

Carroll County Public Library
Board of Trustees Meeting
North Carroll Branch
September 25, 2019
Minutes

1. Roll Call and Declaration of Quorum

Ms. Griffith called the meeting to order at 7:00 pm and declared there was a quorum present.

Present:

Bill Bates Kathleen Campanella Leza Griffith David Peloquin

Staff Present:

Andrea Berstler Max Eber Tony Eckard Bob Kuntz Ed Leiter
Rita O'Brien Emily Ogg Darrell Robertson Muffie Smith Stephanie Szymanski
Marlene Wenzel

Also Present: Cheri King, CPA, CliftonLarsonAllen (CLA)

2. Minutes of June 26, 2019

Ms. Campanella moved to approve the Minutes of June 26, 2019. Mr. Peloquin seconded. Approval was unanimous.

The Board agreed to move the FY 2019 Annual Audit to this time. See Item 8a. Ms. King left the meeting after the audit report.

3. Financial Statement

Mr. Eckard reviewed the Financial Statement ended August 30, 2019. The cash balance is at \$1.7 million, \$42,000 less than last year. Major revenues are at budget. Overall budget is ahead by \$27,052. Book sales tickets for author events are a mixed blessing, up until last year, we dabbled in this and had low balled the budget for revenues and expenditures at \$3,000, now we have much higher actuals. Staff will monitor that budget and may request a revision later in the year. Ms. Berstler gave kudos to Ms. Picker and the Communications department for the success of the author events. Fines are \$3,000 ahead of budget, but \$1,300 behind last year's pace. FY 19 fines ended at \$183,000 and \$194,000 in FY18. Fines are budgeted at \$175,000 in FY 20. Salary savings are at \$46,000. Computer maintenance and electronic access are overspent due to timing of invoices, but budget should catch up. The Community Foundation account is at \$8,900. The Supplemental folder contained a report on fundraising for Exploration Commons, with cash and pledges we have raised over half a million dollars. Mr. Eckard thanked Ms. Berstler for her leadership, and with the \$150,000 carryover from FY 18, what we need for the project is now under a million dollars.

4. Correspondence and Announcements

Items of Correspondence were shared and included: a thank you from the Lions Club for a Tee sponsorship at their annual golf tournament and from Pie3 for CCPL's partnership with the RoboLions this year.

5. Citizen's Time

There were no citizens present.

6. Report of Executive Director

Ms. Berstler recognized North Carroll branch manager Darrell Robertson and Staff Association rep, Emily Ogg, circ clerk and info sub. CCPL has had a very busy summer discovery program which was record setting across the board and at every location. This can be attributed to our amazingly creative staff who ran with the space theme. Kudos to Angie Knight and the summer discovery team for their work with the CCPS reading and media specialists, who built a bridge to get CCPS on board with our program. Other items not in the written report include: Ms. Smith has sent out information on Ms. Berstler's evaluation, two weeks prior to the October meeting documents will be sent to Board members. The Board will meet in closed session prior to the regular October meeting to finalize the evaluation and will present it to Ms. Berstler at the November meeting. Mr. Thompson will advocate for the group of staff who will work on our next strategic plan. Staff submitted our CIP request to the County with the following projects: design and construction for a complete renovation of the 40-year-old Eldersburg branch, redesign of the sheriff's office located under the North Carroll branch to move the Outreach department into that space, provide cover for the vehicles, and storage for the branch, and then look at the office and the rectory space at the Westminster library to open up more public floor space in the branch.

7. North Carroll Branch Report

Mr. Robertson welcomed everyone to the branch and presented the North Carroll branch report via Kahoot! in the form of a quiz. Highlights included the number of full-time equivalent staff: 16.69, over 5,100 passports have been processed since starting the service in 2015 with 1,106 passport book and cards applications accepted in FY 19, the branch hosts many book clubs, worked with CCPS to participate in mock interviews at Manchester Valley High, hosted reading nights and created an ESOL leadership team, and will host an international night, staff also attended many community events: the National Night Out, Carroll County Culture Expo, a mother/daughter banquet, staff member Lynn Beard created a gingerbread village to benefit Human Services Program and a wreath for the Arts Council, staff have also personally participated in giving that includes Toys for Tots. This coming year the branch staff will participate in the Hampstead Merchant's Association Expo, the Penguin Random House Book Fair and continue to participate in the BGE Community Advisory Council. They plan to do as much as possible to educate and inform in the coming year. The Board thanked Mr. Robertson for the report.

