreciation. Although the sum named, adopted many years ago on the basis of an appraisal for insurance purposes, is now greatly in excess of the market value of the collection, it was informally agreed that no change should be made on the books. The reasons given were that looking toward the future, if any radical change should develop we should be in a better position with an unchanged nominal figure than with a constantly diminishing realistic estimate of our book assets; and also that if we undertook to write off the actual depreciation from all causes, sales, gifts, and diminishing market value, the computation would be complicated and of little real significance in the annual balance sheet.

The secretary presented a letter from Mr. Raymond L. Thompson addressed to the president offering his resignation on account of pressure of other duties and inability to attend the regular meetings. On motion of Mr. Miner it was voted that the Board accept the resignation with regret and with expression of deep indebtedness to Mr. Thompson for his long and faithful service to the Reynolds Library.

The meeting was then adjourned.


Secretary

THE REYNOLDS LIBRARY INCORPORATED

TREASURER'S REPORT

September 30th, 1941

THE REYNOLDS LIBRARY INCORPORATED

C A S H S T A T E M E N T

CASH BALANCE JANUARY 1, 1941	\$ 32,112.47
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INCOME:

January	9,756.11	
February	9,723.39	
March	9,620.47	
April	10,250.86	
May	9,972.28	
June	10,001.06	
July	9,628.47	
August	21,812.20	
September	<u>9,603.89</u>	<u>100,368.73</u>

TOTAL INCOME	\$ 132,481.20
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EXPENDITURES:

January	19,938.72	
February	7,064.39	
March	10,398.23	
April	18,814.59	
May	4,568.03	
June	14,439.46	
July	4,939.61	
August	9,431.50	
September	<u>5,181.30</u>	<u>94,775.83</u>

CASH BALANCE SEPTEMBER 30, 1941	<u><u>\$ 37,705.37</u></u>
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Represented By:

Lincoln-Alliance Bank a/c	\$ 35,119.31	
Rochester Trust Bank a/c	2,576.06	
Petty Cash	<u>10.00</u>	
		<u><u>\$ 37,705.37</u></u>

THE REYNOLDS LIBRARY INCORPORATED

COMPARATIVE STATEMENT OF INCOME & EXPENSES - ACCRUAL BASIS

<u>INCOME</u>	9 MOS ENDED <u>SEPT. 30/40</u>	9 MOS ENDED <u>SEPT. 30/41</u>	BUDGET 9 MOS ENDED <u>SEPT. 30/41</u>
Rentals	30,376.92	80,599.64	81,257.94
Electricity & Water	3,001.00	3,265.42	3,000.00
Parking Station	1,275.00	1,275.00	1,293.75
Discounts	15.28	41.74	
Sundry	<u>178.31</u>	<u>178.12</u>	<u>187.50</u>
	<u>84,846.51</u>	<u>85,359.92</u>	<u>85,739.19</u>
Interest & Dividends	<u>3,276.54</u>	<u>3,325.25</u>	<u>3,412.44</u>
<u>TOTAL INCOME</u>	\$ 88,123.05	\$ 88,685.17	\$ 89,151.63
<u>EXPENSES</u>			
Arcade Building -			
Operation	15,611.09	20,866.70	17,979.55
Payroll	14,514.63	15,071.49	15,000.00
Insurance	1,014.76	993.98	1,125.00
Taxes: City & County	25,892.63	25,714.44	25,578.00
Taxes: Miscellaneous	81.16	91.56	74.97
Interest on Mortgage	12,764.25	12,224.25	13,043.25
Miscellaneous	370.46	236.92	300.00
Legal & Audit	150.00	150.00	112.50
Legal & Professional			<u>225.00</u>
	<u>70,398.98</u>	<u>75,349.34</u>	<u>73,438.27</u>
Library Property Expense	<u>74.04</u>	<u>19.76</u>	<u>63.00</u>
	<u>70,473.02</u>	<u>75,369.10</u>	<u>73,501.27</u>
Reading Room -			
Operation	117.38	104.44	573.75
Salaries	<u>1,566.16</u>	<u>1,577.93</u>	<u>1,601.19</u>
	<u>1,683.54</u>	<u>1,682.37</u>	<u>2,174.94</u>
Total Expense Before Depreciation	\$ 72,156.56	\$ 77,051.47	\$ 75,676.21
Profit or Loss	\$ 15,966.49 Pr	\$ 11,633.70 Pr	
Less Depreciation Expense	\$ 21,329.46	\$ 21,329.46	
<u>NET LOSS FOR NINE MONTHS</u>	\$ 5,362.97	\$ 9,695.76	

THE REYNOLDS LIBRARY INCORPORATED

STATEMENT OF ASSETS & LIABILITIES

<u>ASSETS</u>	DECEMBER 31, 1940	SEPTEMBER 30, 1941
CASH - General Funds	29,725.77	35,129.31
Permanent Funds	2,386.70	2,576.06
RECEIVABLES -		
Accounts (Rents)		8.00 Cr
Interest & Dividends	107.50	566.25
INVESTMENTS -		
Regular Account	108,314.75	102,989.75
Fund Account	9,747.55	9,747.55
REAL ESTATE -		
Main Street	951,008.22	951,008.22
Less Depreciation	<u>100,160.16</u>	<u>115,274.85</u>
	850,848.06	835,733.37
EQUIPMENT -		
Library Books	80,000.00	80,000.00
DEFERRED CHARGES -		
Construction a/c	82,864.12	82,864.12
Less Depreciation	<u>37,918.70</u>	<u>44,133.47</u>
	44,945.42	38,730.65
Prepaid Expenses	1,695.24	7,381.29
Inventory	<u>854.16</u>	<u>840.28</u>
<u>TOTAL ASSETS</u>	<u>\$ 1,128,625.15</u>	<u>\$ 1,113,686.51</u>
<hr/>		
<u>LIABILITIES</u>		
ACCOUNTS PAYABLE -		
Accrued Taxes	9,133.04	6,870.06
Sundry Bills	636.01	
NOTES PAYABLE -		
Mortgage Account	367,000.00	359,000.00
Int. Accrued Mtg. a/c	3,303.00	7,269.75
Permanent Funds	11,027.17	11,041.53
Permanent Funds Invest. Income	1,107.08	1,282.08
Investment Reserve		1,500.00
NET WORTH	<u>736,418.85</u>	<u>726,723.09</u>
<u>TOTAL LIABILITIES</u>	<u>\$ 1,128,625.15</u>	<u>\$ 1,113,686.51</u>

INVESTMENT STATEMENT AS OF SEPTEMBER 30, 1941

BALANCE AS OF DECEMBER 31, 1940	\$ 108,314.75
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PURCHASES -

June 12 U. S. Defense Bonds "Series G"	<u>5,000.00</u>
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	\$ 113,314.75
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SALES -

Aug 6 10 ¹ / ₂ % City of Jersey City Bonds	<u>10,325.00</u>
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BALANCE AS OF SEPTEMBER 30, 1941	\$ 102,989.75
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QUARTERLY MEETING OF THE REYNOLDS LIBRARY, OCTOBER 10, 1941

A regular quarterly meeting of the Reynolds Library was held October 10, 1941, at 4 p.m., in the Board Room of the Arcade. Present: Messrs. Mortimer R. Anstice, Mortimer R. Anstice, Jr., Middleton, Pike, Sibley, Slater, Smith, Sproat, and Weller. President Anstice presiding. The minutes of the last meeting were read and approved.

In the absence of Mr. Goodenough, the Treasurer's report was presented in full typewritten form, and accompanies these minutes. In the discussion of the report the question was raised whether the rates now in use for reckoning annual depreciation should be reduced in some cases, in order to lessen the apparently unfavorable aspect of the corporation's business represented in regular book deficits each quarter. No action was taken. The report was approved.

Mr. Pike presented the report of the Building Committee. The readjustment of assessment on the Arcade effected by the committee will result in an annual saving of \$2660.56 in taxes. The committee has leased 812 square feet of space and lost 110. In a year and a half the Fanny Farmer space will become vacant, this concern having decided to move to Front and Main. The committee also warned the Board that some increase of wages of building employees will soon be necessary and desired the approval of the Board, but the statement was made that the committee has power to make such increase when necessary without special action by the Board.

The secretary reminded the Finance Committee of the action already taken recommending the quarterly or monthly allotment

of taxes and interest on an accrual basis after the end of the present fiscal year, in order to remove the apparent irregularity in expenditures in the quarterly reports. This was brought to the attention of the Committee and the Treasurer was requested to arrange the bookkeeping for 1942 accordingly.

In the absence of the chairman of the Library Committee there was no report from that committee.

A survey of the insurance now carried is in progress and will be reported at the next meeting.

Since the next meeting is the annual meeting at which officers will be elected, the President announced that a nominating committee would be appointed before that meeting.

The meeting was then adjourned.


Secretary

THE REYNOLDS LIBRARY INCORPORATED

TREASURER'S REPORT

December 31, 1941

The first sheet of your Treasurer's Report reviews cash transactions for the year. Beginning with CASH BALANCE January 1, 1941 of \$32,112.47; there was incoming cash as itemized to the extent of \$131,062.98; with cash disbursements as itemized of \$121,942.56. It left a CASH BALANCE at the close of the year of \$41,232.89, which may be accounted for in deposits at the Lincoln-Alliance Bank and Trust Company of \$38,506.71, and the Permanent Fund at the Rochester Trust and Safe Deposit Company of \$2,716.18, together with Petty Cash Account of \$10.00, making up the total of \$41,232.89.

In mentioning this balance it might be noted that during the year bonds were sold to the extent of \$11,825.00, while purchases during the year amounted to only \$5,000.00. The balance of \$6,825.00 is at present in the General Fund. There was also an investment fund balance of \$5,750.90 from the previous year, making a total of \$12,575.90 in the present General Fund that has been withdrawn from the Investment Account and has been held in cash awaiting investment.

The Cash Account will be drawn down considerably in paying the County and City Taxes due in January. I believe, however, that \$10,000.00 of this amount might well be invested in Defense Bonds, Series G and still leave enough in the General Fund to carry on the normal transactions of the Corporation.

Page 2 of the report gives a statement of income and expenses on an accrual basis for the entire year. Our income exclusive of interest for the year amounted to \$114,868.05, interest and dividends amounted to \$4,433.00 or a total Income of \$119,301.05. During the year our expenses for the operation of the building amounted to \$98,559.49. There was a remaining Library Property expense of \$19.76 and a Reading Room expense of \$2,683.66, or a total expense before depreciation of \$101,262.91, leaving a profit before Depreciation of \$18,038.14 - less Depreciation of \$28,439.28 leaves us with a net operating loss of \$10,401.14 and with the profit of \$1,500.00 from the sale of Bonds, our Net Loss for the 12 months is \$8,901.14.

Page 3 of the Treasurer's Report gives a comparative statement of Assets and Liabilities as of December 31, 1940 and in the second column, December 31, 1941. General Fund has increased from \$29,725.00 to \$38,516.00; Permanent Fund has increased by Dividends to \$2,716.00; Rent Accounts due, at \$379.00; with Accrued Interest and Dividends of \$107.50; Investments of \$103,003.00 and in the Fund Account investments of \$9,747.00; Real Estate, depreciated to the extent of \$120,313.00, is on our Books at present at \$830,695.00. Library Books remain at \$80,000.

A Special Construction Account, less depreciation of \$46,205.00, now stands at \$36,659.00; Prepaid Expenses of \$769.00 and Inventory of \$944.00 brings our total Assets to \$1,103,538.36.

Under the head of LIABILITIES we have in Accrued Taxes \$8,826.24, which since the first of the year has been paid, and Sundry bills amounting to \$571.00 Our Mortgage Account now stands at \$351,000.00, with payments of \$8,000.00 due April 18th and \$8,000.00 on October 18th, with interest accrued to date of \$3,159.00. Our Permanent Fund account has a value of \$11,056.00 and the Investments Income Account of these funds at \$1,407.00

Our Net Worth of \$727,517.00 reflects the loss for the year of \$8,901.00, making a total of \$1,103,538.00.

The books were audited as of the first of the year by Wilson, Shults & Co., and copies of the audit are on file with the office of the Corporation. The Treasurer recommends the reading of the audited statement to all members of the Board, as it not only audits the operation of the Corporation during the past year, but Page 5 gives a summary of the valuation of the Real Estate and also the rates of Depreciation in various accounts, with a full description of our mortgage liability and the Permanent Fund setup.

Page Page 7 of the report attention is called by our auditors to the fact that there is a contingent liability facing the Corporation during the coming year regarding a claim against the Reynolds Library by Beardsley-Clark Realty Company.

In the summary on Page 9 there is an audited statement of the Insurance carried by the Corporation.

Respectfully submitted

SWAYNE P. GOODENOUGH

February 6, 1942.

THE REYNOLDS LIBRARY INCORPORATED

Treasurer's Report

December 31, 1941

THE REYNOLDS LIBRARY INCORPORATED

SUMMARY STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

CASH BALANCE JANUARY 1, 1941	32,112.47
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Cash Receipts:

Rentals	108,049.96	
Electricity	4,099.50	
Water	309.96	
Sundry	259.98	
Discount	44.60	
Parking Station	1,725.00	
Interest on Bank Balance	29.48	
Interest on Bonds	3,927.50	
Interest on Stocks	792.00	
Sale of Bonds	11,825.00	131,062.98

<u>Total Receipts</u>	\$ 163,175.45
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Cash Disbursements:

Maintenance and operation:		
Arcade Building	97,622.89	
Reading Room	2,683.66	
Accounts Payable(paid in 1941)	636.01	
Principal payments on Mtg.	16,000.00	
Purchase of Bonds	5,000.00	\$ 121,942.56

CASH BALANCE DECEMBER	\$ <u><u>41,232.89</u></u>
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The cash balance of \$41,232.89 is accounted for as follows:

on deposit:

Lincoln-Alliance Bank & Trust Co.	\$ 38,506.71
Rochester Trust & Safe Deposit Co.	2,716.18
Petty Cash	10.00
Total cash on hand and in banks	<u><u>41,232.89</u></u>

THE REYNOLDS LIBRARY INCORPORATED

INCOME & EXPENSE STATEMENT - ACCRUAL BASIS - BUDGET

<u>INCOME</u>	<u>1 9 4 1</u> <u>BUDGET</u>	<u>1 9 4 1</u> <u>ACTUAL</u>
Rentals	108,344.00	108,429.01
Electricity	3,600.00	4,099.50
Water	400.00	309.96
Sundry Charges to Tenants & Misc.	250.00	259.98
Discounts		44.60
Parking Station	<u>1,725.00</u>	<u>1,725.00</u>
	114,319.00	114,868.05
Interest & Dividends	<u>4,550.00</u>	<u>4,433.00</u>
<u>TOTAL INCOME</u>	\$ 118,869.00	\$ 119,301.05
 <u>EXPENSES</u>		
Arcade Building -		
Operation	23,972.50	25,994.29
Payrolls	20,000.00	20,422.59
Insurance	1,500.00	1,324.13
Taxes: City & County	34,104.00	33,952.06
Taxes: Miscellaneous	100.00	123.33
Interest on Mortgage	16,191.00	16,191.00
Miscellaneous Expense	400.00	402.09
Legal & Audit	150.00	150.00
Legal & Professional	<u>300.00</u>	<u>-0-</u>
	\$ 96,717.50	\$ 98,559.49
Library Property Expense	<u>84.00</u>	<u>19.76</u>
	\$ 96,801.50	\$ 98,579.25
Reading Room -		
Operation	765.00	601.73
Salaries	<u>2,135.00</u>	<u>2,081.93</u>
	\$ 2,900.00	\$ 2,683.66
TOTAL EXPENSE BEFORE DEPRECIATION	\$ 100,701.50	\$ 101,262.91
PROFIT BEFORE DEPRECIATION		\$ 18,038.14
LESS DEPRECIATION EXPENSE		\$ 28,439.28
NET OPERATING LOSS		\$ 10,401.14
OTHER INCOME (Profit on Sale of Bonds)		\$ 1,500.00
<u>NET LOSS FOR TWELVE MONTHS ENDING DECEMBER 31, 1941</u>		\$ 8,901.14

THE REYNOLDS LIBRARY INCORPORATED

COMPARATIVE STATEMENT OF ASSETS AND LIABILITIES

<u>ASSETS</u>	<u>DECEMBER 31, 1940</u>		<u>DECEMBER 31, 1941</u>	
CASH -				
General Funds		29,725.77		38,516.71
Permanent Funds		2,386.70		2,716.18
RECEIVABLES -				
Accounts (Rent)		-0-		379.50 as
Interest & Dividends		107.50		107.50
INVESTMENTS -				
Regular Account		108,314.75		103,003.25
Fund Account		9,747.55		9,747.55
REAL ESTATE -				
Main Street	951,008.22		951,008.22	
Less Depreciation	<u>100,160.16</u>	850,848.06	<u>120,313.08</u>	830,695.14
EQUIPMENT -				
Library Books		80,000.00		80,000.00
DEFERRED CHARGES -				
Construction a/c Special	82,864.12		82,864.12	
Less Depreciation	<u>37,918.70</u>	44,945.42	<u>46,205.06</u>	36,659.06
Prepaid Expenses		1,695.24		769.70
Inventory		<u>864.16</u>		<u>944.22</u>
<u>TOTAL ASSETS</u>		<u>\$ 1,128,625.15</u>		<u>\$ 1,103,538.36</u>

<u>LIABILITIES</u>				
ACCOUNTS PAYABLE -				
Accrued Taxes (County)		9,133.04		8,826.24
Sundry Bills		636.01		571.68
NOTES PAYABLE -				
Mortgage Account		367,000.00		351,000.00
Accrued Interest		3,303.00		3,159.00
Permanent Funds		11,027.17		11,056.65
Permanent Funds Investment Income		1,107.08		1,407.08
NET WORTH		<u>736,418.85</u>		<u>727,517.71</u>
<u>TOTAL LIABILITIES</u>		<u>\$ 1,128,625.15</u>		<u>\$ 1,103,538.36</u>

INVESTMENT STATEMENT AS OF DECEMBER 31, 1941

BALANCE AS OF JANUARY 1, 1941 \$ 108,314.75

SALES:

Aug 6, 1941 10 ~~1~~ City of Jersey City Bonds 11,825.00
\$ 96,489.75

PURCHASES:

June 12, 1941 Series "G" U. S. Defense Bonds 5,000.00
101,489.75

Profit on Sale of City of Jersey Bonds 1,500.00
Dividend on U. S. Savings Bonds 13.50 1,513.50

BALANCE AS OF DECEMBER 31, 1941 \$ 103,003.25

ANNUAL MEETING OF THE REYNOLDS LIBRARY, February 6, 1942

The annual meeting of The Reynolds Library was held on February 6, 1942, at 4 p.m., in the Board Room of The Arcade. Present: Messrs. Anstice, Sr., Anstice, Jr., Lowe, Miner, Perkins, Pike, Sibley, Slater, Smith, and Weller. President Anstice presided.

The minutes of the last meeting were read and approved. A letter from Mr. Goodenough dated December 30, 1941, submitting his resignation as Treasurer and as a member of the Board to take effect at the next regular meeting. It was moved and carried that the resignation be accepted with regret and with expression of the Board's appreciation of Mr. Goodenough's faithful service during his term of office.

The Treasurer being absent, his annual report, which had been duly audited, was read by the Secretary with accompanying comments explaining the various items, all of which are attached to these minutes. The report showed in brief cash receipts of \$131,962.93 of which \$11,825.00 was derived from sale of bonds, and cash disbursements of \$121,942.56 of which \$5,000 was for purchase of bonds and \$16,000 for principal payments on the mortgage. On an accrual basis, the Arcade produced income of \$114,868.05, interest and dividends \$4,433.00. The operation of the Arcade including the Reading Room cost \$101,262.91. Profit before depreciation was \$18,033.14, loss after depreciation \$10,401.14. The principal payments on the mortgage were made partly out of capital. The Treasurer's report as duly audited was ordered accepted and filed.

REYNOLDS LIBRARY INCORPORATED

TREASURER'S REPORT

December 31, 1941

The first sheet of your Treasurer's Report reviews cash transactions for the year. Beginning with CASH BALANCE January 1, 1941 of \$32,112.47; there was incoming cash as itemized to the extent of \$131,062.98; with cash disbursements as itemized of \$121,942.56. It left a CASH BALANCE at the close of the year of \$41,232.89, which may be accounted for in deposits at the Lincoln-Alliance Bank and Trust Company of \$38,506.71, and the Permanent Fund at the Rochester Trust & Safe Deposit Company of \$2,716.18, together with Petty Cash Account of \$10.00, making up the total of \$41,232.89.

In mentioning this balance it might be noted that during the year bonds were sold to the extent of \$11,825.00, while purchases during the year amounted to only \$5,000.00. The balance of \$6,825.00 is at present in the General Fund. There was also an investment fund balance of \$5,750.90 from the previous year, making a total of \$12,575.90 in the present General Fund that has been withdrawn from the Investment Account and has been held in cash awaiting investment.

The Cash Account will be drawn down considerably in paying the County and City Taxes due in January. I believe, however, that \$10,000.00 of this amount might well be invested in Defense Bonds, Series G and still leave enough in the General Fund to carry on the normal transactions of the Corporation.

Page 2 of the report gives a statement of income and expenses on an accrual basis for the entire year. Our income exclusive of interest for the year amounted to \$114,868.05. During the year our expenses for the operation of the building amounted to \$98,559.49. There was a remaining Library Property expense of \$19.76 and a Reading Room expense of \$2,683.66, or a total expense before depreciation of \$101,262.91, leaving a profit before Depreciation of \$18,038.14 - less Depreciation of \$28,439.28 leaves us with a net operating loss of \$10,401.14 and with the profit of \$1,500.00 from the sale of Bonds, our Net Loss for the 12 months is \$8,901.14.

Page 3 of the Treasurer's Report gives a comparative statement of Assets and Liabilities as of December 31, 1940 and in the second column, December 31, 1941. General Fund has increased from \$29,725.00 to \$38,516.00; Permanent Fund has increased by Dividends to \$2,716.00; Rent Accounts due, at \$379.00; with Accrued Interest and Dividends of \$107.50; Investments of \$103,003.00 and in the Fund Account investments of \$9,747.00; Real Estate, depreciated to the extent of \$120,313.00, is on our Books at present at \$830,695.00. Library Books remain at \$80,000.

A Special Construction Account, less depreciation of \$46,205.00, now stands at \$36,659.00; Prepaid Expenses of \$769.00 and Inventory of \$944.00 brings our total Assets to \$1,103,538.36.

Under the head of LIABILITIES we have in Accrued Taxes \$8,826.24, which since the first of the year has been paid, and Sundry bills amounting to \$571.00 Our Mortgage Account now stands at \$351,000.00, with interest accrued to date of \$3,159.00. Our Permanent Fund Account has a value of \$11,056.00 and the Investment Income Account of these funds at \$1,407.00

Our Net Worth of \$727,517.00 reflects the loss for the year of \$8,901.00, making a total of \$1,103,538.00

The books were audited as of the first of the year by Wilson, Shults & Co., and copies of the audit are on file with the office of the Corporation. The Treasurer recommends the reading of the audited statement to all members of the Board, as it not only audits the operation of the Corporation during the past year, but Page 5 gives a summary of the valuation of the Real Estate and also the rates of Depreciation in various accounts, with a full description of our mortgage liability and the Permanent Fund setup.

On Page 7 of the report attention is called by our auditors to the fact that there is a contingent liability facing the Corporation during the coming year regarding a claim against the Reynolds Library by Beardsley-Clark Realty Company.

In the summary on Page 9 there is an audited statement of the Insurance carried by the Corporation.

Respectfully submitted

SWAYNE P. GOODENOUGH, TREASURER

February 6, 1942

The auditors' report included a statement as to a claim recently made by the Beardsley Clarke Realty Company for sums alleged to be due for negotiating renewals of several leases. The claim has been disputed and doubt was expressed whether the suit based upon it would actually come to trial, but upon advice of Mr. Middleton, attorney for the Board, and on motion of Mr. Miner it was voted that a reserve of \$3,000 be set up as a special contingency fund to cover a possible expenditure on this account.

Mr. Miner reported on behalf of the Finance Committee ^{Treasurer's report with} that the schedules of assets and liabilities and changes in investments contained in the Treasurer's report ^{and the report of the auditors} constitute also the report of that Committee. It was also stated that a complete analysis of the investments prepared by Mr. Sproat had been referred to the Finance Committee for its information.

The Building Committee by its chairman, Mr. Pike, presented a budget of estimated income and expenses for 1942, income being estimated at \$111,035 from the Arcade and \$4,000 from investments, and expenses at \$100,310 including \$5,000 for alterations and \$2,900 for the Reading Room. The complete budget with itemized figures, which is attached to these minutes, was by motion duly carried approved by the Board.