8a. FY 19 Audit Review

Mr. Eckard, Mr. Leiter, and Ms. King presented CCPL's FY 19 Audit. Mr. Eckard thanked Ms. King and her staff for their work and the quick turnaround from the end of the year so our financial statement can be sent to the County. He recognized Finance staff Ed Leiter, Mary Wells and Rita O'Brien. Mr. Eckard gave a recap of FY 19, revenues finished stronger than budget by \$166,000, nearly half of that extra revenue was from author events, the rest from passport fees, interest and gifts. Unbudgeted expenses included author events, the facilities master plan which used \$32,000 to provide the local match for the grant, and \$50,000 for unbudgeted author events. Also in late June the operating budget was used to purchase laptops at \$67,000 since there was unspent budget available, these items would have qualified for tech replacement, but staff chose to preserve the tech replacement budget. The net effect is a carryover of \$36,000. Carryover of \$150,000 is budgeted for FY 20. Mr. Eckard thanked Mr. Leiter for taking the lead on the audit. Mr. Leiter reported that the audit for FY 19 was uneventful, there were no new accounting standards. In 2015 a new pension accounting standard was introduced as was one in 2018 for retiree health insurance. New standards provide more transparency and also more complexity. The letter from the auditor said that CCPL's financial statements were presented fairly in all aspects and CCPL received an unmodified opinion. A comparison of 2019 to 2018 gives an idea of where we were last year and where we ended this year. Capital assets increased by \$350,000, and are reflected in total net position. Unrestricted net position went from \$69,000 to (\$209,000). Two reports present the balance sheet for governmental funds and the statement of net position. The adjustments made in those two reports were noted, in that capital assets were only recognized in column 6. Column 3 reflected the \$103,985 in pledges for Exploration Commons as receivables not revenue. The two reports reflected revenues and expenses with modified accrual and full adjustment. The Board's action to transfer \$150,000 from the general fund towards Exploration Commons is also reflected in that report. The statement of fiduciary net position reflects assets being held on behalf of the Maryland ebook Consortium, which is an agency fund, CCPL is acting on their behalf. There is also a report that reflects changes in fixed assets by location from FY 18 to FY 19, the construction in progress and what has been spent so far on Exploration Commons. Ms. King said she appreciates being at the meeting and said that Mr. Leiter gave an excellent summary of the financial numbers. She noted that the Financial Statements are the work of management, CLA audits them. There is a lot of hard work in putting these numbers together. She noted CLA's unmodified, good opinion of the FY 19 audit. She stressed to the Board to read the Management Discussion Analysis review of changes from FY 18 to FY 19. Mr. Peloquin commented on the \$700,000 liability relative to the State Retirement System. Ms. King said that is not unique to the library. No other liability, such as OPEB, is reported because the liability is carried by the County. OPEB liability is exponentially greater and most governments have funded some piece of the liability. This was a quiet year with no new accounting standards but in the future GASB 84 may come into play with regard to the agency fund. Mr. Peloquin asked if fiduciary rules will apply to the 403b. Mr. Eckard said it applies to the agency fund. In FY 21 there will be a new lease standard that could apply to CCPL's copier lease.

Ms. King highlighted two reports that are required due to government auditing standards. It was noted that there were no significant deficiencies and no material weaknesses. The management letter notes the use of appropriate accounting policies, that estimates are part of the financial statements and that the Board should be aware of an inherent problem with the segregation of duties in a small organization such as CCPL. Ms. King said she is available if Board members have questions. Ms. Berstler thanked Ms. King, CLA and gave kudos to the Finance department.