REYNOLDS ARCADEPROPOSED BUDGET -INCOME & EXPENSES
1942INCOME

Rentals	\$105,000.00
Electricity	3,800.00
Water	300.00
Parking Station	1,725.00
Sundry	260.00
Bonds and Dividends	<u>4,000.00</u>
	\$115,085.00

EXPENSES

Building and Janitor Supplies	\$1,650.00
Office Supplies	175.00
Elevator Maintenance	1,300.00
Heat	4,500.00
Electricity	7,700.00
Legal and Auditing	150.00
Payrolls	22,500.00
Insurance	1,400.00
Taxes:	
Utility	125.00
County and City	32,000.00
Telephone and Telegraph	475.00
Water	2,700.00
Building Maintenance	1,000.00
Repairs: Building & Equipment	400.00
A.D.T. Service	520.00
Directory Board Service	15.00
Interest on Mortgage & Notes	16,000.00
Misc. Equipment and Exp.	300.00
Alterations	5,000.00
Reading Room	<u>2,900.00</u>
	\$100,810.00

Mr. Pike after approval of the budget then proceeded to report the results of the committee's investigation of the proposal to transfer the insurance to a mutual company or companies in order to save a considerable annual amount in premiums. The Northwestern Mutual Life Insurance Company, holder of the mortgage, does not object to such a transfer. A letter from Mr. Ernest A. Paviour presenting the objections to mutual insurance was read to the Board. On motion of Mrs. Weller the matter of transferring the insurance was referred to the Building Committee with power.

The Committee also reported various applications for reduction of rentals asked by tenants expecting to enter the national service or for other reasons, some of which it may be necessary to grant at least in part, but stated that the general policy is to oppose any general lowering of the rates of rental at present.

Mr. Pike also stated that recent attempts to organize the building employes of the Arcade had resulted in a claim that 51 % are now unionized and a series of written demands from a union agent calling for increases in wages, reduction of hours, and the installation of various facilities for employees in excess of those now provided. It was the judgment of the committee that it is desirable to avoid a strike with accompanying picketing, but that a firm stand should be made against extreme demands, in view of the fact that the Arcade is already paying better wages than most other down town office buildings, with one exception. The matter of adjusting labor troubles was left to the Committee with power, and with instructions to use all practicable efforts against recognition of the union.

~~Reynolds Library~~

~~Annual Board Meeting, February 6, 1942~~

The report of the Library Committee was then presented by Mr. Lowe, as follows:

Report of the Library Committee

This year marks the end of the five year period of the amalgamation of the Reynolds Library book collection with that of the Rochester Public Library. I can assure the Board that as full use as possible is being made by readers of the books, and that complete and accurate records are being made of each of the 91,343 volumes turned over. In order of its original classification the collection is arranged in the Reynolds Reference Library and the main stack. A complete inventory was taken soon after its arrival in the Rundel Memorial Building, and an accurate card shelf list made showing each separate volume. Each card in this catalog is the life history of the book it represents from 1936 to date. Each change of location of a book made through the processes of recataloging is noted on each card, showing its new location and whether it was withdrawn and why. The original Reynolds card catalog for public use has been kept in separate cases so that through it the books are as conveniently accessible to readers as they ever were. In it notes of all changes due to recataloging have been kept up to date. A total of 21,206 volumes have been recataloged and are available on the shelves of the subject divisions to which each belongs; 9,930 volumes have been withdrawn. Books withdrawn make up those which are duplicates of the Rochester Public Library collection, not needed there, nor desired by the Library of the University of Rochester, and those in such poor physical condition that they are beyond use. Lists of these have been sent to a number of libraries and selections made from them have been sent, as previously reported.

During 1941 the library sold to a second-hand dealer some of the residue of these withdrawn duplicates to the amount of \$114.25 with which new books were purchased as Reynolds Library additions. From a public library balance in the binding appropriation 350 volumes in the Reynolds Reference Library were rebound at a cost of \$333.80 which makes these needed volumes more conveniently usable.

The Librarian of the Reynolds Reading Room reports the fact of improved conditions in the room. The attendance has dropped somewhat but this is true elsewhere due to reemployment and activity in defense and war work. Last year the attendance was 77,712 persons and this year 69,164.

-2-

The Budget and Expenditures for the year 1941 were as follows:

	<u>Budget</u>	<u>Actual</u>
Light	\$280.00	\$279.00
Periodicals	325.00	237.04
Salaries	2,135.00	2,081.93
Supplies	<u>160.00</u>	<u>85.69</u>
	\$2,900.00	\$2,683.66

Because of the increased cost in living I recommend the following increases in salary for the Reading Room Staff:

Mr. Herbrand from \$1200. to \$1320.

Miss Perkins from \$600. to \$660.

and that the budget for 1942 be as follows:

Light	\$280.00
Periodicals	255.00
Salaries	2,265.00
Supplies	<u>100.00</u>
	\$2,900.00

Respectfully submitted

JAL:EGS

John Adams Lowe
Chairman

The report was duly adopted, including the 10 % increase in salaries.

The next business was the annual election of officers. Mr. Smith, chairman of the Nominating Committee appointed previously by the President, presented the following nominations:

President: Mr. Anstice
First Vice-president: Mr. Weller
Second Vice-president: Mr. Pike
Treasurer: Mr. Sibley
Assistant-Treasurer: Mr. Middleton
Secretary: Mr. Slater.

On motion duly made and seconded the Secretary was directed to cast one ballot for the election of these candidates, which was accordingly done. The Secretary gave notice of his intention to retire from this office at an early date because of probably irregular absence from the city but expressed his willingness to serve until the April meeting.

The Nominating Committee had also been requested to suggest eligible candidates for election to the Board as Trustees to fill vacancies, and named the following:

Mr. Samuel E. Durand
Mr. Laurence Gardner

Under the rules these nominations lie over till the next regular meeting.

There being no further business, the meeting was then adjourned.


Secretary

Committees for 1942

The following committees have been appointed:

Executive Committee:

The President or either Vice-president

Mr. Pike
Mr. Sibley

Finance Committee:

Mr. Weller, Chairman
Mr. Miner
Mr. Smith
Mr. Sproat
Mr. Sibley

Property Committee:

Mr. Pike, Chairman
Mr. Sibley
Mr. Smith
Mr. Weller

Library Committee:

Mr. Lowe, Chairman
Mr. Middleton
Mr. Miner
Mr. Perkins
Mr. Slater

REGULAR QUARTERLY MEETING OF THE REYNOLDS LIBRARY, APRIL 10, 1942

The regular quarterly meeting of The Reynolds Library was held April 10, 1942, at 4 p.m. in the Board Room of the Arcade. Present: Messrs. Mortimer R. Anstice, Sr., Mortimer R. Anstice, Jr., Lowe, Miner, Perkins, Pike, Sibley, Slater, and Sproat. Also Mr. Swayne P. Goodenough, former trustee and treasurer, who was present by invitation.

The minutes of the preceding meeting were read and approved.

Suspending the usual order of business, and postponing quarterly reports of officers and committees, the president called on Mr. Goodenough to explain to the Board the facts underlying certain claims made by three Arcade employees for overtime payments for work alleged to have been done by them by private arrangements at the residences of Mr. Goodenough and of the late Paul F. Schubmehl, former superintendent of the Arcade. These claims are a factor in the pending strike of Arcade employees and for that reason have to be investigated by the Building Committee which is handling that strike.

Mr. Goodenough stated that several years ago when his country house was being altered and enlarged he had at his own expense employed these men to work for him, paying them in cash for which he took no receipts; that the amounts now claimed to be due for work and materials were greatly in excess of the facts; that in the case of one man who claimed to have used a truck belonging to him in Mr. Goodenough's service to the extent of \$500 an offer

to settle in full for \$100 had been made to this man; that he greatly regretted being unable after this lapse of time to produce full records to disprove the claims now made by these discontented employees at the instigation of the labor union business agent in charge of the strike. The work done by these men for Mr. Goodenough was done in part during their working hours at the Arcade, and in order to make up for this lost time it is alleged they worked over time at the Arcade, signing the weekly payrolls at the regular rates, thereby apparently relinquishing any claim for overtime pay. Mr. Goodenough's statement did not include any reference to the claims made by these employees for similar arrangements with Mr. Schubmehl at his new house.

At the conclusion of Mr. Goodenough's statement Mr. Pike, chairman of the Building Committee, reported on the demands made by the strikers, including the closed shop issue, and the way in which their attorney was using these obsolete claims for overtime pay as a threat of means to be used unless their demands are granted. In the meantime the building is being operated in part by non-union labor and in part by voluntary effort of office employees. On motion of Mr. Miner, seconded by Mr. Lowe, the Board voted to approve the Building Committee's handling of the strike.

No time being available for further discussion of the issues involved, and Mr. Middleton, attorney for the Board, being necessarily absent from the meeting, final action on the pending business was postponed.

The secretary presented the resignation of Mr. Briggs from the Board, which was accepted. He also called attention to the fact that the nominations of Messrs. Samuel E. Durand

and Laurence Gardner for election to the Board, made at the February meeting, would now in the ordinary course come up for action. On motions duly made and seconded they were elected.

At this stage it was moved by the secretary, seconded, and carried, that this meeting be adjourned to a date to be fixed by the President after due consideration by the Building Committee, the attorney, and the executive officers of the Board as to action to be taken on the alleged claims. The meeting was therefore adjourned without further action, and without hearing the usual quarterly reports.

(John R. Slater)

Secretary

ADJOURNED QUARTERLY MEETING OF THE REYNOLDS LIBRARY, JUNE 12, 1942

The adjourned April 10th meeting of the Board of Trustees was by order of the President deferred until the date of the regular June meeting on June 12, and was reconvened on that date at 4 p.m. in the Board Room of the Arcade. Present: Messrs. Messrs. Mortimer R. Anstice, Sr., Mortimer R. Anstice, Jr., Gardner (present for the first time since his election), Middleton, Mimer, Pike, Sibley, Slater, Sproat, and Weller. The minutes of the incomplete meeting of April 10 were read.

Since that meeting the strike at the Arcade has been temporarily settled, on the basis of an increase of 10% in wages, some but not all of the former employees having been taken back. The claims of several employees for overtime pay alleged to be due for work done by them on Mr. Schubmehl's orders at his residence and at the town and country houses of Mr. Goodenough still figure in the final settlement of the strike, for the reason that unless satisfied, these workmen will appeal to the Labor Board under the wage-and-hour law.

Since April 10 Mr. Goodenough has settled a claim for use of a truck in conveying employees from the Arcade and back while working at his place. The still unpaid claims for overtime rates for labor alleged to be due amount to about \$860. After prolonged discussion by members of the Board and a preliminary informal report by Mr. Middleton, who had not had time since receiving the papers to prepare a formal opinion, it was agreed that these claims for labor alleged to have been done

on orders from the superintendent of the Arcade must be settled, regardless of their validity, in order to avoid complications with the Federal Labor Board. It was accordingly moved by Mr. Weller, seconded by Mr. Sproat, and unanimously carried:

That the Board authorize the President and the Property Committee, acting with the advice of Mr. Middleton as attorney, to make a settlement of these claims for unpaid overtime wages with the employees concerned, up to the full amount of \$860 if necessary, obtaining from them complete releases; that the Treasurer be authorized by this resolution to draw checks for this purpose; and that this expenditure is authorized only on the basis that the full amount so advanced will be refunded by the estate of Mr. Schubmehl and by Mr. Goodenough, in such proportions as may be agreed between them and the committee.

This matter of alleged unpaid wages having been disposed of, there remained the further problem of the sworn statements of workmen that the total amount of private work done by them on Arcade time for Mr. Schubmehl and Mr. Goodenough, including the use of materials belonging to the Arcade, was \$3285.72, being \$1791.55 for Mr. Schubmehl and \$1494.17 for Mr. Goodenough, these figures including the \$860 still unpaid. In other words, according to these allegations, unsupported except by the affidavits of the claimants with no documentary evidence to confirm them, the former Treasurer paid out \$2425.72 to workmen and dealers in paint and other supplies for work outside the Arcade. It was agreed by all present that the figures are grossly exaggerated, but it was also agreed that work was done by these men, and that there is no way of ascertaining how much of it was paid for by Mr. Schubmehl and Mr. Goodenough at the time. Therefore it appeared that some further repayment by the Schubmehl estate and by Mr. Goodenough in addition to the \$860 above mentioned should be expected. Mr. Middleton reported that

the widow of Mr. Schubmehl had called at his office and offered to pay for any work done on their house by Arcade employees on Arcade time. It was moved by Mr. Miner, seconded by Mr. Gardner, and unanimously carried:

That the same committee, namely, the President, the Property Committee, and Mr. Middleton as attorney, be authorized to effect a settlement of these supplementary claims against the Schubmehl estate and Mr. Goodenough for Arcade funds alleged to have been expended on private work in past years, to the best of their ability.

The motion left to the committee the task of estimating the sums to be so collected, in view of the fact that the unsupported statements of workmen cannot be checked by records because there are no records. The opinion was expressed that the whole affair indicated lax methods of bookkeeping in the payment of overtime wages and bills for materials, on account of which it is now impossible to disprove charges which may be partly or wholly false made by discontented employees.

The adjourned meeting of April 10 was then adjourned, the Board immediately reconvening for the regular quarterly meeting of June 12, the minutes of which follow.

(John R. Slater)
Secretary

REGULAR QUARTERLY MEETING OF THE REYNOLDS LIBRARY, JUNE 12, 1942

Following the conclusion of the adjourned quarterly meeting held over from April 10, the Board of Trustees of The Reynolds Library held the regular quarterly meeting for June on June 12, 1942, at 6 p.m. in the Arcade. Members present the same as at the adjourned meeting previously recorded.

The report of the Treasurer for the five months beginning February 1 and ending May 31 was presented by Mr. Sibley. It showed cash receipts of \$51,229.72 and cash expenditures of \$58,543.85. On account of tax and other irregular payments the accrual basis statement shows quite different figures, namely, accrued income of \$50,871.55 of which \$1,667.50 was from interest and dividends, and accrued expenses of \$39,682.33, being a profit before depreciation of \$10,213.36, and a loss after depreciation of \$1,636.34. The Treasurer mentioned that the strike had cost some \$1200 in additional expenses, but that on the other hand the temporary arrangements for managing the building since Mr. Schubmehl's death had cost less than his salary for April and May would have been. On motion of Mr. Miner the Treasurer's report was accepted.

Mr. Pike reported for the Property Committee that the strike had been provisionally settled, with an increase in wages, a return to work of some former employees and dropping of others, and that a temporary arrangement for managing the building had been made with the manager of the Medical Arts Building. It will soon become necessary to decide whether to employ another full-time manager to succeed Mr. Schubmehl or to turn over all dealings with tenants to a real estate company on a commission

basis. The committee reported several changes in tenants, mostly due to the war, with some loss of income, and stated that at the end of the year the Hospital Service Corporation will give up its space and remove to another building, which space will have to be filled by other tenants. At present, however, there are only three small single offices vacant. The report of the Property Committee was ordered accepted.

The Secretary reported the recent death of Mr. Charles Winslow Smith, a member of this Board, and by order of the Board incorporated the following resolution in the minutes:

In the death on June 9 of Mr. Charles Winslow Smith the Board of Trustees of The Reynolds Library lost a valuable member. Since his election several years ago he had been a regular attendant at the meetings of the Board and a useful member of the Property Committee. By his wide knowledge of business affairs and his high sense of public service and community welfare he contributed much to the administration of the Reynolds Arcade and its relations with the Reynolds Reference Collection in the Rochester Public Library. As a citizen, a colleague, and a friend, he has been and will be held in honor by all who knew him.

The Treasurer then called to the attention of the Board the matter of transferring the main bank account of the corporation from the Lincoln-Alliance Bank to the Security Trust Company, which transfer has been approved by the Finance Committee and the President. In accordance with bank rules the following resolution was unanimously adopted, after which the meeting was adjourned:

RESOLVED, that an account be opened with, and the funds of this corporation deposited in, the Security Trust Company of Rochester, subject to withdrawal upon the check, draft, note, order or acceptance of this corporation, signed by any one of the following officers:

Hiram Sibley - Treasurer

Mortimer R. Anstice - President

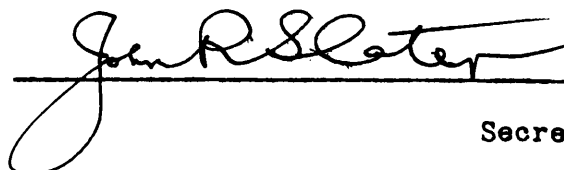
and the said bank is hereby authorized to pay such checks, drafts, notes, orders, or acceptances and also to receive the same for the credit of or in payment from the payee or any other holder when so signed, without inquiry as to the circumstances of their issue or the disposition of their proceeds, whether drawn to the individual order of, or tendered in payment of individual obligations of, any of the officers above named, or other officers of this corporation, or otherwise.

RESOLVED, that endorsements on behalf of this corporation upon any and all checks, drafts, notes, and other instruments of every kind deposited by or on behalf of this corporation with said trust company for credit or collection or otherwise, may be made by any one of the said officers or their successors or by hand stamp impression in the name of this corporation.

RESOLVED, that the securities, papers and property of this Company, until further ordered, be deposited, in its name, in a safe deposit box in the Security Trust Company of Rochester, in the City of Rochester, New York, and that access thereto be and the same is directed to be had, from time to time, by MORTIMER R. ANSTICE, President or HIRAM SIBLEY, Treasurer, of this Company, who are hereby severally authorized to sign any agreement in the name of this Company with Security Trust Company of Rochester to afford such access and permit removal of the contents of such box, and that upon such access being given to all or any of the persons herein mentioned, no further responsibility shall attach to the Security Trust Company of Rochester until written notice of the revocation of this resolution by the Board of Directors; and that a copy of this resolution, certified by the Secretary, be transmitted to the said Security Trust Company of Rochester.

I, JOHN R. SLATER, Secretary of the REYNOLDS LIBRARY, INCORPORATED, do hereby certify that I have compared the preceding with the resolution duly adopted at the meeting of the Board of Directors of said Company, duly held at the Reynolds Arcade, Rochester, N.Y., on June 12, 1942 at 4 P.M., and I hereby certify the same to be a correct transcript of said resolution and the whole thereof.

Witness my hand and the corporate seal of said Company, the 12th day of June, 1942.


Secretary

BUILDING REPORT

Meeting: June 12th, 1942

STONE, WEBSTER & BLODGETT, who occupy Suite 516, monthly rental \$60.00, have terminated their lease as of June 1st, as their manager, Mr. Joseph F. Dryer has been called to service. Mr. Dryer expects to leave sometime in June or July and will take care of the rent in his own name until such time. Mr. Dryer, for the past year, has been sharing part of his suite with Mr. Winslow E. Thomson, patent attorney, at a rental of \$30.00 per month. Mr. Thomson will continue to occupy part of this suite at \$30.00 per month, on a month to month basis. The revenue lost in this suite will be \$30.00 per month.

JENNINGS, J. ARTHUR, Suite 514. Mr. Jennings spent one month in service and has returned to practice. Mr. Jennings' rent was reduced from \$70.00 to \$50.00 per month, while in service, but now that he has returned he will continue to pay \$70.00.

LITTLE & HOPKINS, Suite 620. This suite has been divided into two offices, Little and Hopkins occupying one-half and J. L. Rosenthal, one half. The original Little & Hopkins lease called for a monthly rental of \$145.00. This suite is now bringing a monthly rental of \$186.66

HOSPITAL COUNCIL, who occupied suite #440, at a monthly rental of \$40.00, have now taken suite #430 in conjunction and are paying a monthly rental of \$74.66.

WESTERN UNION (Superintendent's Office, Mr. Farmer, rear of Arcade) They have rented this office to a watch repairer and are moving to one of their own offices on the fourth floor. We are now preparing this office for Mr. Farmer and expect to have same ready by July 1st.

TENANTS DESIRING ADDITIONAL(Hardware Mutual Suite 1014
SPACE (Hospital Council, Suite #440 and #430
(Gulf Oil Corp, Suite 700

We are unable to give these tenants additional space at the present time, as we only have three small single offices vacant.

June 25th, 1942

Mrs. Charles Winslow Smith
8 Livingston Park
Rochester, New York

My dear Mrs. Smith:

At the June meeting of the Board of Trustees of the Reynolds Library, the following resolution was adopted by the Board and as Secretary I was directed to send you a copy:

In the death on June 9 of Mr. Charles Winslow Smith the Board of Trustees of The Reynolds Library lost a valuable member. Since his election several years ago he had been a regular attendant at the meetings of the Board and a useful member of the Property Committee. By his wide knowledge of business affairs and his high sense of public service and community welfare he contributed much to the administration of the Reynolds Arcade and its relations with the Reynolds Reference Collection in the Rochester Public Library. As a citizen, a colleague, and a friend, he has been and will be held in honor by all who knew him.

Very truly yours

By _____
Secretary

THE REYNOLDS LIBRARY INCORPORATED

TREASURER'S REPORT

May 31, 1942

THE REYNOLDS LIBRARY INCORPORATED

CASH RECEIPTS AND DISBURSEMENTS

CASH BALANCE JANUARY 1, 1942	41,232.89
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RECEIPTS:

January	10,341.82	
February	10,100.67	
March	9,944.41	
April	10,088.21	
May	<u>10,754.61</u>	<u>51,229.72</u>

<u>TOTAL RECEIPTS</u>	\$ <u>92,462.61</u>
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EXPENDITURES:

January	18,507.04	
February	4,502.82	
March	9,687.13	
April	22,657.57	
May	<u>3,189.29</u>	<u>58,543.85</u>

CASH BALANCE MAY 30, 1942	\$ <u><u>33,918.76</u></u>
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Above Balance Represented By:

Lincoln-Alliance Bank a/c	31,167.58	
Rochester Trust Fund a/c	2,741.18	
Petty Cash	<u>10.00</u>	\$ <u><u>33,918.76</u></u>

THE REYNOLDS LIBRARY INCORPORATED

INCOME & EXPENSE STATEMENT ON ACCRUAL BASIS WITH BUDGET

<u>INCOME</u>	<u>5 MOS. ENDED MAY 31, 1941</u>	<u>5 MOS. ENDED MAY 31, 1942</u>	<u>B U D G E T 5 MOS. 1942</u>
Rentals	44,659.34	46,149.05	43,750.00
Electricity & Water	1,958.52	2,261.55	1,708.00
Sundry & Miscellaneous	85.88	114.35	110.00
Discount	16.42	4.10	
Parking Station	750.00	675.00	718.00
	47,470.16	49,204.05	46,286.00
Interest & Dividends	1,886.25	1,667.50	1,666.50
Totals	\$ 49,356.41	\$ 50,871.55	\$ 47,952.50
 <u>EXPENSES</u>			
Arcade Building -			
Operation	12,060.07	8,253.33	10,596.25
Payrolls	8,221.65	9,457.35	9,375.00
Insurance	553.75	561.59	582.50
Taxes: City & County	14,285.80	12,998.53	13,335.00
Taxes: Miscellaneous	34.14	39.45	52.00
Interest on Mortgage	6,839.25	6,539.25	6,670.00
Miscellaneous Expense	232.23	1,682.78	125.00
Legal & Audit	150.00	150.00	62.50
Legal & Professional			
	42,376.89	39,682.33	40,798.25
Library Property Expense	19.76	-0-	-0-
	\$ 42,396.65	\$ 39,682.33	\$ 40,798.25
 Reading Room -			
Operation	64.15	75.86	265.00
Salaries	855.05	900.00	943.75
	919.20	975.86	1,208.75
Total Expense Before Depreciation	\$ 43,315.85	\$ 40,658.19	\$ 42,007.00
Profit or Loss	\$ 6,040.56 Pr.	\$ 10,213.36 Pr.	
Less Depreciation Expense	\$ 11,849.70	\$ 11,849.70	
<u>NET LOSS FOR FIVE MONTHS</u>	\$ 5,809.14 L	\$ 1,636.34 L	

THE REYNOLDS LIBRARY INCORPORATED
COMPARATIVE STATEMENT OF ASSETS & LIABILITIES

<u>ASSETS</u>	<u>JANUARY 1, 1942</u>	<u>MAY 31, 1942</u>
<u>CASH -</u>		
General Funds	38,516.71	31,177.58
Permanent Funds	2,716.18	2,741.18
 <u>RECEIVABLES -</u>		
Accounts - Rents	379.05	4.98
Interest & Dividends	107.50	192.75
 <u>INVESTMENTS - Regular a/c</u>	103,003.25	103,003.25
Fund a/c	9,747.55	9,747.55
 <u>REAL ESTATE -</u>		
Main Street	951,008.22	951,008.22
Less Depreciation	<u>120,313.08</u>	<u>128,710.13</u>
	830,695.14	822,298.09
 <u>EQUIPMENT -</u>		
Library Books	80,000.00	80,000.00
 <u>DEFERRED CHARGES -</u>		
Construction a/c Spc.	82,864.12	82,864.12
Less Depreciation	<u>46,205.06</u>	<u>49,657.71</u>
	36,659.06	33,206.41
Prepaid Expenses	769.70	3,529.92
Inventory	<u>944.22</u>	<u>945.83</u>
 <u>TOTAL ASSETS</u>	<u>\$ 1,103,538.36</u>	<u>\$ 1,086,847.54</u>
 <u>LIABILITIES</u>		
<u>ACCOUNTS PAYABLE</u>		
Accrued Taxes (County)	8,826.24	3,676.69
Sundry Bills	571.68	
 <u>NOTES PAYABLE</u>		
Mortgage a/c	351,000.00	343,000.00
Interest Accrued	3,159.00	1,800.75
Permanent Funds a/c	11,056.65	11,056.65
Fund Investment Income a/c	1,407.08	1,432.08
 NET WORTH	<u>727,517.71</u>	<u>725,881.37</u>
 <u>TOTAL LIABILITIES</u>	<u>\$ 1,103,538.36</u>	<u>\$ 1,086,847.54</u>

The Regular Quarterly meeting of the
REYNOLDS LIBRARY
October 9th, 1942

The regular quarterly meeting of the Board of Trustees of the Reynolds Library was held at the Arcade on October 9, 1942 and convened at 4 PM.

Present: Messrs. Anstice, Sr., Anstice, Jr., Gardner, Lowe, Miner, Pike, Sibley, Sproat and Weller.

In the absence of Dr. Slater, Mr. Anstice, Jr. was appointed temporary Secretary of the meeting.

The Secretary then read the minutes of the adjourned quarterly meeting held June 12th and the regular quarterly meeting of the same date. The minutes were approved.

The Secretary then read an expression of appreciation from Mrs. Charles Winslow Smith in reply to the resolution adopted as part of the minutes of the June 12th meeting as a memorial to Charles Winslow Smith, a member of the Board.

A report of the Treasurer for the period ending January 1st and ending September 30th was presented by Mr. Sibley. The nine month period showed cash receipts of \$91,459.61 and expenditures of \$107,907.82. On account of tax and other irregular payments, the accrual basis statement shows total income for this period of \$91,196.90 and expenses of \$75,286.94, being the profit before depreciation of \$15,909.96, the loss after depreciation of \$5,419.50

Mr. Sibley reported that investments of \$59,837.35 were sold during July at a book loss of \$9,966.32 and that purchases amounting to \$64,740.00 were made, \$20,000 of which were in War Bonds. The investment account as of September 30th, 1942 stands at \$107,905.68.

The Chairman brought up the question of refinancing the mortgage and after a discussion the Chairman advised that he would re-examine the mortgage to determine whether or not a refinancing of the mortgage was possible. On motion of Mr. Sproat, seconded by Mr. Pike, the Treasurer's report was accepted.

Mr. Pike reported for the Property Committee that the building was now 100% occupied and stated that at the end of the year, when the Hospital Service Corporation will give up its space and remove to another building, that there was a good possibility of renting this space to several insurance companies but that probably several thousand dollars would have to be spent in relocating partitions.

The parking station rent has been lowered to \$100.00 from \$125.00 per month which is the second time the rent has been reduced, the original amount being \$150.00

The question of transferring the fire insurance now held in a stock company to mutual companies at a saving of approximately \$1,100 a year was brought up. Mr. Weller suggested that the Property Committee and the Treasurer determine the amounts to be given to the various mutual companies, it being thought that approximately \$100,000 be given to Mr. Spiegel, who is a tenant in the building, and the remainder to the Clarke Agency, would be an equitable way of allocating this business.

Mr. Miner inquired as to the advisability of taking out war risk insurance. Upon motion made by Mr. Weller and seconded by Mr. Sproat, the decision of both insurance problems was left to the Treasurer and the Property Committee to be determined at their discretion.

The report of the Property Committee was ordered accepted.

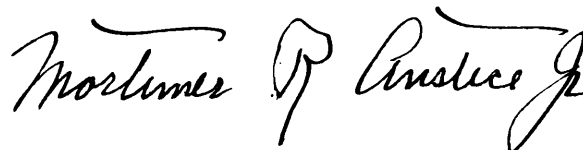
The temporary Secretary then read Dr. Slater's letter of resignation and the Chairman's reply. Mr. Lowe reported that Dr. Slater was an invaluable member to the Board and Mr. Miner suggested that he be allowed to resign as Secretary of the Board but that he remain a member. The Chairman advised that he would confer with Dr. Slater.

The Nominating Committee ^{was} ~~has been~~ requested to suggest eligible candidates for election to the Board as Trustees to fill vacancies: Mr. Ted Pierson, Mr. Fred H. Gordon, Jr. ~~were named.~~

Mr. Anstice reported that he had received a check for \$1,500 from Mr. Goodenough and that Mr. Pike was arranging with Mr. Paul Schubmehl for a settlement of the account against his father's estate.

Mr. Miner then asked regarding a letter written by Mr. Middleton ~~regarding~~ ^{referring to the} settlement of Mr. Goodenough's account. It was learned that this letter had been mailed to Dr. Slater, % the Arcade, and had been forwarded to him at his out of town address. No member of the Board knew the contents so after a general discussion, the committee originally appointed to investigate the matter, namely Messrs. Anstice, Pike and Sibley, was ordered to meet again and bring in a final report.

Upon motion made and seconded, the meeting was adjourned.



Mortimer R. Anstice, Jr.
Secretary pro tem

THE REYNOLDS LIBRARY INCORPORATED

TREASURER'S REPORT

September 30, 1942

THE REYNOLDS LIBRARY INCORPORATED

CASH STATEMENT

CASH BALANCE JANUARY 1, 1942 \$ 41,232.89

INCOME:

January	10,341.82	
February	10,100.67	
March	9,944.41	
April	10,088.21	
May	10,754.61	
June	10,039.03	
July	10,026.52	
August	10,220.49	
September	9,943.85	91,459.61

\$ 132,692.50

EXPENDITURES:

January	18,507.04	
February	4,502.82	
March	9,687.13	
April	22,657.57	
May	3,189.29	
June	18,985.41	
July	10,316.88	
August	10,307.48	
September	9,754.20	107,907.82

CASH BALANCE SEPTEMBER 30, 1942 \$ 24,784.68

Represented By:

Security Trust Bank A/C	21,892.49
Rochester Trust " "	2,882.19
Petty Cash	<u>10.00</u>

\$ 24,784.68

THE REYNOLDS LIBRARY INCORPORATED

COMPARATIVE STATEMENT OF INCOME & EXPENSES - ACCRUAL BASIS

<u>INCOME</u>	9 MOS ENDED		BUDGET
	<u>SEPT 30/41</u>	<u>SEPT. 30/42</u>	<u>9 MOS ENDED SEPT. 30/42</u>
Rentals	80,599.64	83,255.13	78,750.00
Electricity & Water	3,265.42	3,673.10	3,074.94
Parking Station	1,275.00	1,100.00	1,293.75
Discounts	41.74	8.19	
Sundry	178.12	158.98	194.94
	<u>85,359.92</u>	<u>88,195.40</u>	<u>83,313.63</u>
Interest & Dividends	<u>3,325.25</u>	<u>3,001.50</u>	<u>3,000.00</u>
TOTAL INCOME	\$ 88,685.17	\$ 91,196.90	\$ 86,313.63
<u>EXPENSES</u>			
Arcade Building -			
Operation	20,866.70	16,480.30	19,073.25
Payroll	15,071.49	18,566.72	16,875.00
Insurance	993.98	1,013.15	1,048.50
Taxes: City & County	25,714.44	23,397.33	24,003.00
Taxes: Miscellaneous	91.56	103.87	93.60
Interest on Mortgage	12,224.25	11,684.25	12,006.00
Miscellaneous	236.92	2,088.88	225.00
Legal & Audit	150.00	150.00	112.50
Legal & Professional			
	<u>75,349.34</u>	<u>73,484.50</u>	<u>73,436.85</u>
Library Property Expense	19.76		
	\$ <u>75,369.10</u>	\$ <u>73,484.50</u>	\$ <u>73,436.85</u>
Reading Room -			
Operation	104.44	119.56	477.00
Salaries	1,577.93	1,682.88	1,698.75
	<u>1,682.37</u>	<u>1,802.44</u>	<u>2,175.75</u>
Total Expense Before Depreciation	\$ 77,051.47	\$ 75,286.94	\$ 75,612.60
Profit or Loss	\$ 11,633.70	Pr \$ 15,909.96	Pr
Less Depreciation Expense	\$ 21,329.46	\$ 21,329.46	
NET LOSS FOR NINE MONTHS	\$ 9,695.76	\$ 5,419.50	

THE REYNOLDS LIBRARY INCORPORATED

STATEMENT OF ASSETS & LIABILITIES

<u>ASSETS</u>	<u>DECEMBER 31, 1941</u>		<u>SEPTEMBER 30, 1942</u>
CASH - General Funds	38,516.71		21,902.49
Permanent Funds	2,716.18		2,882.19
RECEIVABLES -			
Accounts (Rent)	370.05		20.00
Interest & Dividends	107.50		122.68
INVESTMENTS -			
Regular Account	103,003.25		107,905.68
Fund Account	9,747.55		9,747.55
Investment Reserve			15,134.20
REAL ESTATE -			
Main Street	951,008.22	951,008.22	
Less Depreciation	<u>120,313.08</u>	<u>135,427.77</u>	815,580.45
EQUIPMENT -			
Library Books	80,000.00		80,000.00
DEFERRED CHARGES -			
Construction a/c Spo.	82,864.12	82,864.12	
Less Depreciation	<u>46,205.06</u>	<u>52,419.83</u>	30,444.29
Prepaid Expenses		769.70	6,672.04
Inventory		<u>944.22</u>	<u>880.14</u>
<u>TOTAL ASSETS</u>	<u>\$ 1,103,538.36</u>		<u>\$ 1,091,291.71</u>

<u>LIABILITIES</u>			
ACCOUNTS PAYABLE -			
Accrued Taxes (County)	8,826.24		6,618.01
Sundry Bills	571.68		
NOTES PAYABLE -			
Mortgage Account	351,000.00		343,000.00
Accrued Interest	3,159.00		6,945.75
Permanent Funds	11,056.65		11,072.66
Permanent Funds Investment Income	1,407.08		1,557.08
NET WORTH	<u>727,517.71</u>		<u>722,098.21</u>
<u>TOTAL LIABILITIES</u>	<u>\$ 1,103,538.36</u>		<u>\$ 1,091,291.71</u>

INVESTMENT STATEMENT AS OF SEPTEMBER 30, 1942

BALANCE AS OF JANUARY 1, 1942

\$ 103,003.25

SALES July 1942

10M	City of Cleveland		
10M	City of Los Angeles		
10M	City of New York		
1M	Illinois Central		
10M	New York Central	Cost	59,837.35
15M	Southern Pacific	Sold at	<u>49,871.25</u>
5M	Pennsylvania Company	Loss	<u>9,966.32</u>
			<u>59,837.57</u>
			43,165.68

PURCHASES July 1942

10M	Dominion of Canada		
10M	U. S. A. War Bonds "G"		
10M	U. S. A. War Bonds "G"		
5M	National Distillers		
5M	National Dairy Products		
5M	American Tobacco		
5M	Pacific Gas & Elec.		
5M	Erie Railroad		
12M	New York, New Haven		
15M	Chicago and Northwestern	Purchase Price	<u>64,740.00</u>

INVESTMENT ACCOUNT AS OF SEPTEMBER 30, 1942

\$ 107,905.68

Annual Meeting of the Reynolds Library

February 26, 1943

The annual meeting of the Reynolds Library was held February 26, 1943, at 4 p.m., in the Board Room of the Reynolds Arcade.

Present: President Anstice and Messrs. Anstice, Gardner, Lowe Middleton and Weller.

The minutes of the meeting of October 9, 1942 were read and approved.

The President presented Mr. Sibley's resignation as Treasurer of the Board to date from January 9, 1943, owing to his acceptance of a position under Governor Lehman in the Department of Foreign Relief and Rehabilitation Operations. This was accepted.

Mr. Gardner was duly elected Treasurer to succeed Mr. Sibley. The report of the Treasurer showed for the calendar year 1942 total cash receipts of \$214,995.01 and total cash expenditures of \$183,040.67, of which \$16,000. was the annual payment on principal of the mortgage, and \$64,914.75 for the purchase of bonds. The cash balance was \$31,954.34. After deducting depreciation the net operating loss for the year was \$3,535.30, and the net loss was \$13,501.22. Upon motion, duly seconded and carried, the report of the Treasurer was adopted.

Mr. Anstice reviewed the 1943 budget amounting to an estimated total income of \$109,369.00, and total estimated operating expenses of \$100,332.00 including the Reading Room expenses. Upon the motion of Mr. Gardner the budget was duly adopted.

The complete texts of the reports of the Treasurer and the auditors with accompanying schedules are filed with these minutes.

Mr. Weller reported that no meeting of the Finance Committee has been held since the last regular quarterly meeting.

In the absence of Mr. Pike, the President reported for the Property Committee, advising that the Rochester Hospital Service Corporation would move from the premises but that Fanny Farmer would probably stay. Other minor changes such as requests for reductions in rent were discussed.

For the Library Committee Mr. Lowe presented a report on the activities of the Reynolds Reading Room, which was duly accepted.

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The President reiterated his desire that some action be taken toward providing funds for the Reynolds Reference Library in the Rundel Memorial Building.

At each annual meeting since the installation of the Reynolds Reference Library in the Rundel Memorial Building and on several other occasions the Board has considered Section 5 of the Agreement between the Library and the City. This provides that

"The Library agrees to deliver to the City yearly, at such time and in such manner as shall be agreed upon by the parties, its entire net annual income remaining after proper deductions, in the judgment of the Library, shall have been made for the maintenance of its said reading room while such reading room continues to be maintained in said Reynolds Arcade for the maintenance, protection and depreciation of its property, for meeting its financial obligations, as well as a reasonable allowance for contingencies."

The records of the Treasurer show clearly that there has been no "net income remaining after proper deductions." The minutes record reports of earnest but vain effort to convince the City of the wisdom of exempting the Library from taxes on the Reynolds Arcade in order that a like amount from net income be used in accordance with this provision. The Board has considered the use of certain endowment funds for this purpose. The Board has assurances that the Rochester Public Library has been able to make available the books in the Reynolds Library Collection, to add necessary reference tools, continue subscriptions and care for necessary rebinding, but cannot at present expand the service.

The Chairman of the Library Committee recommended that until there is a net income the Board await a request for funds from the Rochester Public Library for urgent need in replenishing the present collection, or for meeting an emergency, or for an unusually advantageous book purchase, or for the development and expansion of the service of the Reynolds Reference Library. This recommendation was accepted and duly adopted.

The Secretary read a letter from Dr. Slater asking that his resignation from the Board be accepted. The Board appreciates Dr. Slater's desire for retirement from active service, and realizes regretfully that it must accede to his wishes. For thirty years he has brought to the building of our book resources the wealth of his scholarship and discriminating taste as a member and chairman of the Library Committee. Since 1923 as Secretary he has recorded the behavior, action, opinions, hopes and purposes expressed at board meetings in masterly English, precision accuracy, subtle humor, and

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humanness that have made these minutes into good historical documents and even pleasant reading. In councils of the Board he broke quiet serenity only to enunciate sound advice based on intimate acquaintance with the field under discussion. With appropriate resignation it was voted to respect Dr. Slater's wishes, but with equal enthusiasm and unanimity it was voted that he be made an Honorary Life Member of this Board.

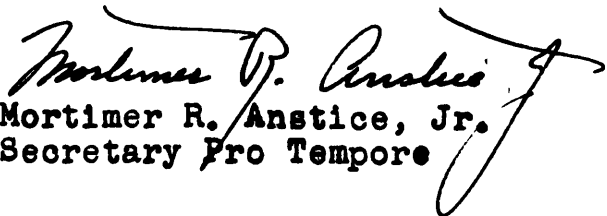
The President pointed out that two vacancies exist on the Board caused by the resignation of Dr. Slater, and Mr. Pierson. The names of Mr. Benton Smith and Mr. H.W. Tripp were proposed for nomination to fill the vacancies. These nominations according to the by-laws will lie over until the April meeting.

The annual election of officers being then in order, a nominating committee consisting of Mr. Pike, Mr. Middleton and Mr. Lowe, submitted a report recommending the election of the following:

President, Mr. Anstice
Vice-President, Mr. Pike
Treasurer, Mr. Gardner
Assistant Treasurer, Mr. Middleton
Secretary, Mr. Lowe

The report was unanimously adopted, and these officers declared elected.

Upon motion made and seconded, the meeting adjourned at 6:20 p.m.


Mortimer R. Anstice, Jr.
Secretary Pro Tempore

Reynolds Library

Trustees

M.R. Anstice, Sr., President
J.D. Pike, Vice-President
L. Gardner, Treasurer
E.W. Middleton, Asst. Treasurer
J.A. Lowe, Secretary
M.R. Anstice, Sr.
S. Durand
F.H. Gordon, Jr.
E.G. Miner
Dr. Dexter Perkins
J.D. Pierson
Hiram Sibley
G.A. Sproat
J.F. Weller

Committees for 1943

Building Committee	John D. Pike, Chairman J.F. Weller Lawrence Gardner Fred Fordon, Jr.
Finance Committee	J.F. Weller, Chairman E.G. Miner G. Alfred Sproat Lawrence Gardner
Library Committee	John A. Lowe, Chairman E.W. Middleton Dr. Dexter Perkins E.G. Miner

Reynolds Library

Annual Board Meeting, February 26, 1943

Report of the Library Committee

The main Reynolds Library Book Collection has had attention from the Catalog Department. The original collection of 91,343 has been carefully examined with the immediate use as a measure. Prior to 1942 a total of 19,239 books had been recatalogued, and 7,956 had been withdrawn as duplicates or no longer needed for any one of a number of reasons. During 1942 an additional 1,147 volumes were recatalogued and 216 withdrawn. The volumes remaining are accurately shelved according to the original classification and are immediately available through the original Reynolds catalogue always kept up to date. The volumes withdrawn are shelved in the stacks in proper order of classification and can be readily consulted should the need arise. From the duplicates so withdrawn a gift from the Reynolds Library of 250 volumes was made to the Houghton College Library, Houghton, New York. During the year 90 much used volumes were rebound and 111 repaired.

Mr. Edward C. Herbrand, Superintendent of the Reynolds Reading Room reports that during the year the attendance totaled 63,454 persons. This is a decrease of 5,710 from the 1941 figure due quite normally to increased employment. The Reading Room was closed in the evenings during April and part of May due to the labor difficulties effecting the entire Building. The revised list of newspapers and magazines test as "ample" for the library's need.

We request an allotment for 1943 expenditures from the Annual Budget as that granted for 1942.

Respectfully submitted



John Adams Lowe
Chairman

JAL'EGS

**The Regular Quarterly Meeting of the
Reynolds Library
April 9, 1943**

No quorum.

THE REYNOLDS LIBRARY INCORPORATED

TREASURER'S REPORT

December 31, 1942

THE REYNOLDS LIBRARY INCORPORATED

SUMMARY STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

CASH BALANCE JANUARY 1, 1942 \$ 41,232.89

Cash Receipts:

Rentals	111,541.06	
Electricity	4,558.46	
Water	314.16	
Sundry	203.38	
Discount	20.48	
Parking	1,400.00	
Interest on Bank Balance	32.76	
Interest on Bonds	3,228.57	
Dividends on Stocks	767.00	
Refunds by Former Executives	1,825.00	
Sale of Bonds	49,871.25	173,762.12

Total Cash Receipts \$ 214,995.01

Cash Disbursements:

Maintenance and operation:		
Arcade Building	96,919.31	
Reading Room	2,845.38	
Trust Fees: Banks	229.55	
Accounts Payable (paid in 1942)	571.68	
Beardsley Clark settlement	1,560.00	
Principal payments on Mortgage	16,000.00	
Purchase of Bonds	64,914.75	183,040.67

CASH BALANCE DECEMBER 31, 1942 \$ 31,954.34

The Cash Balance is accounted for as follows:

Security Trust Bank a/c	28,920.40
Rochester Trust Bank a/c	3,023.94
Petty Cash	<u>10.00</u>

\$ 31,954.34

THE REYNOLDS LIBRARY INCORPORATED

INCOME & EXPENSE STATEMENT - ACCRUAL BASIS - BUDGET

<u>INCOME</u>	<u>1 9 4 2 BUDGET</u>	<u>1 9 4 2 ACTUAL</u>
Rentals	105,000.00	112,026.01
Electricity	3,800.00	4,558.48
Water	300.00	314.16
Sundry Charges to Tenants & Miscellaneous	260.00	203.38
Discount		20.48
Parking Station	1,725.00	1,400.00
Refunds by Former Executives		1,825.00
	<u>111,085.00</u>	<u>120,347.49</u>
Interest & Dividends	4,000.00	4,648.07
<u>TOTAL INCOME</u>	<u>\$ 115,085.00</u>	<u>\$ 124,995.56</u>
 <u>EXPENSES</u>		
Arcade Building -		
Operation	25,435.00	22,456.25
Payrolls	22,500.00	24,982.58
Insurance	1,400.00	1,356.17
Taxes: City & County	32,000.00	30,206.20
Taxes: Miscellaneous	125.00	136.61
Interest on Mortgage	16,000.00	15,471.00
Miscellaneous Expense	300.00	627.39
Beardsley Clark settlement		1,560.00
Legal & Audit	150.00	150.00
Legal & Professional		300.00
	<u>97,910.00</u>	<u>97,246.20</u>
Reading Room -		
Operation	635.00	613.50
Salaries	2,265.00	2,231.88
	<u>2,900.00</u>	<u>2,845.38</u>
 TOTAL EXPENSE BEFORE DEPRECIATION	 \$100,810.00	 \$100,091.58
 PROFIT BEFORE DEPRECIATION		 \$ 24,903.98
 LESS DEPRECIATION EXPENSE		 \$ 28,439.28
 NET OPERATING LOSS		 \$ 3,535.30
 LOSS ON SALE OF BONDS		 \$ 9,966.32
 <u>NET LOSS FOR TWELVE MONTHS ENDING DECEMBER 31, 1942</u>		 <u>\$ 13,501.62</u>

THE REYNOLDS LIBRARY INCORPORATED

COMPARATIVE STATEMENT OF ASSETS AND LIABILITIES

<u>ASSETS</u>	<u>DECEMBER 31, 1941</u>		<u>DECEMBER 31, 1942</u>	
CASH -				
General Funds		38,516.71		28,930.40
Permanent Funds		2,716.18		3,023.94
RECEIVABLES -				
Accounts (Rent)		379.05		864.00
Interest & Dividends		107.50		1,035.00
INVESTMENTS -				
Regular Account		103,003.25		108,080.43
Fund Account		9,747.55		9,747.55
REAL ESTATE -				
Main Street	951,008.22		951,008.22	
Less Depreciation	<u>120,313.08</u>	830,695.14	<u>140,466.00</u>	810,542.22
EQUIPMENT -				
Library Books		80,000.00		80,000.00
DEFERRED CHARGES -				
Construction A/C Spec.	82,864.12		82,864.12	
Less Depreciation	<u>46,205.06</u>	36,659.06	<u>54,491.42</u>	28,372.70
Prepaid Expenses		769.70		1,050.09
Inventory		<u>944.22</u>		<u>1,301.68</u>
<u>TOTAL ASSETS</u>		<u>\$ 1,103,538.36</u>		<u>\$ 1,072,948.01</u>

<u>LIABILITIES</u>				
ACCOUNTS PAYABLE -				
Accrued Taxes (County)		8,826.24		7,833.77
Sundry Bills		571.68		311.66
NOTES PAYABLE -				
Mortgage Account		351,000.00		335,000.00
Accrued Interest		3,159.00		3,015.00
Permanent Funds		11,056.65		11,089.41
Permanent Funds Investment Income		1,407.08		1,682.08
NET WORTH		<u>727,517.71</u>		<u>714,016.09</u>
<u>TOTAL LIABILITIES</u>		<u>\$ 1,103,538.36</u>		<u>\$ 1,072,948.01</u>

INVESTMENT STATEMENT AS OF DECEMBER 31, 1942BALANCE JANUARY 1, 1942

\$ 103,003.25

<u>SALES</u>	<u>COST</u>	<u>SALE PRICE</u>	
7/31/42 1½ Illinois Central	876.52	533.73	
10½ New York Central	10,000.00	4,496.15	
5½ Pennsylvania Co	5,051.05	5,093.75	
15½ Southern Pacific	13,933.00	7,524.57	
10½ City of New York	9,640.00	10,693.75	
10½ City of Cleveland	10,145.00	10,704.77	
10½ City of Los Angeles	<u>10,192.00</u>	<u>10,700.40</u>	<u>59,837.57</u>
	\$ 59,837.57	\$ 49,747.12	\$ 43,165.68

(Loss on Sale of Bonds \$10,090.45)PURCHASES

7/31/42 5½ American Tobacco	5,047.50	
10½ Dominion of Canada	10,068.75	
5½ Erie Railroad	4,541.00	
5½ National Distillers	5,085.00	
12½ New York, New Haven & Hart.	5,043.75	
15½ Chicago & Northwestern	4,377.50	
5½ National Dairy	5,253.75	
5½ Pacific Gas	5,497.50	
6/17/42 10½ U. S. Defense Bonds	10,000.00	
7/31/42 10½ U. S. Defense Bonds	<u>10,000.00</u>	<u>64,914.75</u>

BALANCE AS OF DECEMBER 31, 1942\$ 108,080.43

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CASH DISPOSITION

Cost of Bonds Purchased	64,914.75
Proceeds from Sales	<u>49,747.12</u>
From General Funds	\$ 15,167.63

The Regular Quarterly Meeting of the
Reynolds Library
June 11, 1943

Present: President Anstice and Messrs. Anstice, Gardner, Lowe, Miner, Pike and Weller.