Ms. King noted that the CLA staff work with the Human Resources, Information Technology, branch staff and talk to Mr. Peloquin when they are performing this work. The Board thanked Ms. King and the staff for the report.

*Mr. Peloquin moved to approve the FY 19 Audit. Mr. Bates seconded.
Approval was unanimous.*

It was noted that the County uses audit firm CohnResznick. CCPL's contract with CLA was up last year but allowed for an extension, which with a new director coming onboard and our many complexities, staff thought best to continue with CLA this year. We can do that again for one more year but historically when this work goes out to bid, costs come in lower than estimated. Staff hope to put out an RFP in early spring and feel that CohnResznick and CLA will be bidders and probably some others. It was noted that it is good practice to change auditors. Staff alerted the County comptroller that we will be going out to bid.

8b. FY 19 Statistics Review

Mr. Kuntz reviewed FY 19 statistics. New items this year include an additional database. Database usage is going down but Value Line, Novelist Plus, and Ancestry are doing well, All Data Pro is only available at 2 branches and had an 18% increase in use. InterLibrary Loan stats now include information on book clubs, there are 70 clubs that have created a 61% increase in items borrowed for them. Mt. Airy meeting room use went up largely due to adding the study rooms to the Library Market software. North Carroll and Taneytown have also added their study rooms to Library Market. Mr. Kuntz also revealed a statistics dashboard that he will review at each Board meeting, the dashboard contains information on materials circulation, branch hours, program attendance including author events and information statistics, passport transactions and volunteer hours. When Exploration Commons opens its meeting room use will be added to the dashboard, as a separate location. The Board thanked Mr. Kuntz for the presentation.

8c. Open Meetings Act Review

Ms. Griffith discussed the opinion that was given by the Open Meetings Compliance Board that indicates a Board that is covered by the Open Meetings Act should not deliberate by email. This was due to an issue that involved the Talbot County Council where there was no public deliberation on an issue and a vote was taken by email.

8d. Board Vacancies

Ms. Berstler noted that there are some Board openings coming up at the end of December. Ms. Campanella's second term will come to an end and there may be someone interested in taking that vacancy: former Board of Education member, Virginia Harrison. Ms. Muller's first term will end in December and she is interested in a second term. Ms. Griffith and Mr. Peloquin are both completing terms that were vacated and are now eligible to be appointed to their own terms and are both interested in continuing to serve. Staff will work to set up interviews. After that we will submit names to the Commissioners for appointments.

8e. 2020 Board Meeting Schedule

Ms. Berstler asked the Board to approve the proposed 2020 Board Meeting Schedule. Mr. Peloquin noted that the February meeting was moved up. This is due to the PLA conference that some staff will be attending.

Mr. Bates moved to approve the 2020 Board Meeting Schedule. Mr. Peloquin seconded. Approval was unanimous.

8f. Nominating Committee

Leza Griffith and Bill Bates agreed to be on the Nominating Committee to select officers for 2020.

8g. Conflict of Interest Form

All Board members should sign and return the Conflict of Interest form to Ms. Szymanski.

9a. Exploration Commons at 50 East Update

Mr. Kuntz reported we were expecting to go out to bid in early September, but the County decided they wanted to do a final cost estimate. The cost estimate should be completed tomorrow. We are now hoping to go to bid in mid-October. We are also working with NASA (Goddard) to be their first library outpost in the country. They are working on programming that they can provide to libraries, they are starting with CCPL to see how it works in a rural library and then they will take it from there to replicate the programs across the country. STEM will be a priority, they are looking to pique the interest of 4th and 5th graders to become future scientists. NASA will be here in October to share their kits with our staff. When Exploration Commons is open NASA may bring their scientists here to give programs. They are very excited and we are in an ideal situation to work with them.

10. Adjournment

Ms. Campanella moved to adjourn the meeting. Mr. Peloquin seconded. Approval was unanimous.

The meeting adjourned at 8:55 pm.

Leza Griffith
Vice President