The minutes of the annual meeting were read. They were adopted and it was regularly voted that a copy of the minutes as far as they relate to Dr. Slater be sent to him by the Secretary.

In adopting the minutes, consideration was given to the possibility of modifying the existing conditions with the City to the end that the Library might more nearly accomplish the purposes of the original agreement made between the Library and the City.

Mr. Miner moved that a special committee be appointed by the President to canvass the whole subject involved in Section 5 of the Agreement with particular reference to taxes and the Reynolds Reading Room. Mr. Weller added his second and the motion was sustained. The President asked Mr. Pike to serve as the Chairman of this Committee and to choose his associates upon it.

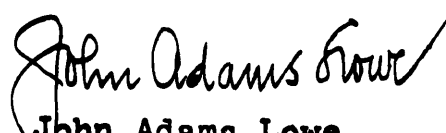
Mr. Gardner presented the report of the Treasurer (attached, dated May 31, 1943) and commented briefly on several items. Upon motion, duly seconded this report was accepted.

In reporting for the Building Committee, Mr. Pike pointed out several changes that have taken place in office rentals. A new tenant is Joseph T. Pilato, Attorney. Joseph F. Dryer has left for the service but W.E. Thomson who occupies one-half of Mr. Dryer's office will remain in this space. The Household Finance Corporation has taken a three year lease. From Waldorf a check was received April 15th for \$2,257.76 excess rent. Last year's excess rent was \$829.00. We anticipate further adjustments with tenants because of business conditions. Eighty-eight per cent of the building is rented. As far as the labor situation is concerned no difficulty has arisen. There is an entirely new building crew and no union men.

Mr. Miner moved that the report be accepted and filed.

The Library Committee made no report.

Adjourned 5:15 p.m.


John Adams Lowe
Secretary

THE REYNOLDS LIBRARY INCORPORATED

Treasurer's Report

May 31, 1943

THE REYNOLDS LIBRARY INCORPORATED

CASH RECEIPTS AND DISBURSEMENTS

CASH BALANCE JANUARY 1, 1943		\$ 31,954.34
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RECEIPTS:

January	11,702.04	
February	10,195.72	
March	9,306.32	
April	10,992.61	
May	<u>9,073.85</u>	<u>51,270.54</u>
		\$ 83,224.88

EXPENDITURES:

January	17,022.68	
February	3,888.27	
March	10,880.58	
April	29,260.57	
May	<u>5,880.73</u>	<u>66,932.83</u>

CASH BALANCE MAY 31, 1943		\$ <u><u>16,292.05</u></u>
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Above Balance Represented By:

Security Trust Bank a/c	13,233.11	
Rochester Trust Bank a/c	3,048.94	
Petty Cash	<u>10.00</u>	\$ <u><u>16,292.05</u></u>

THE REYNOLDS LIBRARY INCORPORATED

INCOME & EXPENSE STATEMENT ON ACCRUAL BASIS WITH BUDGET

<u>INCOME</u>	<u>5 MOS. ENDED MAY 31, 1942</u>	<u>5 MOS. ENDED MAY 31, 1943</u>	<u>B U D G E T 5 MOS. 1943</u>
Rentals	46,149.05	45,325.87	41,665.00
Electricity & Water	2,261.55	2,203.03	1,800.00
Sundry & Miscellaneous	114.35	81.77	85.00
P. N. Schubmehl Estate		475.00	
Discount	4.10	10.33	10.00
✓ Parking Station	675.00	250.00	312.00
	<u>49,204.05</u>	<u>48,346.00</u>	<u>43,872.00</u>
Interest & Dividends	1,667.50	1,708.10	1,708.10
Totals	\$ 50,871.55	\$ 50,054.10	\$ 45,580.00
<i>81,027.</i>			
<u>EXPENSES</u>			
Arcade Building -			
Operation	8,253.38	8,242.42	10,167.90
Payrolls	9,457.35	9,926.25	10,210.00
Insurance	561.59	609.23	585.00
Taxes: City & County	12,998.53	12,733.45	12,720.00
Taxes: Miscellaneous	39.45	40.53	48.00
Interest on Mortgage	6,539.25	6,239.25	6,146.00
Miscellaneous Expense	1,682.78	156.70	125.00
✓ Legal & Audit	150.00	175.00	62.50
Legal & Professional			208.00
	<u>\$ 39,682.33</u>	<u>\$ 38,122.83</u>	<u>\$ 40,272.40</u>
<i>75,245.85</i>			
Reading Room -			
Operation	75.86	85.10	270.00
Salaries	900.00	915.00	1,040.00
	\$ 975.86	\$ 1,000.10	\$ 1,310.00
Total Expense Before Depreciation	\$ 40,658.19	\$ 39,122.93	
Profit or Loss	\$ 10,213.36 Pr	\$ 10,931.17 Pr	
Less Depreciation Expense	\$ 11,849.70	\$ 11,849.70	
<u>NET LOSS FOR FIVE MONTHS</u>	\$ 1,636.34 L	\$ 918.53 L	

THE REYNOLDS LIBRARY INCORPORATED

COMPARATIVE STATEMENT OF ASSETS & LIABILITIES

<u>ASSETS</u>		<u>JANUARY 1, 1943</u>		<u>MAY 31, 1943</u>
CASH -				
General Funds		28,930.40		13,243.11
Permanent Funds		3,023.94		3,048.94
RECEIVABLES -				
Accounts - Rents		864.00		22.35
Interest & Dividends		1,035.00		1,011.35
INVESTMENTS -				
Regular Account		108,080.43		118,080.43
Fund Account (Parman)		9,747.55		9,747.55
REAL ESTATE -				
Main Street	951,008.22		951,008.22	
Less Depreciation	<u>140,466.00</u>	810,542.22	<u>148,863.05</u>	802,145.17
EQUIPMENT -				
Library Books		80,000.00		80,000.00
DEFERRED CHARGES -				
Construction A/c Spec.	82,864.12		82,864.12	
Less Depreciation	<u>54,491.42</u>	28,372.70	<u>57,944.07</u>	24,920.05
Prepaid Expenses		1,050.09		4,743.84
Inventory		<u>1,301.68</u>		<u>1,318.56</u>
<u>TOTAL ASSETS</u>		\$ 1,072,948.01		\$ 1,058,281.35

<u>LIABILITIES</u>				
ACCOUNTS PAYABLE -				
Accrued Taxes (County)		7,833.77		3,264.15
Sundry Bills		311.66		300.00
NOTES PAYABLE -				
Mortgage Account		335,000.00		327,000.00
Interest Accrued		3,015.00		1,716.75
Reserve for Victory Tax				106.40
Permanent Funds Acct.		11,089.41		11,089.41
Fund Investment Income		1,682.08		1,707.08
NET WORTH		<u>714,016.09</u>		<u>713,097.56</u>
<u>TOTAL LIABILITIES</u>		\$ 1,072,948.01		\$ 1,058,281.35

INVESTMENT STATEMENT AS OF MAY 31, 1943

BALANCE AS OF JANUARY 1, 1943 \$108,080.43

PURCHASE

Apr 30, 1943	10 M U. S. A. War Savings Bonds "Series G"	<u>10,000.00</u>
		\$ 118,080.43

The Regular Quarterly Meeting of the
Reynolds Library
October 22, 1943

Present: President Anstice, and Messrs. Anstice, Gardner,
Gordon, Lowe, Pike, Sproat.

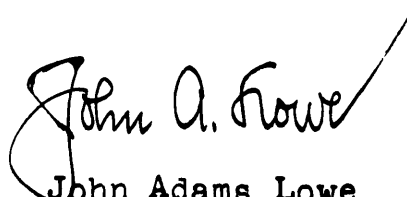
When a quorum had assembled, the President called for the minutes of the meeting of June 11, 1943, which were read and approved.

Mr. Gardner presented in detail the report of the Treasurer dated September 30th which recorded the fact that the total income for the first nine months of the year was \$84,450.76 and the amount of total expenses before depreciation was \$72,746.77 with an apparent profit of \$11,703.99 against which is charged a depreciation expense of \$21,329.46 establishing a net loss for this period of \$9,625.47. The mortgage and suggested investment transfers were discussed. Mr. Pike moved the acceptance of the report, and seconded by Mr. Anstice, the action was passed. (Report is attached to these minutes)

For the Property Committee Mr. Pike reported that he had rented the store formerly occupied by Fanny Farmer to the Seneca Printing Company from November 1st to December 31st, at a rental of \$200. The Attorney General's Office lease in the Ellwanger and Barry Building expires in December and interest is manifest in taking 780 square feet on our eighth floor. The Liberty Mutual Insurance Company, has inquired about space in the building. At the present time about 90 per cent of space is rented. Recent repairs comprise glass replacements in the Main Arcade skylight, tar covering on the roof, repaired steam coils, the steam lines packed, and changing and remodelling Phoenix Mutual Office on the 9th floor. In due form the report was accepted.

A letter dated October 19, 1943 was read from Mr. Bernard B. Spier, Vice-President, The Spier Company, Inc., 60 East 42nd St., New York City. A copy of the letter is attached to these minutes. After a careful discussion of many phases of subject raised by the question propounded by Mr. Spier, it was regularly moved, seconded and carried that the letter be referred to Mr. Pike with authorization to make such reply as may seem wise to him and the President after further conference.

Adjourned 5:45.


John Adams Lowe
Secretary

JAL'EGS

THE REYNOLDS LIBRARY INCORPORATED

TREASURER'S REPORT

September 30th, 1943

THE REYNOLDS LIBRARY INCORPORATED

C A S H S T A T E M E N T

CASH BALANCE JANUARY 1, 1943

\$ 31,954.34

INCOME:

January	11,702.04	
February	10,195.72	
March	9,306.32	
April	10,992.61	
May	9,073.85	
June	10,066.38	
July	8,751.24	
August	8,822.44	
September	8,958.72	87,869.32
		<hr/>
		\$ 119,823.66

EXPENDITURES:

January	17,022.68	
February	3,888.27	
March	10,880.58	
April	29,260.57	
May	5,880.73	
June	9,965.81	
July	4,428.01	
August	10,741.62	
September	5,137.33	97,205.60
		<hr/>

CASH BALANCE SEPTEMBER 30, 1943\$ 22,618.06

Represented By:

Security Trust Bank A/c	19,391.57	
Rochester Trust " "	3,216.49	
Petty Cash	<u>10.00</u>	
		\$ <u><u>22,618.06</u></u>

THE REYNOLDS LIBRARY INCORPORATEDCOMPARATIVE STATEMENT OF INCOME & EXPENSES - ACCRUAL BASIS

<u>INCOME</u>	<u>9 MOS ENDED SEPT 30/42</u>	<u>9 MOS ENDED SEPT 30/43</u>
Rentals	83,255.13	76,809.07
Electricity & Water	3,673.10	3,483.23
Parking Station	1,100.00	450.00
Discount	8.19	14.09
Sundry	158.98	144.79
P. N. S. Estate		475.00
	<u>88,195.40</u>	<u>81,376.18</u>
Interest & Dividends	<u>3,001.50</u>	<u>3,074.58</u>
<u>TOTAL INCOME</u>	<u>\$ 91,196.90</u>	<u>\$ 84,450.76</u>
<u>EXPENSES</u>		
Arcade Building -		
Operation	16,480.30	15,577.92
Payroll	18,566.72	19,566.81
Insurance	1,013.15	1,099.75
Taxes: City & County	23,397.33	22,920.21
Taxes: Miscellaneous	103.87	96.86
Interest on Mortgage	11,684.25	11,144.25
Miscellaneous	528.88	349.79
Beardsley Clark	1,560.00	
Legal & Audit	<u>150.00</u>	<u>175.00</u>
	<u>\$ 73,484.50</u>	<u>\$ 70,930.59</u>
Reading Room -		
Operation	119.56	118.30
Salaries	<u>1,682.88</u>	<u>1,697.88</u>
	<u>1,802.44</u>	<u>1,816.18</u>
Total Expense Before Depreciation	<u>\$ 75,286.94</u>	<u>\$ 72,746.77</u>
Profit or Loss	<u>\$ 15,909.96 Pr</u>	<u>\$ 11,703.99 Pr</u>
Less Depreciation Expense	<u>\$ 21,329.46</u>	<u>\$ 21,329.46</u>
<u>NET LOSS FOR NINE MONTHS</u>	<u>\$ 5,419.50</u>	<u>\$ 9,625.47</u>

THE REYNOLDS LIBRARY INCORPORATEDSTATEMENT OF ASSETS & LIABILITIES

<u>ASSETS</u>		<u>DECEMBER 31, 1942</u>	<u>SEPTEMBER 30, 1943</u>
CASH - General Funds		28,930.40	19,401.57
Permanent Funds		3,023.94	3,216.49
RECEIVABLES -			
Accounts (Rents)		864.00	33.00
Interest & Dividends		1,035.00	466.38 or
INVESTMENTS -			
Regular Account		108,080.43	118,323.35
Fund Account		9,747.55	9,747.55
Investment Reserve			45.25
REAL ESTATE -			
Main Street	951,008.22		951,008.22
Less Depreciation	<u>140,466.00</u>	810,542.22	<u>155,580.69</u>
			795,427.53
EQUIPMENT -			
Library Books		80,000.00	80,000.00
DEFERRED CHARGES -			
Construction A/c	82,864.12		82,864.12
Less Depreciation	<u>54,491.42</u>	28,372.70	<u>60,706.19</u>
			22,157.93
Prepaid Expenses		1,050.09	7,839.63
Inventory		<u>1,301.68</u>	<u>1,425.96</u>
<u>TOTAL ASSETS</u>		\$ 1,072,948.01	\$ 1,057,151.88

LIABILITIES

ACCOUNTS PAYABLE -			
Accrued Taxes		7,833.77	5,875.47
Sundry		311.66	300.00
NOTES PAYABLE -			
Mortgage Account		335,000.00	327,000.00
Interest Accrued Mtg. A/c		3,015.00	6,621.75
Permanent Funds		11,089.41	11,106.96
Permanent Funds Invest. Inc.		1,682.08	1,857.08
NET WORTH		<u>714,016.09</u>	<u>704,390.62</u>
<u>TOTAL LIABILITIES</u>		\$ 1,072,948.01	\$ 1,057,151.88

INVESTMENT STATEMENT

BALANCE AS OF MAY 31, 1943 \$ 118,080.43

CALLED - Aug 17th -

1 $\frac{1}{2}$ National Distillers 3 $\frac{1}{2}$ s	1,017.00	
10 $\frac{1}{2}$ Dominion of Canada 2 $\frac{1}{2}$ s	<u>10,068.75</u>	<u>11,085.75</u>
		106,994.68

PURCHASED - Aug 25th -

60 shs United States Plywood @ 104 $\frac{3}{4}$	6,308.71	
50 shs 20th Century Fox @ 100	<u>5,019.96</u>	<u>11,328.67</u>
<u>BALANCE AS OF SEPTEMBER 30th, 1943</u>		<u>\$ 118,323.35</u>

October 19th, 1943

FROM: The Spier Company Inc (Mr. Bernard B. Spier)
60 East 42nd Street, New York, N. Y.

TO: Reynolds Library

Some time ago we had correspondence with you relative to the mortgage financing of the above property wherein Woolworth is a tenant.

At this time I should like to take up with you the matter of a low interest rate long-term mortgage. If you would be more interested on the basis of a sale, we have an investing client interested in the purchase of this type of property on an all-cash basis if the price is attractive.

We would therefore appreciate hearing from you on which basis you would be interested and suggest that you outline the present rental and expense particulars as well as the present mortgage information if the property is encumbered.

Awaiting your prompt advice, we remain

THE SPIER COMPANY INC
(Signed) Bernard B. Spier
Vice President

Reynolds Library

Board of Trustees
1944 - 1945

Mortimer R. Anstice, Sr., President, 111 Humboldt St. (10)

John D. Pike, Vice-president, 1 Circle Street (7)

Lawrence Gardner, Treasurer, 183 Main Street East (4)

E. Willoughby Middleton, Asst. Treasurer, 31 Exchange St. (4)

John A. Lowe, Secretary, Rochester Public Library, 115 South
Avenue (4)

Mortimer R. Anstice, Jr. 111 Humboldt Street (10)

Samuel E. Durand, Cutler Building, 42 East Avenue (4)

Fred H. Gordon, Jr., 1024 Garson Avenue (9)

Edward G. Miner, 89 East Avenue (4)

Dexter Perkins, 316 Oxford Street (7)

Hiram Sibley, 311 Alexander Street (7)

G. Alfred Sproat, 183 Main Street East (4)

J.F. Weller, 97 Humboldt Street, (9)

The Annual Meeting of the
Reynolds Library
March 3, 1944

Present: President Anstice, Messrs. Anstice, Gardner, Gordon,
Lowe, Middleton, Sproat, Weller

The minutes of the meeting of October 22, 1943 were
read and approved.

Mr. Gardner presented the Report of the Treasurer
which is attached herewith and commented on several items,
calling attention particularly to the closeness in figures
between income and expenditure. The report of the Auditors
showed a successful year, an increase in values from 1942 to
date, and funds invested on a good list.

Upon Mr. Anstice's motion, seconded by Mr. Middleton
the report was accepted.

President Anstice reported that interest on the part
of the Western Union for the purchase of the building. After
discussion it was regularly moved, seconded and carried that
the President be authorized to offer the building to Western
Union for \$400,000. plus the mortgage.

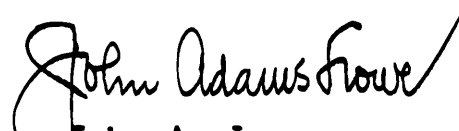
The President announced that Miss M. Mildred Walsh
has accepted a stenographic position with an industrial firm
at a salary this Board does not feel justified in attempting
to equal. He recalled the unusual service she did during the
strike and attendant difficulties. Mr. Sproat moved that on
leaving the Institution Miss Walsh be given a month's salary
as expression of appreciation. Seconded. Carried.

The Chairman of the Library Committee made a brief
report which is attached to these minutes.

This being the annual meeting the President relin-
quished the chair to Mr. Gordon. Mr. Middleton moved that the
Secretary cast a ballot for the present officers to succeed
themselves, as follows:

President, Mr. Anstice
Vice-President, Mr. Pike
Treasurer, Mr. Gardner
Assistant Treasurer, Mr. Middleton
Secretary, Mr. Lowe

The affirmative prevailed, and the officers so named
were declared elected. Adjourned.


John A. Lowe
Secretary

Record Committee
11

THE REYNOLDS LIBRARY INCORPORATED

TREASURER'S REPORT

December 31, 1943

THE REYNOLDS LIBRARY INCORPORATEDC A S H S T A T E M E N TCASH ON HAND:

The cash is accounted for as follows:

On deposit:

Security Trust Co. of Rochester	\$ 14,918.67
Security Trust Co.: Investment a/c	5,719.63
Rochester Trust & Safe Deposit Co.	349.00
Petty Cash	<u>10.00</u>
	\$ <u><u>20,997.30</u></u>

THE REYNOLDS LIBRARY INCORPORATEDINCOME & EXPENSE STATEMENT - ACCRUAL BASIS - BUDGET

<u>INCOME</u>		<u>1 9 4 3</u> <u>BUDGET</u>	<u>1 9 4 3</u> <u>ACTUAL</u>
Rentals	94,000	100,000.00	100,534.51
Electricity		4,000.00	4,191.51
Water		300.00	307.19
Sundry Charges to Tenants & Miscellaneous		200.00	192.41
Discount		20.00	16.97
Parking Station	✓	750.00	600.00
Refund by Former Executive	700		475.00
Profit on Sale of Bonds			611.03
		<u>105,270.00</u>	<u>106,928.62</u>
Interest & Dividends		<u>4,099.50</u>	<u>4,970.21</u>
<u>TOTAL INCOME</u>		\$ 109,369.50	\$ 111,898.83
<u>EXPENSES</u>			
Arcade Building -			
Operation		24,415.00	21,196.98
Payrolls		24,500.00	26,375.24
Insurance		1,400.00	1,467.68
Taxes: City & County		30,526.00	30,333.52
Taxes: Miscellaneous		140.00	125.58
Interest on Mortgage		14,751.00	14,751.00
Miscellaneous Expense		300.00	616.04
Legal & Audit		150.00	175.00
Legal & Professional		500.00	1,180.80
Contingent Expense		500.00	
		\$ <u>97,182.00</u>	\$ <u>96,221.84</u>
Reading Room -			
Operation		650.00	599.16
Salaries		<u>2,500.00</u>	<u>2,246.88</u>
		\$ 3,150.00	\$ 2,846.04
<u>TOTAL EXPENSE BEFORE DEPRECIATION</u>		\$ 100,332.00	\$ 99,067.88
<u>PROFIT BEFORE DEPRECIATION</u>			\$ 12,830.95
<u>LESS DEPRECIATION EXPENSE</u>			\$ 28,439.28
<u>NET OPERATING LOSS FOR TWELVE MONTHS ENDING DECEMBER 31, 1943</u>			\$ 15,608.33

THE REYNOLDS LIBRARY INCORPORATED
COMPARATIVE STATEMENT OF ASSETS & LIABILITIES

<u>ASSETS</u>	<u>DECEMBER 31, 1942</u>		<u>DECEMBER 31, 1943</u>	
CASH				
General Funds		28,930.40		20,648.30
Permanent Funds		3,023.94		349.00
RECEIVABLES -				
Accounts (Rent)		864.00		-0-
Interest & Dividends		1,035.00		386.25
INVESTMENTS -				
Regular Account		108,080.43		113,288.20
Fund Account		9,747.55		12,747.55
REAL ESTATE -				
Main Street	951,008.22		951,008.22	
Less Depreciation	<u>140,466.00</u>	801,542.22	<u>160,618.92</u>	790,389.30
EQUIPMENT -				
Library Books		80,000.00		80,000.00
DEFERRED CHARGES -				
Construction Acct. Spec.	82,864.12		82,864.12	
Less Depreciation	<u>54,491.42</u>	28,372.70	<u>62,777.78</u>	20,086.34
Prepaid Expenses		1,050.09		1,788.54
Inventory		<u>1,301.68</u>		<u>1,317.94</u>
<u>TOTAL ASSETS</u>		<u>\$ 1,072,948.01</u>		<u>\$ 1,041,001.42</u>
<hr style="border-top: 1px dashed black;"/>				
<u>LIABILITIES</u>				
ACCOUNTS PAYABLE -				
Accrued Taxes (County)		7,833.77		7,607.20
Sundry Bills		311.66		18.91
NOTES PAYABLE -				
Mortgage Account		335,000.00		319,000.00
Accrued Interest		3,015.00		2,871.00
Permanent Funds		11,089.41		11,116.78
Permanent Funds Investment Income		1,682.08		1,979.77
NET WORTH		<u>714,016.09</u>		<u>698,407.76</u>
<u>TOTAL LIABILITIES</u>		<u>\$ 1,072,948.01</u>		<u>\$ 1,041,001.42</u>

THE REYNOLDS LIBRARY INCORPORATED

ANALYSIS OF INVESTMENT ACCOUNT: JANUARY 1, 1943 to DECEMBER 31, 1943

BALANCE: JANUARY 1, 1943		\$ 108,080.43
PLUS PURCHASES:		
U. S. A. War Savings Bonds: Series G 2½% 1955	10,000.00	
60 shares U. S. Plywood Corp.: cum. pfd. "A"	6,308.71	
60 shares 20th Century Fox Film Corp., pfd. N. P.	6,038.06	22,346.77
		<u>\$ 130,427.20</u>
DEDUCT SALES:		
National Distillers - conv. deb. 3½ 1949 called	1,017.00	
Dominion of Canada 2½% 1945 called	10,068.75	
American Tobacco Co. deb. 3% 1962	1,009.50	
New York, New Haven and Hartford RR Co.: conv. deb 6% 1948	5,043.75	17,139.00
BALANCE: DECEMBER 31, 1943		<u><u>\$ 113,288.20</u></u>

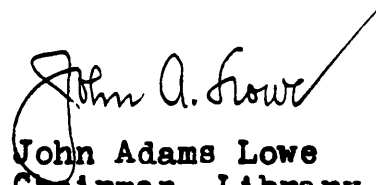
The Reynolds Library and Reading Room

Report For 1943

The attendance of readers in the Reading Room during 1943 was the lowest since 1936. The total was 61,705 persons and the majority were men. The Superintendent, Edward C. Herbrand, reports "The habitues of the Mission and Front Street lodging houses seldom use the Reading Room as they did in the past. Most of them are now working." The subscription list of newspapers and magazines was continued pretty much the same as the previous year.

Seventy-five books duplicated in both the Reynolds and Rochester Public Library collections were sent to Library of Congress for the National Library of Peru in Lima, with the approval of President Anstice.

Respectfully submitted

A handwritten signature in dark ink, reading "John A. Lowe", with a long, sweeping horizontal stroke extending to the right.

John Adams Lowe
Chairman, Library Committee

JAL'EGS

Reynolds Library Board of Trustees

1945

Mortimer R. Anstice, Sr.	111 Humboldt St. (10)
Mortimer R. Anstice, Jr.	111 Humboldt St. (11)
Samuel E. Durand	Cutler Bldg., 42 East Ave. (4)
Lawrence Gardner	183 Main Street East (4)
Fred H. Gordon, Jr.	1024 Garson Ave. (9)
John A. Lowe	115 South Ave (4)
E. Willoughby Middleton	31 Exchange St. (4)
Edward G. Miner	89 East Ave. (4)
Dexter Perkins	316 Oxford St. (7)
John D. Pike	1 Circle St. (7)
Hiram Sibley	311 Alexander St. (7)
G. Alfred Sproat	183 Main St. East (4)
J.F. Weller	97 Humboldt St. (9)

The Reynolds Library
Annual Meeting of the Board
February 23, 1945

Present: President Anstice, Messrs. Gordon, Sproat, Miner, Gardner, Pike, Lowe, Middleton.

A quorum was declared present, the meeting was called to order by the President, and the minutes of the meeting of March 3, 1944 were read and approved. (Because of war time activities and absence from the city of several board members and Annual Meeting was postponed until March 1944, and no quorum was present for the June and October meetings.)

Mr. Gardner presented (1) The Treasurer's Report for the year ending December 31, 1944 together with (2) A statement of the Library's account with the Security Trust Company of Rochester, and (3) The Report of the Annual Audit of Wilson, Schults and Company on December 31, 1944.

Each of these documents is attached and made a part of these minutes.

The Treasurer's Report showed cash on hand \$8,047.43, for the calendar year 1944 total cash receipts of \$113,643.74 and total cash expenditures of \$99,634.73 of which \$14,031.00 was the payment on the mortgage and \$30,929.84 taxes. Total expense before depreciation \$102,561.74, profit before depreciation \$11,082.00, less depreciation expenses \$27,690.28 showing a net operating loss for the twelve months of \$16,608.28.

Mr. Miner moved on the part of the Finance Committee that the Report of the Auditors be accepted. Supported by Mr. Middleton's second, the motion was carried.

Mr. Sproat at Mr. Miner's request discussed the library portfolio of securities. U.S. Government Bonds now comprise 39.7% of the entire holdings while common stocks make up 21.9% of the list. The Bond account shows a high plane of quality and the common stock is all in good issues in both preferred and common.

Mr. Pike presented the Budget for 1945, printed as Schedule #5 of the Report of the Auditors.

After some expression of commendation for the excellent service rendered the Board by Mr. Gardner and Mr.

-2-

Pike, and with an assurance of the Board's satisfaction with investments made, Mr. Miner moved that the Treasurer's Report be accepted with the thanks of the Board. Seconded by Mr. Gordon. Carried.

Speaking for the Building Committee, Mr. Pike pointed out the difficulty of carrying the building. The income for the past year was less than anticipated. Increase cost of insurance, necessity of repairing two ice units, and an increased cost of payroll were factors which showed that the operating expense had increased by $3\frac{1}{2}$ percent. He discussed the possibility of increasing rental rates and the necessity of renting all available space which might bring in some 8 or 9 thousand dollars. The latter procedure met with favor. The Report was duly accepted.

After some discussion relative to the possibility of reducing or refunding the mortgage, Mr. Miner moved that Mr. Middleton be requested to examine the Mortgage in regard to the matters discussed and give a report to the President as soon thereafter as conveniently possible. Seconded by Mr. Middleton. Carried.

Mr. Miner moved that the Treasurer be authorized to borrow for current expenses over the period March 1, 1945 to August 31, 1945 a sum not in excess of \$15,000. and if necessary to hypothecate the securities of the Corporation in the amount required by the lender as collateral as may be required. Mr. Middleton added his second. Carried.

Since the Finance Committee's Report had disclosed an alarming deficiency in the income of the property due to excessive taxation, an earnest discussion followed. Mr. Middleton made a motion that the Building Committee be instructed to take up with the Taxing Authorities the necessity of reducing the assessment on the building. Duly seconded and carried.

The President relinquished the chair and asked Mr. Gordon to conduct the annual election of officers: Upon Mr. Miner's motion that the Secretary cast one ballot for each of the present officers to succeed himself, the following were elected and formally declared to be the officers for 1945:

Officers

Mortimer R. Anstice, President
John D. Pike, Vice-President
Lawrence Gardner, Treasurer
E. Willoughby Middleton, Asst. Treasurer
John A. Lowe, Secretary

President Anstice named the following Committees:

Executive

Mr. Anstice or Mr. Weller, Chairman
Mr. Pike
Mr. Sibley

Financial

Mr. Weller, Chairman
Mr. Miner
Mr. Sproat
Mr. Gardner

Building

Mr. Pike, Chairman
Mr. Weller
Mr. Gardner
Mr. Gordon

Library

Mr. Lowe, Chairman
Mr. Middleton
Mr. Perkins
Mr. Miner

Attention was called to the fact that a change in the Authorization for Access to the Safe Deposit Box of the Corporation in the Security Trust Company was necessary. In accordance with bank rules the following resolution was unanimously adopted:

SAFE DEPOSIT BOX OF CORPORATION

Authorization for access

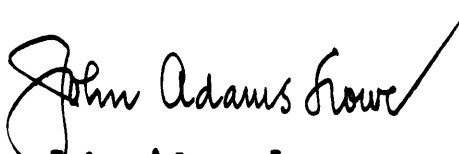
"RESOLVED: that the securities, papers and property of this Company, until further ordered, be deposited, in its name, in a safe deposit box in the Security Trust Company of Rochester, in the City of Rochester, New York, and that access thereto be and the same is directed to be had, from time to time, by Mortimer R. Anstice, Sr., President or Lawrence Gardner, Treasurer, of this Company, who are hereby severally authorized to sign any agreement in the name of this Company with Security Trust Company of Rochester to afford such access and permit removal of the contents of such box, and that upon such access being given to all or any of the persons herein mentioned, no further responsibility shall attach to the Security Trust Company of Rochester until written notice of the revocation of this resolution by the Board of Directors; and that a copy of this resolution, certified by the Secretary, be transmitted to the said Security Trust Company of Rochester."

I, John A. Lowe, Secretary of the Reynolds Library, Inc., do hereby certify that I have compared the preceding with the resolution duly adopted at the meeting of the Board of Directors of said Company, duly held at Reynolds Arcade, Rochester, N.Y., on February 23, 1945 at 4 p.m., and I hereby certify the same to be a correct transcript of said resolution and the whole thereof.

Witness my hand and the corporate seal of said Company the twenty-seventh day of February, 1945.

(Signed) John Adams Lowe
Secretary

Adjourned 6 p.m.


John Adams Lowe
Secretary

JAL'EGS

THE REYNOLDS LIBRARY INCORPORATED

TREASURER'S REPORT

December 31, 1944

THE REYNOLDS LIBRARY, INCORPORATED

C A S H S T A T E M E N T

CASH ON HAND:

The cash is accounted for as follows:

On Deposit:

Security Trust Co. of Rochester	\$ 8,939.55
Security Trust Co., Investment a/o	384.65
Rochester Trust & Safe Deposit Co.	713.23
Petty Cash	<u>10.00</u>
	\$ <u>8,047.43</u>

THE REYNOLDS LIBRARY INCORPORATEDINCOME & EXPENSE STATEMENT - ACCRUAL BASIS - BUDGET

<u>INCOME</u>	<u>1 9 4 4 BUDGET</u>	<u>1 9 4 4 ACTUAL</u>
Rentals	97,000.00	96,594.59
Electricity	4,200.00	4,024.59
Water	300.00	257.17
Sundry Charges to Tenants & Miscellaneous	300.00	346.19
Discounts	25.00	14.37
Parking Station	700.00	600.00
Profit on Sale of Bonds		7,565.86
	<u>102,525.00</u>	<u>109,402.77</u>
Interest & Dividends	<u>4,000.00</u>	<u>4,240.97</u>
<u>TOTAL INCOME</u>	\$ 106,525.00	\$ 113,643.74
<u>EXPENSES</u>		
Arcade Building -		
Operation	22,375.00	22,606.32
Payrolls	27,500.00	28,857.01
Insurance	1,500.00	1,381.42
Taxes: City & County	30,500.00	30,029.70
Taxes: Miscellaneous	150.00	91.09
Taxes: N. Y. State Unemployment Insurance		809.05
Interest on Mortgage	14,100.00	14,051.00
Miscellaneous Expense	500.00	1,606.39
Legal & Audit	200.00	223.75
Legal & Professional	<u>1,000.00</u>	<u> </u>
	\$ 97,825.00	\$ 99,634.73
Reading Room -		
Operation	650.00	621.57
Salaries	<u>2,600.00</u>	<u>2,306.44</u>
	\$ 3,250.00	\$ 2,927.01
<u>TOTAL EXPENSE BEFORE DEPRECIATION</u>	\$ 101,075.00	\$ 102,561.74
<u>PROFIT BEFORE DEPRECIATION</u>		\$ 11,082.00
<u>LESS DEPRECIATION EXPENSE</u>		\$ 27,690.28
<u>NET OPERATING LOSS FOR TWELVE MONTHS ENDING DECEMBER 31, 1944</u>		\$ 16,608.28

THE REYNOLDS LIBRARY, INCORPORATEDCOMPARATIVE STATEMENT OF ASSETS AND LIABILITIES

<u>ASSETS</u>	<u>DECEMBER 31, 1943</u>		<u>DECEMBER 31, 1944</u>	
CASH -				
General Funds		20,648.50		7,354.20
Permanent Funds		349.00		713.23
RECEIVABLES -				
Accounts (Rent)		--		369.10
Interest & Dividends		386.25		404.25
INVESTMENTS -				
Regular Account		113,288.20		122,206.19
Fund Account		12,747.55		12,747.55
REAL ESTATE -				
Main Street	951,008.22		951,008.22	
Less Depreciation	<u>160,618.92</u>	790,389.30	<u>180,022.84</u>	770,985.38
EQUIPMENT -				
Library Books		80,000.00		80,000.00
DEFERRED CHARGES -				
Construction Acct. Sp'l.	82,864.12		82,864.12	
Less Depreciation	<u>62,777.78</u>	20,086.34	<u>71,064.14</u>	11,799.98
Prepaid Expenses		1,788.54		1,736.85
Inventory		<u>1,517.94</u>		<u>626.42</u>
<u>TOTAL ASSETS</u>		\$ 1,041,001.42		\$ 1,008,923.15

<u>LIABILITIES</u>				
ACCOUNTS PAYABLE -				
Accrued Taxes (County)		7,607.20		7,329.05
Sundry Bills		18.91		396.81
Accrued N. Y. State Unemployment Ins.				210.03
NOTES PAYABLE -				
Mortgage Account		319,000.00		303,000.00
Accrued Interest		2,871.00		2,727.00
Permanent Funds		11,116.78		11,121.01
Permanent Funds Investment Income		1,979.77		2,339.77
NET WORTH		<u>698,407.76</u>		<u>681,799.48</u>
<u>TOTAL LIABILITIES</u>		\$ 1,041,001.42		\$ 1,008,923.15

Security Trust Company of Rochester

Trust Department

February 23, 1945

KETNOLDS LIBRARY, INCORPORATED

A comparison of the account at the close of 1944 with the previous year reveals that during the year increases were made in the holdings of two groups of securities; namely, U. S. Government Bonds and common stocks. This was done principally by investing the proceeds received from the sale and redemption of railroad bonds. U. S. Government Bonds now comprise 30.7% of the entire holdings while common stocks make up 21.9% of the list. The attached distribution schedule shows the complete distribution of all the securities in the account.

Estimated annual income, based on payments made in 1944, is \$4,804.60, which gives a yield of 3.42%. We believe this is very satisfactory considering the large percentage of high grade bonds in the account. Interest rates are tending lower at the present time and many companies are taking advantage of this condition and refinancing their funded debt and preferred stock issues at lower rates. United Light and Railways 5½'s 1942, Pacific Gas and Electric 3½'s 1966 and Minneapolis, St. Paul and Sault Ste. Marie, 4½'s 1971 are three issues that may be redeemed or refunded at lower interest rates during 1945, but until some definite plan is announced, we believe the best policy is continued retention of all issues. In order to maintain income, it will probably be necessary to increase the preferred stock holdings with a part of the proceeds received from any redemption.

The common stock holdings are all financially sound companies and each one is regarded as being among the leader in its respective industry.

The two issues that were purchased during 1944; namely, International Nickel and Montgomery Ward are, in our opinion, particularly attractive. International Nickel is improving its financial condition, mainly through a conservative dividend policy, and we believe this policy will have a beneficial influence on the common stock in future years. Montgomery Ward, in spite of serious labor difficulties, continues to show an increase in sales and should show more rapid improvement after its labor policy is more clearly defined. We recommend that all common stock holdings continue to be held.

SECURITY TRUST COMPANY

February 23, 1945

REYNOLDS LIBRARY, INCORPORATEDDistribution Schedule

(Including Bowman Fund)

	<u>Book Value</u>	<u>Market Value 12-30-44</u>	<u>% to Market Value</u>	<u>Annual Income</u>	<u>Yield at Market</u>
Uninvested Cash	\$ 384.65	\$ 384.65	.2	--	--
U.S. Government Bonds	52,204.02	52,226.25	39.7	\$1,260.00	2.41%
Industrial Bonds	14,315.60	14,683.75	11.2	432.50	2.98%
Public Utility Bonds	10,264.00	10,762.50	8.2	450.00	4.18%
Railroad Bonds	4,671.49	5,150.00	3.0	225.00	4.37%
Preferred Stocks	19,062.92	19,557.50	14.9	837.00	4.28%
Common Stocks	30,046.71	28,692.50	21.9	1,300.00	4.50%
Nominal Items	<u>4,129.00</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total	\$135,293.39	\$131,667.16	100%	\$4,504.50	3.42%

REYNOLDS LIBRARY, INCORPORATED

Transactions during the year 1944

Sold or redeemed

<u>Date</u>		<u>Security</u>			<u>Price</u>	<u>Amount</u>
		Credit Balance - Jan. 1, 1944				\$ 5,719.53
2-3-44	15M	Chicago Northwestern Railway	5	%	1937	Sold @ 73 1/2 10,975.02
8-1-44	5M	Pennsylvania Company	4	%	1933	Called @ 106 5,296.25
10-17-44	4M	National Distillers	3	1/2%	1945	Sold @ 102 1/8 4,074.00
11-18-44	5M	Erie Railroad Company	4	%	1935	Sold @ 105 1/2 5,258.14
		Funds added for investment purposes				<u>91.18</u>
						<u>\$31,414.19</u>

Bought

1-15-44	30 shares	Twentieth-Century-Fox Film Corp.	\$4.50	prior pfd.	100 1/4	\$ 3,021.65
	100 "	International Nickel Co. of Canada			27	2,721.21
3-7-44	100 "	International Nickel Co. of Canada			26 7/8	2,708.22
	100 "	Montgomery Ward & Company			45	4,525.75
3-8-44	3M	U.S. Savings Bonds, Series "G"	2	1/2%	3-1-55	100 3,000.00
8-23-44	5M	U.S. Treasury Bonds	2	%	6-15-64/52	100.18 5,034.22
8-31-44	10 shares	Twentieth-Century-Fox Film	\$4.50	prior pfd.	105 5/8	1,073.10
11-14-44	5M	Minneapolis, St. Paul & Sault				
		Sto. Marie, 1st income "A"	4	1/2%	1971	97 4,871.49
		Funds resitted to Reynolds Library, Inc.				4,074.00
		Credit Balance - December 30, 1944				<u>384.65</u>
						<u>\$31,414.19</u>

**THE REYNOLDS LIBRARY
ROCHESTER, NEW YORK
REPORT AS AT DECEMBER 31, 1944**

**WILSON, SHULTS & CO.
CERTIFIED PUBLIC ACCOUNTANTS
119 EAST MAIN STREET
ROCHESTER 4, N.Y.**

MEMBERS
AMERICAN INSTITUTE
OF ACCOUNTANTS
NEW YORK STATE
SOCIETY OF
CERTIFIED PUBLIC
ACCOUNTANTS

WILSON, SHULTS & CO.
CERTIFIED PUBLIC ACCOUNTANTS
119 EAST MAIN STREET
ROCHESTER 4, N.Y.

February 13, 1945

To the President and Board of Trustees
The Reynolds Library
Reynolds Arcade Building
Rochester 4, New York

Gentlemen:-

As requested, we have made our annual audit (consisting of an examination of financial condition and audit-test of transactions) of the books and accounts of The Reynolds Library for the year ended December 31, 1944. As a part of this report, we submit the following statements:

Exhibit A:

Statement of Assets and Liabilities as at
December 31, 1944.

Exhibit B:

Income, Profit and Loss Statement for the
twelve months ended December 31, 1944.

Schedule #1:

Analysis of Net Worth (Surplus Account):
January 1, 1944 to December 31, 1944.

Schedule #2:

Analysis of Investment Account: January 1, 1944
to December 31, 1944.

Schedule #3:

Analysis of Investments as at December 31, 1944.

Schedule #4:

Abstract of Leases in Effect as at December 31, 1944.

Schedule #5:

Budget Figures for the year ending December 31, 1945.

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GENERAL COMMENTS1. CASH:

The cash is accounted for as follows:

On deposit:	
Security Trust Co. of Rochester	\$ 6,939.55
Rochester Trust & Safe Deposit Co.	713.23
Security Trust Co.: Investment a/c	384.65
Petty cash	10.00
Total:	<u>\$ 8,047.43</u>

For statement purposes, the cash is segregated as follows:

Cash on deposit (General Fund)	\$ 6,949.55
Investment account	384.65
Permanent Fund	713.23
Total: (As above)	<u>\$ 8,047.43</u>

The cash on hand was verified by actual count. The funds on deposit were confirmed by the depositories.

2. INTEREST RECEIVABLE:

Interest receivable consists of the following accounts which represent bond coupons due and dividends receivable on January 1, 1945:

Bond coupons due:	
U. S. Bonds	\$ 125.00
Dividends Receivable:	
U. S. Plywood Corp.: Cum. Pfd.	\$ 71.25
Consolidated Gas & Electric	90.00
International Nickel	68.00
Montgomery Ward	50.00
	<u>279.25</u>
Total:	<u>\$ 404.25</u>

3. ACCOUNTS RECEIVABLE: RENTALS:

Erie Smith: December 1944 charges:	
Paid in January 1945	\$ 49.24
Attorney General's office: Dec. and Nov.	
1944 charges; Paid in January 1945	237.61
Harry Franck: December 1944 charges:	
Paid in January 1945	<u>82.25</u>
Total:	<u>\$ 369.10</u>

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4. INVESTMENTS:

A summary of investments as set forth on Schedule #3 of this report follows:

Government and Corporation Bonds and Stocks:

A. Per Value	Bonds	\$ 78,350.00	
	Stocks	<u>3,750.00</u>	
	Total:		<u>\$ 82,100.00</u>
B. Market Value	Bonds	\$ 74,670.63	
	Stocks	<u>45,085.00</u>	
	Total:		<u>\$119,755.63</u>
C. Book Value	Bonds	\$ 77,686.81	
	Stocks	<u>44,519.38</u>	
	Total:		<u>\$122,206.19</u>

Stocks and bonds as set forth on Schedule #3 are held for safekeeping by the Security Trust Company of Rochester as per their letter dated February 2, 1945.

5. REAL ESTATE AND SUNDRY ASSETS:

Investment in real estate and other properties is as follows:

16 East Main St., Rochester, N.Y.:	Cost	Deprec'n.	Book Value
Real Estate:			
Land	\$350,000.00	\$ -	\$350,000.00
Building	415,310.93	74,756.48	340,554.45
Equipment	185,697.29	105,266.36	80,430.93
Total:	<u>\$951,008.22</u>	<u>\$180,022.84</u>	<u>\$770,985.38</u>
Library Books (at Rundel Library)			<u>80,000.00</u>
Total:			<u>\$850,985.38</u>

The assessed value of real estate for tax purposes is as follows:

16 East Main Street, Rochester, N. Y.:	
Total assessment (including exempt \$130,000.00)	<u>\$871,000.00</u>

- continued on next sheet -

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5. REAL ESTATE AND SUNDRY ASSETS: (CONTINUED):

During 1944 depreciation was written off as follows:

	Cost to Dec. 31, 1944	Rate	Amount
Building:			
Building 16 E. Main St.	\$401,626.93	2 $\frac{1}{2}$	\$ 8,032.56
Accoustical treatment	13,684.00	2 $\frac{1}{2}$	273.72
Total:	<u>\$415,310.93</u>		<u>\$ 8,306.28</u>
Equipment:			
Carrier equipment	\$ 63,328.73	10 $\frac{1}{2}$	\$ 6,332.76
Heating equipment	27,639.93	4 $\frac{1}{2}$	1,105.56
Plumbing equipment	37,709.99	4 $\frac{1}{2}$	1,508.40
Elevators, machinery & cabs	27,623.00	5 $\frac{1}{2}$	1,381.08
Venetian blinds	2,243.28	8 $\frac{1}{2}$	179.40
Electric wiring and fixtures	22,844.63	4 $\frac{1}{2}$	913.80
Drinking fountains	2,138.89	15 $\frac{1}{2}$	428.12*
Sprinkler system	2,093.84	5 $\frac{1}{2}$	104.76
Shelving	75.00	-	-
Total:	<u>\$185,697.29</u>		<u>\$ 11,097.64</u>

The book value as set forth for the various properties does not necessarily represent the present market value of said properties.

* Red Figure

6. DEFERRED CHARGES:

Deferred charges are as follows:

Building construction special	\$ 82,864.12	
Less: Amortization at the rate of 10 $\frac{1}{2}$	<u>71,064.14</u>	\$ 11,799.98
Inventory of sundry supplies		626.42
Prepaid insurance		<u>1,736.85</u>
Total:		<u>\$ 14,163.25</u>

A summary of "Building Construction Special" follows:

Cost of construction for change in plans to accommodate tenants	\$ 50,606.98	
Tenant alteration	<u>17,565.74</u>	\$ 68,172.72
Commissions re: Acquisition of leases		14,691.40
		<u>\$ 82,864.12</u>
Less: Amortization		<u>71,064.14</u>
Balance: (As above)		<u>\$ 11,799.98</u>

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7. LIABILITIES:

A summary of liabilities is as follows:

Accounts payable		\$	256.81
Interest accrued on mortgage covering the period Oct. 15, 1944 to December 31, 1944	\$ 2,727.00		
Mortgage principal payments due during 1945	<u>16,000.00</u>	18,727.00	
County tax accrued (payable during 1945)		7,329.05	
Rentals paid in advance		140.00	
Accrued New York State unemployment insurance		<u>210.03</u>	
Total Current Liabilities			\$ 26,662.89

Mortgage Payable:

First mortgage dated October 18, 1935 held by Northwestern Mutual Life Insurance Company covering Arcade Building, 16 East Main Street, Rochester 4, New York. Principal amount \$425,000.00. Interest 4½% per annum, for the first ten years, and thereafter at the rate of 5½% per annum, is payable semi-annually. Principal payments started April 18, 1937 at which time an amount of \$6,000.00 was paid. Principal payments aggregating \$122,000.00 have been made to December 31, 1944. Principal payments in amount of \$8,000.00 are payable semi-annually on April 18 and October 18, during the period up to and including October 18, 1949, the then remaining balance of \$215,000.00 being due in 15 years from date, October 18, 1950.

Amount of mortgage		\$425,000.00	
Less:			
Payments made	\$122,000.00		
Payments due during 1945 (see current)	<u>16,000.00</u>	138,000.00	287,000.00

Total Liabilities \$313,662.89

We have in our files a certificate signed by Mr. John D. Pike, Chairman of the Building Committee, certifying that all known obligations as at December 31, 1944 of the Reynolds Library were recorded upon the books before closing as at said date, and that there are no contingent liabilities other than the following:

1. Such liability as may exist in connection with insurance, some of which is carried with Mutual Insurance Companies, under which policies the insured is subject to assessment.

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8. PERMANENT FUNDS:**\$ 13,460.78****Gordon and Bowman:****W. S. Gordon Fund:**

This fund was created by W. S. Gordon of Cleveland, Ohio, on or about June 10, 1895, and the income therefrom is to be used to purchase books of landscape gardening.

Original amount of fund \$ 2,500.00

John R. Bowman Fund:

This fund was created by John R. Bowman on or about January 13, 1932. At a meeting of the Board held on Feb. 11, 1932, a resolution was passed that the legacy of Mr. Bowman be set apart as a special fund to be used at the discretion of the Library Committee for library purposes.

Original amount of fund 5,000.00

Total: \$ 7,500.00

Plus: Interest and dividends to date 5,960.78

Total: **\$ 13,460.78**

9. INSURANCE CARRIED:**Arcade Building:**

Fire: windstorm, hail, explosion, riot, aircraft,
smoke and vehicles 80% (See Note 1) \$500,000.00

Public liability and property damage and elevator
(including parking station and direct
encroachments) 15/30/5,000.00

Workmen's compensation Based on payroll

Officers' and employees' fidelity bond:
Lawrence Gardner, Treasurer 20,000.00

Dorothy R. Follmer, Bookkeeper 5,000.00

Plate glass Replacement Cost

Note #1:

Loss payable to Northwestern Mutual Life Insurance Company and/or The Reynolds Library, as interests may appear.

The policies were confirmed by Northwestern Mutual Life Insurance Company.

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10. COMPARATIVE FINANCIAL STATEMENTS:

	As at December 31st		
	1942	1943	1944
<u>Assets</u>			
Current Assets:			
Cash on hand and in bank:			
General Fund	\$ 28,930.40	\$ 14,928.67	\$ 6,949.55
Accounts receivable: Rents	864.00	-	369.10
Interest receivable	1,035.00	386.25	404.25
Total:	\$ 30,829.40	\$ 15,314.92	\$ 7,722.90
Investments:			
Cash in investment account	\$ -	\$ 5,719.63	\$ 384.65
Common stocks	18,122.28	30,469.05	44,519.38
Bonds	89,958.15	82,819.15	77,686.81
Total:	\$ 108,080.43	\$ 119,007.83	\$ 122,590.84
Permanent Funds:			
Cash on deposit	\$ 3,023.94	\$ 349.00	\$ 713.23
Bonds	5,157.30	8,157.30	8,157.30
Stocks	4,590.25	4,590.25	4,590.25
Total:	\$ 12,771.49	\$ 13,096.55	\$ 13,460.78
Other Assets:			
Real estate and equipment (less reserve)	\$ 810,542.22	\$ 790,389.30	\$ 770,985.38
Rundel Library books	80,000.00	80,000.00	80,000.00
Deferred	30,724.47	23,192.82	14,163.25
Total:	\$1,072,948.01	\$1,041,001.42	\$1,008,923.15
<u>Liabilities and Capital</u>			
Current Liabilities:			
Accounts payable	\$ 311.66	\$ 18.91	\$ 256.81
Interest accrued on mortgage	3,015.00	2,871.00	2,727.00
Mortgage principal payments due during following year	16,000.00	16,000.00	16,000.00
Accrued county tax	7,833.77	7,607.20	7,329.05
Rentals paid in advance	-	-	140.00
Accrued N.Y.State unemployment insurance	-	-	210.03
Total:	\$ 27,160.43	\$ 26,497.11	\$ 26,662.89
Mortgage payable	\$ 319,000.00	\$ 303,000.00	\$ 287,000.00
Permanent funds: Gordon & Bowman	12,771.49	13,096.55	13,460.78
Surplus	714,016.09	698,407.76	681,799.48
Total:	\$1,072,948.01	\$1,041,001.42	\$1,008,923.15

Note:

The above statements are subject to the comments as set forth in our reports covering an examination of the accounts of your association for the respective periods.

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11. COMPARATIVE INCOME, PROFIT AND LOSS STATEMENT:

	For the twelve months ended					
	Dec. 31, 1942		Dec. 31, 1943		Dec. 31, 1944	
Income:						
Building:						
Rentals	\$112,026.01		\$100,534.51		\$ 96,594.59	
Electricity	4,558.46		4,191.51		4,024.59	
Water	314.16		307.19		257.17	
Parking station	1,400.00		600.00		600.00	
Sundry	203.38	\$118,502.01	192.41	\$105,825.62	114.35	\$101,590.70
Interest:						
Bonds	\$ 3,286.07		\$ 4,016.96		\$ 2,358.47	
Dividends	1,362.00	4,648.07	953.25	4,970.21	1,882.50	4,240.97
Total:		\$123,150.08		\$110,795.83		\$105,831.67
Expenses:						
Building	\$ 95,456.65		\$ 95,951.84		\$ 99,364.73	
Reading room	2,845.38	98,302.03	2,846.04	98,797.88	2,927.01	102,291.74
Net income (before deduction for depreciation)						
		\$ 24,848.05		\$ 11,997.95		\$ 3,539.93
Depreciation & Amortization:						
Depreciation	\$ 20,152.92		\$ 20,152.92		\$ 19,403.92	
Amortization	8,286.36	28,439.28	8,286.36	28,439.28	8,286.36	- 27,690.28
Net operating loss		\$ 3,591.23*		\$ 16,441.33*		\$ 24,150.35*
Other income	\$ 1,845.48		\$ 1,103.00		\$ 7,812.07	
Other deductions	11,755.87	9,910.39*	270.00	833.00	270.00	7,542.07
Net loss for the period		\$ 13,501.62*		\$ 15,608.33*		\$ 16,608.28*

* Red Figure (Loss)

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12. SUMMARY OF ITEMS TO BE CONSIDERED
BY THE BOARD OF TRUSTEES:

1. Resolution providing for appropriation for the Committee for the period January 1, 1945 to December 31, 1945.
2. Approval of the Treasurer's Report for the year ended December 31, 1944.

13. MISCELLANEOUS:

We were informed that your organization, pursuant to the opinion of your Attorneys, is not subject to the filing of Federal Unemployment and Federal Social Security reports, and that accordingly, periodical reports are not filed.

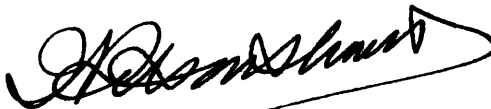
We were also informed that your organization, as of January 1, 1944, has voluntarily agreed to file New York State Unemployment Insurance reports, and that said reports have been filed and the tax paid for the year 1944.

Miss Follmer informed us that your association is complying with the provisions of the Federal Wage and Hour Law in that time over 40 hours is paid at the rate of time and one-half.

The records indicate that reports as required under Federal Withholding Tax regulations are filed currently as they become due.

The cooperation extended to our representatives on this assignment by the officers and employees of The Reynolds Library is greatly appreciated and facilitated our examination.

Respectfully submitted,



THE REYNOLDS LIBRARY
ROCHESTER
STATEMENT OF ASSETS AND LIABILITIES

(This statement is subject to the comments on page 2)

ASSETS

CURRENT:

Cash on deposit (General fund)	\$ 6,949.55	
Interest receivable	404.25	
Accounts receivable: rents	<u>369.10</u>	\$ 7,722.90

INVESTMENTS: (See Schedule #3)

	Market	Cost		
Cash in investment account	\$ -	\$ -	\$ 384.65	
Common stocks	45,085.00	44,519.38		
Bonds	74,670.63	77,686.81		
Total:	<u>\$119,755.63</u>	<u>\$122,206.19</u>	122,206.19	122,590.84

PERMANENT FUNDS:

	Market	Cost		
Cash on deposit	\$ -	\$ -	\$ 713.23	
Bonds (See schedule #3)	8,191.87	8,157.30		
Stocks(-do-)	3,375.00	4,590.25		
Total:	<u>\$ 11,566.87</u>	<u>\$ 12,747.55</u>	12,747.55	13,460.78

OTHER:

	Cost as per books	Depreciation	Book value	
Real estate: 16 Main St.E.				
Land	\$350,000.00	\$ -	\$350,000.00	
Building	415,310.93	74,756.48	340,554.45	
Equipment	185,697.29	105,266.36	80,430.93	
Total	<u>\$951,008.22</u>	<u>\$180,022.84</u>	\$770,985.38	
Rundel Library:				
Books			<u>80,000.00</u>	850,985.38

DEFERRED:

Building construction: special	\$ 82,864.12	
Less: amortization	<u>71,064.14</u>	\$ 11,799.98
Inventory of sundry supplies		626.42
Prepaid insurance		<u>1,736.85</u>
		14,163.25

TOTAL:

\$1,008,923.15

THE REYNOLDS LIBRARY

ROCHESTER, NEW YORK

INCOME, PROFIT AND LOSS STATEMENT FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1944

INCOME:	Budget	Actual
Reynolds Arcade Building:		
Rentals (See Schedule 4)	\$ 97,000.00	\$ 96,594.59
Parking station (See Schedule 4)	700.00	600.00
Electricity	4,200.00	4,024.59
Water	300.00	257.17
Sundry	300.00	114.35
	<u>\$102,500.00</u>	<u>\$101,590.70</u>
Interest:		
Bonds (See Schedule 3)		\$ 2,358.47
Dividends (See Schedule 3)	\$ 4,000.00	1,882.50
Total:	<u>\$106,500.00</u>	<u>4,240.97</u> <u>\$105,831.67</u>
EXPENSES:		
Reynolds Arcade Building:		
Building and janitor supplies	\$ 1,300.00	\$ 1,741.49
Office supplies	125.00	169.51
Elevator maintenance	1,350.00	1,260.38
Heat	5,000.00	5,401.78
Electricity	7,500.00	6,540.29
Legal and audit service	200.00	223.75
Payrolls	27,500.00	28,857.01
Insurance	1,500.00	1,381.42
Taxes:		
Utility	150.00	91.09
County and City	30,500.00	30,029.70
New York State unempl. ins.	-	809.05
Water	2,200.00	2,147.58
Building maintenance	600.00	1,385.91
Repairs: Building & equipment	1,000.00	2,557.65
A. D. T. Service	550.00	547.98
Legal and professional	1,000.00	-
Directory Board service	-	15.00
Interest on mortgages	14,100.00	14,031.00
Telephone and telegraph	250.00	262.12
Misc. equipment and expense	500.00	1,335.39
Alterations	2,500.00	576.63
Total:	<u>\$ 97,825.00</u>	<u>\$ 99,364.73</u>
Reading Room:		
Salaries	\$ 2,600.00	\$ 2,305.44
Lighting		279.00
Periodicals	650.00	281.30
Supplies		61.27
Total:	<u>\$ 3,250.00</u>	<u>\$ 2,927.01</u>
TOTAL:	<u>\$101,075.00</u>	<u>\$102,291.74</u> <u>102,291.74</u>

NET INCOME: BEFORE DEDUCTIONS FOR DEPRECIATION:

(FORWARD TO SHEET #2).....\$ 3,539.93

NET INCOME: BEFORE DEDUCTION FOR DEPRECIATION:		
(BROUGHT FORWARD FROM SHEET #1).....		\$ 3,539.93
DEPRECIATION:		
Building		\$ 8,306.28
Equipment		11,097.64
AMORTIZATION:		
Building Construction - special		<u>8,286.36</u> <u>27,690.28</u>
NET OPERATING LOSS		\$ 24,150.35*
OTHER INCOME:		
Discounts	\$ 14.37	
Profit on sale of securities	7,565.86	
Miscellaneous income	<u>231.84</u>	\$ 7,812.07
OTHER DEDUCTIONS:		
Trust fees		<u>270.00</u> <u>7,542.07</u>
NET LOSS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1944 (SEE SCHEDULE 1)		<u>\$ 16,608.28*</u>

* Red Figure (Loss)

THE REYNOLDS LIBRARY
ROCHESTER, NEW YORK

ANALYSIS OF SURPLUS ACCOUNT: NET WORTH ACCOUNT: JANUARY 1, 1944 TO DECEMBER 31, 1944

BALANCE: JANUARY 1, 1944	\$698,407.76
LESS:	
Net loss for the twelve months ended December 31, 1944 (Per Exhibit B)	<u>16,608.28</u>
BALANCE: DECEMBER 31, 1944 (PER EXHIBIT A)	<u>\$681,799.48</u>

THE REYNOLDS LIBRARY
ROCHESTER, NEW YORK
ANALYSIS OF INVESTMENT ACCOUNT: JANUARY 1, 1944 TO DECEMBER 31, 1944

BALANCE: JANUARY 1, 1944		\$113,288.20
PLUS: PURCHASES:		
40 shares 20th Century Fox Film	\$ 4,094.65	
U. S. Treasury Bonds, Series 1954 - 2½	5,034.22	
200 shares International Nickel Co. of Canada	5,429.43	
100 shares Montgomery Ward	4,525.75	
U. S. War Savings Bonds, Series "G" 2½, 1956	3,000.00	
Minneapolis, St. Paul and St. Marie 4½		
1971 bonds	4,871.49	26,955.54
		\$140,243.74
DEDUCT: SALES:		
Chicago and Northwestern Bonds, 5½ - 1987	\$ 4,377.50	
Penn. Co. Bonds, 4½ 1963 - called	5,051.05	
Krie R. R. 1st Deben. S. F. Bonds, 4½ - 1995	4,541.00	
National Distill. Prod. Corp. Conv. Deb.		
3½ - 1949	4,068.00	18,037.55
		\$122,206.19
CASH PRINCIPAL BALANCE		384.65
BALANCE: DECEMBER 31, 1944 (PER EXHIBIT A)		\$122,590.84

THE REYNOLDS LIBRARY
ROCHESTER, NEW YORK
BUDGET FIGURES FOR 1945 AS SUBMITTED TO US BY TREASURER'S OFFICE

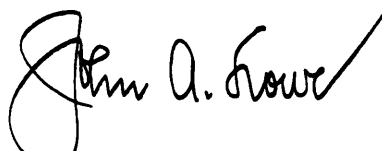
	1944 Budget	1944 Actual	1945 Budget
INCOME:			
Rentals	\$ 94,000.00	\$ 96,554.59	\$ 98,000.00
Anticipated rental increases	3,000.00	-	2,000.00
Electricity	4,200.00	4,024.59	4,200.00
Water	300.00	257.17	250.00
Sundry charges to tenants	300.00	114.35	250.00
Parking station	700.00	600.00	700.00
Total:	\$102,500.00	\$101,590.70	\$105,400.00
Interest and dividends	4,000.00	4,240.97	4,000.00
Total:	\$106,500.00	\$105,831.67	\$109,400.00
EXPENSES:			
Building operation:			
Building and janitor supplies	\$ 1,300.00	\$ 1,741.49	\$ 1,800.00
Office supplies	125.00	169.51	175.00
Elevator maintenance	1,350.00	1,260.38	1,300.00
Heat (steam)	5,000.00	5,401.78	6,000.00
Electricity	7,500.00	6,540.29	7,000.00
Telephone and telegraph	250.00	262.12	300.00
Directory Board Service	-	15.00	25.00
Water	2,200.00	2,147.58	2,300.00
Building maintenance	600.00	1,385.91	1,500.00
Alterations	2,500.00	576.63	1,500.00
Repairs: Building & equipment	1,000.00	2,557.65	1,000.00
A. D. T. Service	550.00	547.98	550.00
Total:	\$ 22,375.00	\$ 22,606.32	\$ 23,450.00
Other Expense:			
Payrolls	\$ 27,500.00	\$ 28,857.01	\$ 30,000.00
Insurance	1,500.00	1,381.42	1,500.00
Taxes: City and county	30,500.00	30,029.70	30,500.00
Taxes: Miscellaneous	150.00	91.09	100.00
Interest on mortgage	14,100.00	14,031.00	14,000.00
New York State unemployment insurance	-	809.05	1,000.00
Miscellaneous	500.00	1,335.39	500.00
Legal and professional	1,000.00	-	500.00
Legal and audit	200.00	223.75	250.00
Total:	\$ 75,450.00	\$ 76,758.41	\$ 78,350.00
Reading Room:			
Operation	\$ 650.00	\$ 621.57	\$ 650.00
Salaries	2,600.00	2,305.44	2,600.00
Total:	\$ 3,250.00	\$ 2,927.01	\$ 3,250.00
Total Expenses:	\$101,075.00	\$102,291.74	\$105,050.00

The Reynolds Library and Reading Room
Library Committee Report For 1944

The Reading Room continues to be occupied with readers from opening to closing time, but the total attendance is gradually falling off from the higher levels of depression days. It is noticeable that the men who came during times of unemployment are now working and do not find time to come to the library. The total number of persons utilizing The Reading Room for the year 1944 was 58,493 compared with 61,705 in 1943 which was the low water mark since 1936. This trend follows the curve of experience in most public libraries.

During the year the walls and ceilings of the Reading Room, wash rooms and the stair hallway were washed, and new flooring blocks were reset for those badly worn. Gifts of useful magazines and periodicals contributed by individuals, church and political organizations have been properly acknowledged. There is no change in the library personnel.

Respectfully submitted

A handwritten signature in dark ink, appearing to read "John A. Lowe", with a long, sweeping horizontal stroke extending to the right.

John A. Lowe
Chairman, Library Committee

JAL'EGS

Special Meeting

Reynolds Library

August 28, 1945

Present: President Anstice, and Messrs. Anstice, Jr., Gardner, Gordon, Lowe, Middleton, Perkins, Pike, Sproat, Weller. (Mr. Miner was detained elsewhere, Mr. Sibley is still in Greece, Mr. Durand is still in the Armed Forces)

The President called the meeting to order and declared that the presence of the majority of the Board fulfilled the requirement of a quorum.

Mr. Weller made a detailed report on the refinancing of the Mortgage held by the Northwestern Mutual Life Insurance Company. He outlined the steps taken by the Finance Committee since the last meeting and presented a proposal by the Central Trust Company of Rochester as covered by a letter from Elmer B. Milliman to John B. Pike dated August 7, 1945 and a letter from Elmer B. Milliman to Joseph F. Weller dated August 14, 1945. (copies are attached herewith). The report included a Schedule of Reductions in a 10 year period on a mortgage of \$287,000. at payment rate of 6% per year on original principal. (copy attached). It was stated that President Anstice notified the Northwestern Mutual Life Insurance Company on August 13th that "we intend to pay the balance due on your mortgage unless you will agree to drastically reduce the interest rate and amortization. A meeting has been called for August 28th at which the Board will act on this matter." No satisfactory reply was received from the Insurance Company. Mr. Weller made clear the advantages to be secured by the Bank's proposal.

Upon motion of Mr. Gardner duly seconded the report was accepted.

Mr. Weller moved that the Board re-finance the mortgage by paying to the Northwestern Mutual Life Insurance Company the entire principal amount remaining unpaid, together with interest, on the next payment date, and by negotiating a loan with the Central Trust Company, and that the proper officers of the Board be directed with power to arrange for the execution of all details necessary to this assignment. Seconded by Mr. Gardner. Unanimously carried.

Whereupon Mr. Middleton offered the following resolutions:

WHEREAS, this corporation, on October 18, 1935, borrowed \$425,000.00 from The Northwestern Mutual Life Insurance Company of Milwaukee, Wisconsin, as evidenced by its written Bond and Mortgage covering its property on Main Street East in

-2-

the City of Rochester, Monroe County, New York; and

WHEREAS, there remains unpaid upon said Bond and Mortgage the principal sum of \$295,000.00, with interest which, on October 18, 1945, will amount to \$6,637.50; and

WHEREAS, it is proposed to pay said interest on said date, together with \$8,000.00 of principal; and


WHEREAS, arrangements have been completed to refinance said unpaid amount of \$287,000.00 of principal by securing an Assignment of said Bond and Mortgage from said Mortgage to Central Trust Company, Rochester N.Y. and then entering into an Extension Agreement with that Bank upon terms calling for payment of said balance in ten years from October 18, 1945, with monthly payments of \$1,435.00 to be applied first to interest at three per cent (3%) per annum and the balance to principal, and in addition, it is planned to have this corporation furnish certain additional collateral security and pay monthly into an escrow account an amount sufficient to pay taxes and insurance covering said mortgaged premises.

NOW, THEREFORE, upon motion duly made and seconded, it is unanimously

RESOLVED: That this corporation enter into an Extension Agreement with said Central Trust Company, Rochester N.Y., agreeing to repay said principal sum of Two hundred eighty-seven thousand dollars (287,000.00) in ten (10) years with interest at three per cent (3%) per annum, payable at the rate of One thousand four hundred thirty-five dollars (\$1,435.00) per month, to be applied first to interest and then to principal, and upon such other terms as may be required by said Bank and approval by the President of this corporation; and it is further

RESOLVED: That any officer or officers of this corporation be, and they hereby are, authorized to sign in the name of this corporation and under its seal and deliver any and all documents and do any and all things that may be necessary, desirable or proper to complete the refinancing of said loan.

Adjourned


John Adams Lowe
Secretary

JAL'EGS

COPY

CENTRAL TRUST COMPANY
ROCHESTER, NEW YORK
25 Main Street East

August 7, 1945

Mr. John D. Pike
1 Circle Street
Rochester, New York

Dear John:

If the Reynolds Library, Inc. paid us 6% on the original amount of the \$280,000. mortgage per year for a ten year period in monthly payments with the understanding that interest would be paid monthly at the rate of 3% on the unpaid balance and the balance applied on the principal, the mortgage indebtedness would be reduced, at the end of the ten year period, to approximately \$181,000.

Assuming that payment for taxes and insurance would not run more than for the calendar year of 1944, a monthly payment of \$4,017.60 would be sufficient to cover interest, principal, taxes, and insurance. This is figured as follows:

Interest and principal	\$16,800.00
Taxes (County and City)	30,029.70
Insurance	<u>1,381.42</u>
Total annual payment	\$48,211.12
Monthly payment	\$ 4,017.60

Very truly yours

/s/ Elmer

Elmer B. Milliman
President

EBM:G

CENTRAL TRUST COMPANY

ROCHESTER, NEW YORK

25 Main Street East

August 14, 1945

Mr. Joseph F. Weller
Chairman of the Finance Committee
Reynolds Library, Inc.
97 Humboldt Street
Rochester 9, New York

Dear Sam:

As I told you over the 'phone this morning, we will be very glad to make a ten year 3% first mortgage loan to your corporation of \$287,000. on the Reynolds Arcade Building provided you deposit with us government bonds and stock exchange securities with a market value of at least \$100,000. as additional collateral. It is understood you will make monthly payments of \$1,435. which will be applied, first, against interest and the balance upon the principal of the indebtedness.

In addition, we will receive monthly payments of \$2,610. representing 1/12th of the taxes and insurance payments made in 1944 provided, in the event these payments are not sufficient to meet maturing tax liabilities or insurance premiums, that your corporation will send us a check for the difference.

It will be agreeable with us to accept as assignment of the present mortgage now held by the Northwestern Mutual Life Insurance Company supplemented by an extension agreement covering the above terms subject, of course, to the approval of our attorneys, Van Schaick, Woods and Warner.

Very truly yours

/s/ Elmer
Elmer B. Milliman
President

EBM:G

SCHEDULE OF REDUCTIONS IN A 10 YEAR PERIOD ON A MORTGAGE OF \$287,000
 AT PAYMENTS RATE OF 6% PER YEAR ON ORIGINAL PRINCIPAL
 (3% APPLIED AS INTEREST ON UNPAID BALANCE,
 AND REMAINDER APPLIED ON PRINCIPAL)

	<u>Principal</u>	<u>Payment On Principal</u>	<u>Payment Of Interest</u>	<u>Total Annual Payment</u>
	\$287,000.00	-	-	-
End of 1st year	278,390.00	\$ 8,610.00	\$ 8,610.00	\$ 17,220.00
2nd year	269,521.70	8,868.30	8,351.70	17,220.00
3rd year	260,387.35	9,134.35	8,085.65	17,220.00
4th year	250,978.97	9,408.38	7,811.62	17,220.00
5th year	241,288.34	9,690.63	7,529.37	17,220.00
6th year	231,306.99	9,981.35	7,238.65	17,220.00
7th year	221,126.20	10,280.79	6,939.21	17,220.00
8th year	210,436.99	10,589.21	6,630.79	17,220.00
9th year	199,530.10	10,906.89	6,313.11	17,220.00
10th year	188,296.00	<u>11,234.10</u>	<u>5,985.90</u>	<u>17,220.00</u>
		\$98,704.00	\$73,496.00	\$172,200.00
		=====	=====	=====



REYNOLDS ARCADE

OFFICE BUILDING

ROCHESTER
NEW • YORK

October 24, 1945

Mr. John A. Lowe
c/o The Reynolds Library
Rochester Public Library
South Avenue
Rochester, New York

Dear John:-

I am enclosing for your files the original letter dated October 23rd from Nixon, Hargrave, Middleton & Devans regarding the refinancing of the Northwestern Mutual Life Insurance Company's mortgage on the Reynolds Library.

A copy of this letter has been sent to Larry Gardner.

I never saw a better or more complete report on any transaction, and if you will put it with your records you can answer any question at any time that anyone could possibly ask in regard to this matter.

Very sincerely,


President

MRAnstice:mk
Enclosure

Nixon, Hargrave, Middleton & Devans
Attorneys and Counselors at Law
31 Exchange Street
Rochester 4, N. Y.

T. CARL NIXON
THOMAS J. HARGRAVE
E. WILLOUGHBY MIDDLETON
FRANK E. DEVANS
EARL L. DEY
W. CLYDE O'BRIEN
EDWARD I. CRISTY
CASPER BALTESPERGER
ALFRED W. DUNBAR
JUSTIN J. DOYLE

FRANK J. GOODWIN
SCOTT STEWART, JR.
CARL F. PAUL, JR.
ARTHUR L. STERN
DANIEL G. KENNEDY
GEORGE C. GORDON, III
GEORGE H. HAWKS, JR.
WILLIAM H. MORRIS
JOSEPH WM. TAYLOR
RAYMOND F. ALLEN
CULVER A. BARR
ARTHUR A. ARMS, JR.
WADE G. GAYER
JOSEPH H. BUSH

October 23, 1945

RE: The Reynolds Library - Refinancing
of Northwestern Mortgage



Mr. Mortimer R. Anstice
The Anstice Co., Inc.
111 Humboldt Street
Rochester, New York

Dear Mr. Anstice:

Mr. Karl J. Probeck, representing The Northwestern Mutual Life Insurance Company, came on from his office in Cleveland, Ohio on October 18, 1945 and delivered to Nelson Warner, the attorney representing the Central Trust Company Rochester N. Y., a duly executed assignment of the Mortgage originally given by The Reynolds Library to The Northwestern Mutual Life Insurance Company, recorded October 29, 1935, in Liber 1364 of Mortgages at page 19, and received from Mr. Warner a New York Draft for \$287,000, being the amount of principal then remaining due on this Mortgage. Interest had previously been paid to October 18, 1945. With the recording of this Assignment, there was recorded an Extension Agreement between the Library and Central Trust Company, a duplicate original of which is enclosed.* Under this arrangement, the next payment under the Mortgage will be due on November 18, 1945 and on the eighteenth day of each month thereafter in the amount of \$1,435. These monthly payments will be applied first to interest at the rate of three per cent and the balance will then be applied to the balance of principal remaining due.

In addition to this payment, you will pay the Bank \$2,610 on the eighteenth day of each month beginning November 18, 1945, to be applied by the Bank to the payment of taxes, assessments, water charges and insurance premiums. If this account is not sufficient at any time to pay the amounts due for these items, the Bank may request additional payments in amounts sufficient to pay the taxes, insurance, etc., then due.

The balance of the Mortgage is due on October 18, 1955.

* Forwarded to Mr. Gardner. see letter attached - JLL

Nixon, Hargrave, Middleton & Devans

#2 - Mr. Mortimer R. Anstice

October 23, 1945.

Mr. Gardner, as Treasurer of the Library, sent us a check to cover the U. S. Revenue Stamps in the amount of \$315.70 that had to be affixed to the Extension Agreement, and in the amount of \$143.50 to be affixed to the Assignment.

We gave Mr. Warner a certified copy of the resolutions passed by the Trustees of the Library authorizing this transaction.

In addition to the documents referred to above, there was delivered at the time of closing an Agreement between the Library and Central Trust Company whereby the Bank agreed to release annually, beginning October 18, 1946, so many of the marketable securities assigned to it as collateral security as shall in marketable value equal the multiple of \$1,000 nearest to one-third of the principal payments made to it by the Library on said Bond and Mortgage during the preceding twelve months' period. The application of this provision was explained in a letter to Mr. Howard M. Woods dated September 22, 1945, written by Elmer B. Milliman, President of the Bank. The securities referred to in this Agreement were delivered to the Bank by Mr. Gardner. A duplicate original of this Agreement is enclosed for your files.

All of the papers held by Northwestern in connection with the Bond and Mortgage, including all of the insurance policies with a total coverage of \$500,000, were delivered to Mr. Warner by Mr. Probeck and receipted for by him. If reference need be made at any time to a list of these papers, they are enumerated in a copy of a letter dated October 10, 1945 from Mr. F. P. Price, Superintendent of Mortgage Loans of Northwestern, to Mr. Probeck in Cleveland, Ohio.

For your records also, in the event you wish to refer to this closing report, it might be well to refer to the fact that although a Court Order was necessary at the time this Mortgage was first placed by the Library, we and counsel for the Bank were of the opinion that no Court Order was necessary in this refinancing matter since the loan had already been placed with the approval of the Court and the present deal involved simply a new method of repayment of that loan under circumstances that were more beneficial to the Library in the lower rate of interest and the extended time of payment. Under these circumstances, a Petition and Court Order were not prepared, and it was felt that if at any time in the future other circumstances should arise to make the securing of such a Court Order advisable, one could be obtained sanctioning and confirming what was done in the closing of this deal.

x To Mr. Gardner

Nixon, Hargrave, Middleton & Devans

#3 - Mr. Mortimer R. Anstice

October 23, 1945.

The only disbursements involved, in addition to the U. S. Revenue Stamps referred to above for which you have already paid, were \$2.50 for redating the Abstract, \$2.00 for recording the Extension Agreement, and \$1.00 for recording the Assignment of Mortgage, or a total of \$5.50.

A copy of this letter is being sent to Mr. Gardner for his use in checking the payments to be made in the future.

Very truly yours,

Nixon Hargrave Middleton & Devans

cris

EIC:LAC

ENCS.

cc. Mr. Gardner

CC: Mr. Lowe
Mr. Weller

October 24, 1945

Mr. E. W. Middleton
Nixon, Hargrave, Middleton & Devans
31 Exchange Street
Rochester 4, New York

Dear Wlb:-

I am in receipt of Ed Christy's letter of October 23rd covering the whole transaction in regard to the Reynolds Library re-financing of Northwestern's mortgage, and I cannot let this go with just an acknowledgment.

I don't believe I have ever seen a report more complete or which listed the important details of the transaction. It is a true and complete history of the matter and in years to come will be a valued record for the Library.

With grateful appreciation, I am,

Very sincerely,

President

MRAnstice:mk

CC: Mr. Middleton
Mr. Lowe ✓
Mr. Weller

October 24, 1945

Mr. Lawrence Gardner
c/o Goodbody & Company
Lincoln-Alliance Bank Bldg.
183 Main St. E.
Rochester, New York

Dear Larry:-

I am handing you today original of the Agreement between the Reynolds Library and the Central Trust Company covering the deposit of Library securities in connection with the refinancing of the Arcade mortgage by the Central Trust Company. Will you kindly put this paper in our safe deposit box?

I am also enclosing duplicate of the Agreement between the Reynolds Library and the Central Trust Company covering the assignment of the original Northwestern Mutual Life Insurance Company's mortgage to the Central Trust Company, Rochester, New York in the amount of \$287,000.00.

In this agreement and in copy of letter to me from Nixon, Hargrave, Middleton & Devans under date of October 23, 1945 which was forwarded to you direct by our Attorneys, the requirements of payment in interest and amortization are stated and will you please be guided accordingly.

Very sincerely,

MRAnstice:mk
Enclosures

President

Quarterly Meeting

Reynolds Library Board

November 23, 1945

Present: President Anstice, and Messrs. Anstice, Durand, Gardner, Gordon, Lowe, Pike, Sproat and Weller.
(Mr. Miner was excused by president, Mr. Middleton was in South Carolina and Mr. Sibley still in Greece.)

The minutes of the meeting of August 28 were read and upon motion by Mr. Sproat supported by Mr. Weller's seconding they were approved.

The report of Nixon, Hargrave, Middleton and Devans, dated October 23, 1945 concerning the refinancing of Northwestern Mortgage was accepted and the acts of the Officers of this Board incident thereto were approved upon motion of Mr. Gardner seconded by Mr. Gordon.

The Treasurer recommended the transfer of the account from the Security Trust Company to the Central Trust Company. Whereupon Mr. Pike seconded by Mr. Weller moved that the proper officers be authorized to carry out all details necessary to such transfer. Carried.

Whereupon the following resolutions were duly presented and adopted:

RESOLVED, that an account be opened with, and the funds of this corporation deposited in, the CENTRAL TRUST COMPANY, ROCHESTER, N.Y., subject to withdrawal upon the check, draft, note, order or acceptance of this corporation, signed by any of the following three officers or employees:

Mortimer R. Anstice, President
E. Willoughby Middleton, Member of Board
Lawrence Gardner, Treasurer

and the said bank is hereby authorized to pay such checks, drafts, notes, orders or acceptance and also to receive the same for the credit of or in payment from the payee or any other holder when so signed, without inquiry as to the circumstances of their issue or the disposition of their proceeds, whether drawn to the individual order of, or tendered in payment of individual obligations of, any of the officers or employees above named, or other officers or employees of this corporation, or otherwise.

RESOLVED, That endorsements on behalf of this corporation upon any and all checks, drafts, notes and other instruments of every kind deposited by or on behalf of this corporation with said bank for credit or collection or otherwise, may be made by any one of the said officers or their successors or by

-2-

hand stamp impression in the name of this corporation.

RESOLVED, that any of the following three officers or employees:

Mortimer R. Anstice, President
E. Willoughby Middleton, Member of Board
Lawrence Gardner, Treasurer

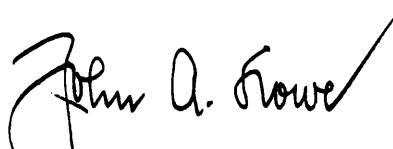
be, and they hereby are, authorized, in behalf of this corporation, from time to time, to borrow money from the CENTRAL TRUST COMPANY, ROCHESTER, N.Y., and to make and deliver notes and other obligations of this corporation in form required by the CENTRAL TRUST COMPANY, ROCHESTER, N.Y., for the payment of any sum so borrowed; also, to pledge any of the bonds, stocks, bills receivable, or any other security and/or property of this corporation as collateral therefor, with full authority to endorse or guarantee the same in the name of this corporation, to execute and deliver all instruments of assignment and transfer and to affix the corporate seal, and to discount or rediscount any bills receivable held by this corporation at any time, rendering the same negotiable by endorsement: hereby authorizing the said CENTRAL TRUST COMPANY, ROCHESTER, N.Y. to charge the same to the account of this corporation, before, at or after maturity thereof.

RESOLVED, that the loans of discounts heretofore effected and at present outstanding with said bank, and endorsements and powers of attorney made and issued in connection therewith, be and they hereby are ratified and confirmed.

RESOLVED, that the foregoing powers and authority shall continue until written notice of the revocation thereof has been received by said bank.

RESOLVED, that these authorizations are to cover all accounts of this corporation in the CENTRAL TRUST COMPANY, ROCHESTER, N.Y. unless said bank shall have received written notice to the contrary.

The Chairman of the Library Committee reported the dismissal of Henry R. Shields, Jr. as Janitor, and the appointment in his place of George Barr, 68 Verona Street at the rate of \$18.00 per month effective November 8, 1945. Action approved. Adjourned.


John Adams Lowe
Secretary

JAL'EGS



REYNOLDS ARCADE

OFFICE BUILDING

ROCHESTER
NEW • YORK

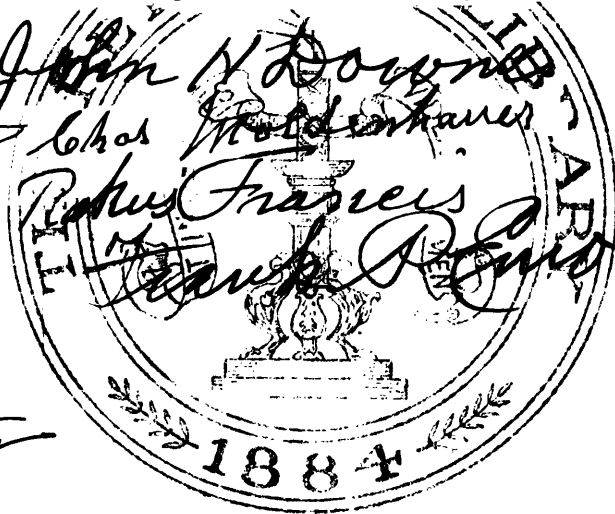
December 27, 1945

Mr. Mortimer R. Anstice, Sr.
111 Humboldt Street
Rochester, New York

Dear Mr. Anstice:

The undersigned employees of the Reynolds Arcade Building wish to express their thanks to the Board for the Christmas gifts which were given them.

Charles Hepkiss John V. Downes
Russell Yates Chas. Goldschlager
Walter Meindert Robert Francis
Raymond H. Hodson Frank P. Smith
Harry Kennedy
John A. Ashton
Walter Mearl
Ed. Billson
Mildred L. Zimmer
Ella Riefer
Tillie Schurr
Lissie Kase
Angeline Storey
Marie Riefer Mrs. J. Keller



Reynolds Library
Library Committee

June 7, 1946

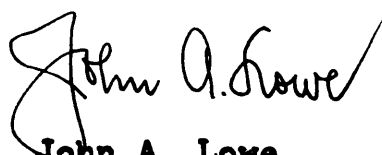
The salaries of the Attendants in the Reynolds Reading Room are sadly out of line with present conditions and we are urged to give consideration to readjusting them. The present rates are those adopted in the budget for the year 1942. Our employees are aware of the increases allowed throughout industry. They remember also that the City allowed two years ago a cost of living bonus of \$150. to all employees receiving less than \$3000. This month they have been reading in the public prints of the additional increases of \$150. allowed to all city employees.

I recommend that effective June 1, 1946, the salaries of the Reynolds Reading Room be revised as follows:

	Present annual salary	Revision
Edward C. Herbrand, Superintendent	\$1320.	\$1500. to \$1900.
Dorothy C. Perkins, Assistant	660.	\$750. to \$950.
Sidney Robbins, Janitor	\$18. monthly	\$24. monthly

This will increase the annual cost of reading room maintenance by \$342.

Respectfully submitted



John A. Lowe
Chairman
Library Committee

JAL'EGS

Reynolds Library Board
Meeting of
June 7, 1946
4 p.m.

Present: President Anstice and Messrs. Anstice, Gardner, Gordon, Lowe, Miner, Sproat, Weller.

Note: The meetings regularly scheduled for February and April were omitted owing to strikes, industrial turmoil and absence from the City of members making a quorum impracticable.

The reading and formal approval of the minutes of the meeting of November 23, 1945 was the first order of business.

Mr. Gardner presented the annual audit prepared by Wilson, Shults and Company, the first reference being on Page 2 where the cash position at the end of the year was disclosed. He pointed out that the cash on hand was very low and that had been the condition most of the year. He then referred to Page 7, giving the comparative income, profit and loss statement for the year, showing that net income for 1945, before depreciation and amortization amounted to \$5,556.69 compared with \$3,539.93 in 1944 and \$11,997.95 in the year 1943. After depreciation and amortization however, there was a loss shown of \$29,248.23 for 1945 compared with \$16,608.28 in 1944 and \$15,608.33 in 1943. The treasurer then referred to Exhibit B, Sheets 1 and 2, giving a detailed income, profit and loss statement for the year 1945 and the various items of income and expense were discussed. The treasurer pointed out that the budget for 1945 worked out to within \$2,381.54, which he considered very close in a \$102,668.00 operation.

At this point a general discussion followed, concerning the way the library was headed as to profit and loss, the method of auditing, charging of depreciation and amortization and the general conclusions reached that our present method was satisfactory.

The treasurer then referred the Board back to Page 4 of the Wilson, Shults audit and reference was made to the mortgage held by the Central Trust Company which showed that payments of principal, amounting of \$1,436.79 had been made from the date of the mortgage, October 18, 1945 to December 31, 1945, leaving the amount of the mortgage \$285,563.21 as of the year end.

The treasurer then referred the Board to Schedule 2, showing the purchases and sales in the investment account during the year. On the sales and the funds received from called bonds and Lincoln-Rochester Trust Company stock, the

auditors showed a loss of \$5,179.09, but the treasurer called attention to the fact that although the auditors had been told not to carry the German Government bonds in the list, this had not been done and that one item amounted to \$4,129.00. The actual loss then should show at \$1,780.50 of which \$1,050.09 resulted from the necessary sale of U.S. Series G bonds as these bonds could not be used as collateral for the mortgage and the funds were reinvested in U.S. Treasury 2½'s of 1967-72.

The treasurer then referred to Exhibit A, Sheet 2, showing that the values of all securities and secretary's checks held in the investment account at December 31, 1945 amounted to \$121,581.88 as compared with cost or book value of \$114,172.30. This concluded the treasurer's report for 1945.

The treasurer then went on to discuss operation for 1946 to date, pointing out that it had been necessary to transfer \$5,000.00 from the investment account to the checking account in January, as there were not sufficient funds on hand at that time to take care of our obligations without taking this step. The balance of funds received in 1946 from called bonds, on the recommendation of the Finance Committee, was applied to the mortgage and the monthly payment for April, amounting to \$1,435.00 to be applied on interest and principal. The treasurer felt it was of interest to the Board that after the withdrawal of \$5,000.00 to our checking account and payment of \$11,805.44 to the Central Trust for a total of \$16,805.44, the value of the securities left in the securities account as of June 6, 1946, was very slightly in excess of the cost of all securities held in the investment account as of January 1, 1946 due to favorable markets. This concluded the treasurer's report.

Mr. Sproat moved that the Auditors be instructed to write off the German bonds. Seconded, carried.

Upon motion of Mr. Weller, seconded by Mr. Sproat the report of the Auditors was accepted. The report is attached and made a part of these minutes.

For the Building Committee, Mr. Pike asked for a report of the operating expense for the first six months of this year, and requested the Board to authorize the necessary expense involved. Motion carried.

Special meeting. Mr. Miner moved that we hold the Board subject to the call of a special meeting by the President following the procedure provided for in the By-laws for this purpose. This was seconded by Mr. Gardner. Carried.

Mr. Lowe for the Library Committee recommended that effective June 1, 1946, the annual salaries and wages of the staff of the Reynolds Reading Room be revised as follows:

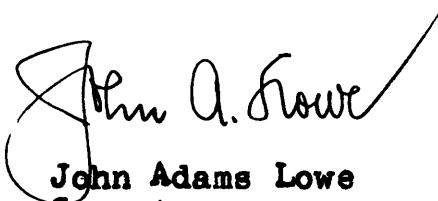
-3-

Edward C. Herbrand, Superintendent	from \$1320. to \$1500.
Dorothy C. Perkins, Assistant	" \$660. " \$750.
Sidney Robbins, Janitor	" \$18. " \$24. (monthly) (monthly)

Mr. Gordon and Mr. Miner joined in action to accept the recommendation which was adopted.

Adjourned 5:45 p.m.

JAL'EGS


John Adams Lowe
Secretary

THE REYNOLDS LIBRARY, INC.
ROCHESTER, NEW YORK
REPORT AS AT DECEMBER 31, 1945

WILSON, SHULTS & CO.
CERTIFIED PUBLIC ACCOUNTANTS
119 EAST MAIN STREET
ROCHESTER 4, N.Y.

MEMBERS
—
AMERICAN INSTITUTE
OF ACCOUNTANTS
—
NEW YORK STATE
SOCIETY OF
CERTIFIED PUBLIC
ACCOUNTANTS

WILSON, SHULTS & CO.
CERTIFIED PUBLIC ACCOUNTANTS
119 EAST MAIN STREET
ROCHESTER 4, N.Y.

February 14, 1946

To the President and Board of Trustees
The Reynolds Library, Inc.
Reynolds Arcade Building
Rochester 4, New York

Gentlemen:-

As requested, we have made our annual audit (consisting of an examination of financial condition and audit-test of transactions) of the books and accounts of The Reynolds Library, Inc. for the year ended December 31, 1945. As a part of this report, we submit the following statements:

Exhibit A:

Statement of Assets and Liabilities as at
December 31, 1945.

Exhibit B:

Income, Profit and Loss Statement for the twelve
months ended December 31, 1945.

Schedule #1:

Analysis of Net Worth (Surplus Account):
January 1, 1945 to December 31, 1945.

Schedule #2:

Analysis of Investment Account: January 1, 1945
to December 31, 1945.

Schedule #3:

Analysis of Investments as at December 31, 1945.

Schedule #4:

Abstract of Leases in Effect as at December 31, 1945.

Schedule #5:

Budget Figures for the year ending December 31, 1946.

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GENERAL COMMENTS1. CASH:

The cash is accounted for as follows:

On deposit:	
Security Trust Co. of Rochester	\$ 2,512.62
Lincoln-Rochester Trust Co., Rochester, N. Y.	
Permanent Fund	1,006.18
Central Trust Co., Investment Fund	1,175.04
Petty cash	10.00
Total:	<u>\$ 4,703.84</u>

For statement purposes, the cash is segregated as follows:

Cash on deposit (General Fund)	\$ 2,522.62
Investment Fund	1,175.04
Permanent Fund	1,006.18
Total: (As above)	<u>\$ 4,703.84</u>

The cash on hand was verified by actual count. The funds on deposit were confirmed by the depositories.

2. ACCOUNTS RECEIVABLE; RENTALS:

Accounts receivable, rentals, consist of the following:

Attorney General's Office	December Rent	1945	\$ 123.05
H. H. Frank Est.	-do-	1945 (Pd. Jan. 1946)	81.60
New York State Youth Commission	-do-	1945	100.00
Rochester Hospital Council	-do-	1945 (Pd. Jan. 1946)	238.30
Eric P. Smith	Balance Dec. Rent	1945	20.00
Lloyds Flower Shop	December Rent	1945 (Pd. Jan. 1946)	250.00
Total:			<u>\$ 812.95</u>

3. INVESTMENTS:

A summary of investments as set forth on Schedule #3 of this report follows:

Government and Corporation Bonds and Stocks:

A. Par Value	Bonds	\$ 51,000.00	
	Stocks	<u>3,720.00</u>	
	Total:		<u>\$ 54,720.00</u>
B. Market Value	Bonds	\$ 47,187.50	
	Stocks	<u>60,995.00</u>	
	Total:		<u>\$108,182.50</u>
C. Book Value	Bonds	\$ 46,566.25	
	Stocks	<u>53,683.46</u>	
	Total:		<u>\$100,249.71</u>

Stocks and bonds as set forth on Schedule #3 are held as collateral by the Central Trust Co., Rochester, N.Y., for a mortgage in the amount of \$285,563.21.

-3-

4. REAL ESTATE AND SUNDRY ASSETS:

Investment in real estate and other properties is as follows:

16 East Main St., Rochester, N.Y.:	Cost	Deprec'n.	Book Value
Real Estate:			
Land	\$350,000.00	\$ -	\$350,000.00
Building	415,310.93	83,062.76	332,248.17
Equipment	185,697.29	116,792.12	68,905.17
Total:	<u>\$951,008.22</u>	<u>\$199,854.88</u>	<u>\$751,153.34</u>
Library Books (At Rundel Library)			<u>80,000.00</u>
Total: (Per Exhibit A)			<u>\$831,153.34</u>

The assessed value of real estate for tax purposes is as follows:

16 East Main Street, Rochester, New York:	
Total Assessment (including exempt \$130,000.00)	<u>\$871,000.00</u>

During 1945 depreciation was written off as follows:

	Cost to Dec. 31, 1945	Rate	Amount
Buildings:			
Building 16 East Main St.	\$401,626.93	2 %	\$ 8,032.56
Acoustical Treatment	13,684.00	2 %	273.72
Total:	<u>\$415,310.93</u>		<u>\$ 8,306.28</u>
Equipment:			
Carrier equipment	\$ 63,328.73	10%	\$ 6,332.76
Heating equipment	27,639.93	4 %	1,105.56
Plumbing equipment	37,709.99	4 %	1,508.40
Elevators, machinery and cabs	27,623.00	5 %	1,381.08
Venetian blinds	2,243.28	8 %	179.40
Electric wiring and fixtures	22,844.63	4 %	913.80
Drinking fountains	2,138.89	15%	-
Sprinkler system	2,093.84	5 %	104.76
Shelving	75.00	-	-
Total:	<u>\$185,697.29</u>		<u>\$ 11,525.76</u>

The book value as set forth for the various properties does not necessarily represent the present market value of said properties.

5. DEFERRED CHARGES:

Deferred charges are as follows:

Building construction special	\$ 82,864.12	
Less: Amortization at the rate of 10%	<u>79,350.50</u>	\$ 3,513.62
Inventory of sundry supplies		699.30
Prepaid insurance		1,114.58
Prepaid taxes: City		<u>3,776.70</u>
Total: (Per Exhibit A)		<u>\$ 9,104.20</u>

- continued on next sheet -

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5. DEFERRED CHARGES: (CONTINUED):

A summary of "Building Construction Special" follows:

Cost of construction for change in plans to accommodate tenants	\$ 50,606.98	
Tenant alteration	<u>17,565.74</u>	\$ 68,172.72
Commissions re: Acquisition of leases		14,691.40
		<u>\$ 82,864.12</u>
Less: Amortization		<u>79,350.50</u>
Balance: (As per preceding sheet)		<u>\$ 3,513.62</u>

6. LIABILITIES:

A summary of liabilities is as follows:

Accounts payable	\$	239.52	
Interest accrued on mortgage covering the period Dec. 18, 1945 to Dec. 31, 1945	\$	385.56	
Mortgage principal payments due during 1946	<u>8,772.43</u>	9,157.99	
County tax accrued (payable during 1946)		6,052.59	
New York State unemployment ins. accrued		<u>225.73</u>	
Total Current Liabilities			\$ 15,675.83

Mortgage Payable:

First mortgage dated Oct. 18, 1945 held by Central Trust Co., Rochester, N.Y., covering Arcade Bldg., at 16 East Main St., Rochester 4, N.Y. Principal amount \$287,000.00. Interest 3½ per annum. Monthly payments of \$1,435.00 are to be made and each payment will be applied first to interest and the balance will then be applied to the balance of principal remaining due.

The mortgage is all due and payable Oct. 15, 1955. As at 12/31/45, it is secured by collateral (see Balance Sheet Note 2).

Principal amount		\$287,000.00	
Less: Payments made to Dec. 31, 1945	\$ 1,436.79		
: Principal payments due during 1946 (see current above)	<u>8,772.43</u>	10,209.22	276,790.78

Total Liabilities

\$292,466.61

We have been informed that all known obligations as at Dec. 31, 1945 of The Reynolds Library, Inc. were recorded upon the books before closing as at said date, and that there are no contingent liabilities other than the following:

1. Such liability as may exist in connection with insurance, some of which is carried with Mutual Insurance Companies, under which policies the insured is subject to assessment.

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7. PERMANENT FUNDS:

Gordon and Bowman:

W. S. Gordon Fund:

This fund was created by W. S. Gordon of Cleveland, Ohio, on or about June 10, 1895, and the income therefrom is to be used to purchase books of landscape gardening.

Original amount of fund \$ 2,500.00

John R. Bowman Fund:

This fund was created by John R. Bowman on or about January 13, 1932. At a meeting of the Board held February 11, 1932, a resolution was passed that the legacy of Mr. Bowman be set apart as a special fund to be used at the discretion of the Library Committee for library purposes.

Original amount of fund 5,000.00

Total: \$ 7,500.00

Add: Interest and dividends to date 6,253.73

Total: \$ 13,753.73

8. INSURANCE CARRIED:

A summary of insurance carried is as follows:

Arcade Building:

Fire: Windstorm, hail, explosion, riot, aircraft, smoke, and vehicles	80% (See Note #1)	\$500,000.00
Public liability and property damage and elevator (including parking station and direct encroachments)		15/30/3,000.00
Workmen's compensation		Based on payroll
Officers' and employees' fidelity bond:		
Lawrence Gardner - Treasurer		20,000.00
Dorothy R. Follmer - Bookkeeper		5,000.00
Plate glass		Replacement Cost

Note #1:

Loss payable to Central Trust Company, Rochester, N. Y. and/or The Reynolds Library, Inc., as their interests may appear.

These fire insurance policies were confirmed by the Central Trust Company.

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9. COMPARATIVE FINANCIAL STATEMENTS:

<u>Assets</u>		As at December 31st		
		1943	1944	1945
Current Assets:				
Cash on hand and in bank:				
General Fund	\$	14,928.67	\$ 6,949.55	\$ 2,522.62
Accounts receivable: Rents		-	369.10	812.95
Interest receivable		386.25	404.25	-
Total:	\$	15,314.92	\$ 7,722.90	\$ 3,335.57
Investments:				
Cash in investment account	\$	5,719.63	\$ 384.65	\$ 1,175.04
Common and preferred stock		30,469.05	44,519.38	53,683.46
Bonds		82,819.15	77,686.81	46,566.25
Total:	\$	119,007.83	\$ 122,590.84	\$ 101,424.75
Permanent Funds:				
Cash on deposit	\$	349.00	\$ 713.23	\$ 1,006.18
Bonds		8,157.30	8,157.30	8,157.30
Stocks		4,590.25	4,590.25	4,590.25
Total:	\$	13,096.55	\$ 13,460.78	\$ 13,753.73
Other Assets:				
Real estate & equipment (less res.)	\$	790,389.30	\$ 770,985.38	\$ 751,153.34
Rundel Library books		80,000.00	80,000.00	80,000.00
Deferred		23,192.82	14,163.25	9,104.20
Total:	\$	1,041,001.42	\$ 1,008,923.15	\$ 958,771.59
<u>Liabilities & Capital</u>				
Current Liabilities:				
Accounts payable	\$	18.91	\$ 256.81	\$ 239.52
Interest accrued on mortgage		2,871.00	2,727.00	385.56
Mortgage principal payments due during following year		16,000.00	16,000.00	8,772.43
County tax accrued		7,607.20	7,329.05	6,052.59
Rentals paid in advance		-	140.00	-
New York State unemployment insurance accrued		-	210.03	225.73
Total:	\$	26,497.11	\$ 26,662.89	\$ 15,675.83
Mortgage payable	\$	303,000.00	\$ 287,000.00	\$ 276,790.78
Permanent Funds: Gordon and Bowman		13,096.55	13,460.78	13,753.73
Surplus		698,407.76	681,799.48	652,551.25
Total:	\$	1,041,001.42	\$ 1,008,923.15	\$ 958,771.59

Note:

The above statements are subject to the comments as set forth in our reports covering an examination of the accounts of your Association for the respective periods.

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10. COMPARATIVE INCOME, PROFIT AND LOSS STATEMENT:

	For the twelve months ended					
	Dec. 31, 1943		Dec. 31, 1944		Dec. 31, 1945	
Income:						
Building:						
Rentals	\$100,534.51		\$ 96,594.59		\$ 99,616.98	
Electricity	4,191.51		4,024.59		4,613.65	
Water	307.19		257.17		261.93	
Parking stat.	600.00		600.00		650.00	
Sundry	192.41	\$105,825.62	114.35	\$101,590.70	175.13	\$105,317.69
Interest:						
Bonds	\$ 4,016.96		\$ 2,358.47		\$ 1,247.71	
Dividends	953.25	4,970.21	1,882.50	4,240.97	1,659.75	2,907.46
Total:		\$110,795.83		\$105,831.67		\$108,225.15
Expenses:						
Building	\$ 95,951.84		\$ 99,364.73		\$100,114.14	
Reading Room	2,846.04	98,797.88	2,927.01	102,291.74	2,554.32	102,668.46
Net Income (before deduction for depreciation)						
		\$ 11,997.95		\$ 3,539.93		\$ 5,556.69
Deprec'n. & Amortiz'n.:						
Depreciation	\$ 20,152.92		\$ 19,403.92		\$ 19,832.04	
Amortization	8,286.36	28,439.28	8,286.36	27,690.28	8,286.36	28,118.40
Net Operating Loss		\$ 16,441.33*		\$ 24,150.35*		\$ 22,561.71*
Other income	\$ 1,103.00		\$ 7,812.07		\$ 200.96	
Other deductions	270.00	833.00	270.00	7,542.07	6,887.48	6,686.52
Net Loss for the Period		\$ 15,608.33*		\$ 16,608.28*		\$ 29,248.23*

* Red Figure (Loss)

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**11. SUMMARY OF ITEMS TO BE CONSIDERED
BY THE BOARD OF TRUSTEES:**

1. Resolution providing for appropriation for the Committee for the period January 1, 1946 to December 31, 1946.
2. Approval of the Treasurer's Report for the year ended December 31, 1945.

12. MISCELLANEOUS:

We were informed that your organization, pursuant to the opinion of your Attorneys, is not subject to the filing of Federal Unemployment and Federal Social Security reports, and that accordingly, periodical reports are not filed.

We were also informed that your organization, as of January 1, 1944, has voluntarily agreed to file New York State Unemployment Insurance reports, and that said reports have been filed and the tax paid for the year 1945.

Mrs. Follmer informed us that your Association is complying with the provisions of the Federal Wage and Hour Law in that time over 40 hours is paid at the rate of time and one-half.

The records indicate that reports as required under Federal Withholding Tax Regulations are filed currently as they become due.

The cooperation extended to our representatives on this assignment by the officers and employees of The Reynolds Library, Inc. is greatly appreciated and facilitated our examination.

Respectfully submitted,

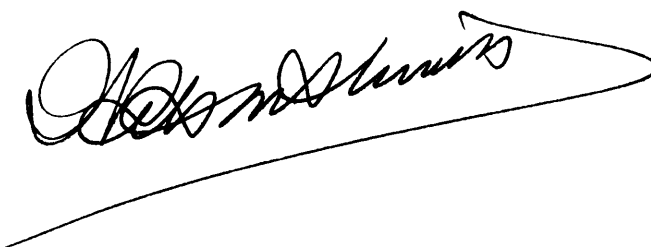


EXHIBIT A
SHEET #2
NOTES TO
BALANCE SHEET

Note #1:**Contingent Liability:**

Such liability as may exist in connection with insurance, some of which is carried with Mutual Insurance Companies, under which policies the insured is subject to assessment.

Note #2:

Per letter from the Central Trust Company dated January 25, 1946, said bank held as collateral to the mortgage of the Reynolds Library, the following:

	Cost	Memo Market Value
\$3,000.00 American Tobacco: 3's - '62	\$ 3,028.50	\$ 3,150.00
\$5,000.00 U. S. of A. 3-48	5,157.30	5,048.45
\$3,000.00 U. S. of A. 2-53	3,000.00	3,120.93
100 shs. Cons. Gas, Electric, Light and Power of Balt. - com.	8,945.25	8,675.00
200 shs. International Nickel - com.	5,429.43	7,500.00
11 shs. Lincoln-Alliance Bank - pfd.	573.50	550.00
100 shs. Montgomery Ward - com.	4,525.75	7,287.50
100 shs. Twentieth-Century Fox - pfd.	10,132.71	10,400.00
60 shs. U. S. Plywood - cum. pfd.	6,308.71	6,420.00
300 shs. Commonwealth Edison Co.	10,188.08	10,162.50
180 shs. Humble Oil	6,556.03	9,000.00
100 shs. Standard Oil of Indiana	4,590.25	4,050.00
Secretary's check #A-49580	165.00	165.00
\$28,000.00 U. S. of A. 2½-72	28,000.00	28,402.50
20 shs. Lincoln-Rochester Trust - conv. pfd.	1,024.00	1,000.00
\$5,000.00 United Light & Railway Co. 5½-52	4,786.50	5,110.00
\$5,000.00 National Dairy Products Co. 3½-60	5,253.75	5,275.00
\$5,000.00 Pacific Gas & Elec. Co. 3½-66	5,497.50	5,250.00
Secretary's check	1,010.00	1,010.00
Total:	\$114,172.30	\$121,581.88

Summary:

Investment Fund	\$101,424.75
Bowman & Gordon Funds	12,747.55
Total: (As above)	\$114,172.30

THE REYNOLDS LIBRARY, INC.
ROCHESTER, NEW YORK

INCOME, PROFIT AND LOSS STATEMENT FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1945

INCOME:	Budget	Actual
Reynolds Arcade Building:		
Rentals (See Schedule #4)	\$100,000.00	\$ 99,616.98
Parking station (See Schedule #4)	700.00	650.00
Electricity	4,200.00	4,613.65
Water	250.00	261.93
Sundry	250.00	175.13
	<u>\$105,400.00</u>	<u>\$105,317.69</u>
Interest:		
Bonds (See Schedule #3)		\$ 1,247.71
Dividends (See Schedule #3)	\$ 4,000.00	1,659.75
Total:	<u>\$109,400.00</u>	<u>2,907.46</u> <u>\$108,225.15</u>
EXPENSES:		
Reynolds Arcade Building:		
Building and janitor supplies	\$ 1,800.00	\$ 2,578.86
Office supplies	175.00	167.16
Elevator maintenance	1,300.00	1,257.41
Heat	6,000.00	4,718.89
Electricity	7,000.00	8,220.40
Legal and audit service	250.00	225.02
Payrolls	30,000.00	28,847.87
Insurance	1,500.00	1,902.82
Taxes:		
Utility	100.00	92.96
City and County	30,500.00	29,989.21
New York State unem. insurance	1,000.00	861.30
Water	2,300.00	2,306.36
Building maintenance	1,500.00	1,908.80
Repairs: Building & equipment	1,000.00	1,056.59
A. D. T. Service	550.00	553.50
Legal and professional	500.00	1,449.44
Directory Board service	25.00	15.00
Interest on mortgages	14,000.00	12,546.77
Telephone and telegraph	300.00	273.13
Misc. equipment and expense	500.00	-
Alterations	1,500.00	1,142.65
Total:	<u>\$101,800.00</u>	<u>\$100,114.14</u>
Reading Room:		
Salaries	\$ 2,600.00	\$ 2,246.72
Lighting)		-
Periodicals)	650.00	212.18
Supplies)		95.42
Total:	<u>\$ 3,250.00</u>	<u>\$ 2,554.32</u>
Total:	<u>\$105,050.00</u>	<u>\$102,668.46</u> <u>102,668.46</u>
NET INCOME: BEFORE DEDUCTIONS FOR DEPRECIATION:		
(FORWARD TO SHEET #2).....		\$ 5,556.69

NET INCOME: BEFORE DEDUCTIONS FOR DEPRECIATION:			
(BROUGHT FORWARD FROM SHEET #1).....\$ 5,556.69			
DEPRECIATION:			
Building		\$ 8,306.28	
Equipment		11,525.76	
AMORTIZATION:			
Building construction - special		<u>8,286.36</u>	<u>28,118.40</u>
NET OPERATING LOSS			\$ 22,561.71*
OTHER INCOME:			
Discounts	\$ 26.07		
Miscellaneous income	<u>174.89</u>	\$ 200.96	
OTHER DEDUCTIONS:			
Loss on securities (Per Schedule #3)	\$ 5,179.09		
Miscellaneous charges	<u>1,708.39</u>	<u>6,887.48</u>	<u>6,686.52</u>
NET LOSS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1945 (PER SCHEDULE #1)			<u>\$ 29,248.23*</u>

* Red Figure (Loss)

THE REYNOLDS LIBRARY, INC.

ROCHESTER, NEW YORK

ANALYSIS OF SURPLUS ACCOUNT; NET WORTH ACCOUNT: JANUARY 1, 1945 TO DECEMBER 31, 1945

BALANCE: JANUARY 1, 1945	\$681,799.48
LESS:	
Net loss for the twelve months ended	
December 31, 1945 (Per Exhibit B)	<u>29,248.23</u>
BALANCE: DECEMBER 31, 1945 (PER EXHIBIT A)	<u>\$652,551.25</u>

THE REYNOLDS LIBRARY, INC.
ROCHESTER, NEW YORK
ANALYSIS OF INVESTMENT ACCOUNT: JANUARY 1, 1945 TO DECEMBER 31, 1945

	<u>Cost</u>	
BALANCE: JANUARY 1, 1945: SECURITIES AT COST	\$122,206.19	
ADD: PURCHASES:		
300 shs. Commonwealth Edison Co.	\$ 10,188.08	
U. S. of America Treasury Bonds	28,000.00	38,188.08
		<u>\$160,394.27</u>
DEDUCT: SALES:		
	<u>Proceeds</u>	<u>Cost</u>
American Tobacco Co.: Debentures called	\$ 1,014.65	\$ 1,009.50
Minneapolis, St. Paul, and St. Marie	5,191.13	4,871.49
German Government Bonds (See Note 1)		
(In default)	No Value	4,129.00
Standard Oil of New Jersey	5,276.87	5,023.85
U. S. of America Savings Bonds, Series "D"	1,160.20	1,052.50
U. S. of America Savings Bonds, Series "G"	36,219.50	38,000.00
U. S. of America Treasury Bonds	5,093.12	5,034.22
Lincoln-Rochester Trust Co.	1,010.00	1,024.00
Total:	<u>\$ 54,965.47</u>	<u>\$ 60,144.56</u>
BALANCE: DECEMBER 31, 1945 (INVESTMENT ACCOUNT) (PER EXHIBIT A)	<u>\$100,249.71</u>	

Note #1:

German Government Bonds are to be carried upon the books at no value.

Note #2:

Loss on securities:

Cost (As above)	\$ 60,144.56
Proceeds (As above)	<u>54,965.47</u>
Net Loss (Per Ex. B)	<u>\$ 5,179.09</u>

THE REYNOLDS LIBRARY, INC.
ROCHESTER, NEW YORK
BUDGET FIGURES FOR 1946 AS SUBMITTED TO US BY TREASURER'S OFFICE

	1945 Budget	1945 Actual	1946 Budget
INCOME:			
Rentals	\$ 98,000.00	\$ 99,616.98	\$105,000.00
Anticipated rental increases	2,000.00	-	-
Electricity	4,200.00	4,613.65	4,500.00
Water	250.00	261.93	250.00
Sundry charges to tenants	250.00	175.13	250.00
Parking station	700.00	650.00	1,200.00
Total:	\$105,400.00	\$105,317.69	\$111,200.00
Interest and dividends	4,000.00	2,907.46	2,500.00
Total:	\$109,400.00	\$108,225.15	\$113,700.00
EXPENSES:			
Building Operation:			
Building and janitor supplies	\$ 1,800.00	\$ 2,578.86	\$ 2,500.00
Office supplies	175.00	167.16	150.00
Elevator maintenance	1,300.00	1,257.41	1,350.00
Heat (steam)	6,000.00	4,718.89	5,500.00
Electricity	7,000.00	8,220.40	9,000.00
Telephone and telegraph	300.00	273.13	300.00
Directory Board Service	25.00	15.00	25.00
Water	2,300.00	2,306.36	2,000.00
Building maintenance	1,500.00	1,908.80	2,000.00
Alterations	1,500.00	1,142.65	1,500.00
Repairs: Building and equipment	1,000.00	1,056.59	1,200.00
A. D. T. Service	550.00	553.50	560.00
Total:	\$ 23,450.00	\$ 24,198.75	\$ 26,085.00
Other Expense:			
Payrolls	\$ 30,000.00	\$ 28,847.87	\$ 32,000.00
Insurance	1,500.00	1,902.82	1,600.00
Taxes: City and county	30,500.00	29,989.21	30,000.00
Taxes: Miscellaneous	100.00	92.96	100.00
Interest on mortgage	14,000.00	12,546.77	9,000.00
New York State unemployment insurance	1,000.00	861.30	1,000.00
Miscellaneous	500.00	-	500.00
Legal and professional	500.00	1,449.44	1,000.00
Legal and audit	250.00	225.02	250.00
Total:	\$ 78,350.00	\$ 75,915.39	\$ 75,450.00
Reading Room:			
Operation	\$ 650.00	\$ 307.60	\$ 750.00
Salaries	2,600.00	2,246.72	3,000.00
Total:	\$ 3,250.00	\$ 2,554.32	\$ 3,750.00
Total Expenses:	\$105,050.00	\$102,668.46	\$105,285.00

Reynolds Library Board
Meeting of
October 18, 1946

Present: President Anstice and Messrs. Anstice, Durand, Gardner, Gordon, Middleton, Pike and Weller.

Note: This is the last meeting to be held in the Board Room of the Suite 614 Reynolds Arcade Building which was set aside for this purpose adjacent to the building offices when the building was first opened. This space is assigned to the National Insurance Company and the Building Office and Conference Room will be set up elsewhere on the sixth floor.

The minutes of the quarterly meeting of June 7, 1946 were read and approved.

The Treasurer presented his report in detail submitting a Balance Sheet as of September 30, 1946. He pointed out that in the Investment Account 31 Lincoln Alliance called at \$1550. and 60 U.S. Plywood called at \$6360. had been applied to the mortgage upon recommendation of the Finance Committee. In the Permanent Fund Account \$5000. U.S. Treasury 3's called had been reinvested in Socony Vacuum Oil 2½'s of 1976. The Investment Account totals \$85,986.00. The mortgage at the end of September stood at \$260,667.77. A copy of the Balance Sheet is incorporated with these minutes. The report was accepted.

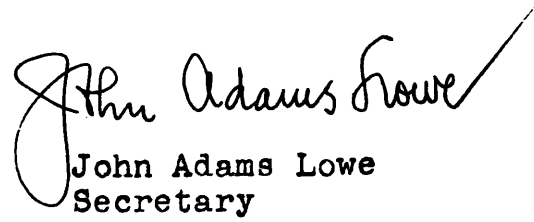
The Chairman of the Building Committee presented typewritten reports as follows: Profit and Loss Statement as of September 30th, Rent Schedule as of October 1, 1946 and the current Payroll. These are attached and made part of these minutes. The income \$93,889.97 for the nine months to September 30, 1946 was \$13,238.71 increase over the same period in 1945, and \$13,893.25 increase over 1944. The total expenses before depreciation were \$85,157.33 or a balance of \$8,732.44, but writing off \$18,387.65 for depreciation showed a net loss of \$9,655.21. During the period there had been unusual expense for Building Maintenance (Carrier) and Repairs Building and Equipment (partitions). Mr. Pike reported that the over all view shows definite improvement and he considers the situation on the whole favorable. He recommended salary increases for the Superintendent of the Building and the Secretary. After discussion this matter was left to the

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judgment of the Building Committee.

Adjourned 5:35 p.m.

JAL'EGS


John Adams Lowe
Secretary

BALANCE SHEETSEPTEMBER 30, 1946ASSETS

Petty Cash	\$ 10.00
Rochester Trust & Safe Deposit	1,148.68
Central Trust Company	4,734.80
Accounts Receivable - Rents	783.71
Inventory	699.30
Interest and Dividends	1,827.09*
Central Trust Company - Investment Cash	*
Gordon-Bowman Funds	12,747.55
Central Trust Company - Investment Account	72,105.91
Investment Reserve	4,062.89
Land	350,000.00
Buildings	601,008.22
Library Books	80,000.00
Office Machines	196.10
Construction Account	82,864.12
Withholding Tax	*
Prepaid City Tax	11,271.91
Prepaid Building Insurance	966.44
Prepaid A. D. T.	138.37
	<u>\$ 220,911.01</u>

LIABILITIES

Interest Accrued - Mortgage	\$ 385.56
Rentals Paid in Advance	*
Accrued County Tax	5,614.88
Mortgage	260,667.77
Permanent Funds - Gordon	4,566.30
Permanent Funds - Bowman	6,562.66
Permanent Funds - Investment Income	2,624.77
Reserve for Depreciation - Building	89,292.47
Reserve for Depreciation - Equipment	125,436.44
Amortization of Building - Construction Special	82,864.12
Net Worth	652,551.25
Net Profit or Loss*	<u>9,655.21 *</u>
	<u>\$ 220,911.01</u>

PAYROLL

<u>NAME</u>	<u>OCCUPATION</u>	Rate per Hr. <u>9/30/46</u>	Weekly Wage	Rate per Hr. <u>9/30/45</u>	Weekly Wage
Moldenhauer	Engineer	1.05	\$ 42.00	1.00	\$ 40.00
Rakus	Engineer & Maintenance	1.20	48.00	1.15	46.00
Ashton	Janitor	.75	30.00	.75	30.00
Hepkiss	Office	.55	13.75	.55	13.75
Neidert	Elevator Operator	.75	30.00	.75	30.00
Billson	Elevator Operator	.70	28.00	.70	28.00
Yates	Elevator Operator	.65	26.00	.65	26.00
Emo	Relief Maintenance	.75	30.00	.75	30.00
Morf	Night Watchman	.80	32.00	.75	30.00
Dodson	Painter	.90	36.00		
Wertman	Janitor	.70	28.00		
Bieber	Painter	1.00	40.00		
Downs	Janitor			.70	28.00
Kennedy	Painter			.90	36.00
Sisler	Painter			.90	36.00
E. Riefer	Cleaning		14.00		14.00
M. Riefer	Cleaning		14.00		
Schnurr	Cleaning		14.00		14.00
Wunsita	Cleaning		14.00		
Lyzwa	Cleaning		14.00		14.00
Storey	Cleaning		14.00		14.00
Smagin	Cleaning		14.00		
Arva	Cleaning				14.00
Bubel	Cleaning				14.00
Kase	Cleaning				14.00
Keller	Cleaning				14.00
Palmer	Cleaning (Forelady)				16.00
Spier	Cleaning (Forelady)		16.00		
DuBiel	Business Manager		50.00		50.00
Follmer	Secretary				33.00
Stotz	Secretary		38.00		
			\$ 585.75		\$ 584.75