



Library Board of Trustees

**Library Board of Trustees Meeting
Foundation For The Carolinas
Monday, November 18, 2013, 12:00 Noon**

Trustees Present

Charles Bowman, Chair
Molly Griffin, Vice-Chair
Robin Branstrom
Rob Harrington
Gloria Kelley
Joan Martin
Leland Park
Bob Sink
Ed Williams

Staff Present

Cordelia Anderson
Frank Blair
Shelley Book
Jenni Gaisbauer
Michele Gorman
Angela Haigler
Leonora Kaufmann
Lee Keesler
Lois Kilka
Chuck Mallas
Angie Myers
Rick Ricker
David Singleton

Others Present

Carol Hickey (County Manager's Office)
Collin Hill (Cherry Bekaert and Holland)
Sean Hogue (Financial Consultant)
Mark Kutny (Legal Counsel)
Nikki Moore (Friends Council)

Trustees Absent (with cause)

Jennifer Appleby
Renee Casali

MINUTES

Molly Griffin called the meeting to order at 12:00 PM and announced that Chair Charles Bowman would be running late today due to a scheduling conflict. Ms. Griffin welcomed guests Carol Hickey, Collin Hill and Nikki Moore to the meeting.

Molly Griffin requested the Board of Trustees to approve an absence with cause for Renee Casali and Jennifer Appleby. On the motion by Leland Park, seconded by Joan Martin, the Trustees unanimously approved an absence with cause from the Board meeting for Trustees Renee Casali and Jennifer Appleby.

Ms. Griffin requested a motion to approve the minutes from the October 18, 2013 meeting that had been distributed previously via email. On the motion by Leland Park, seconded by Joan Martin, the Trustees unanimously approved the October 18, 2013 Board meeting minutes.

Committee Activity Report:

Ms. Griffin asked Collin Hill to provide the Board with the results of the financial audit Cherry Bekaert and Holland performed in October of 2013.

Mr. Hill reported:

- All three opinions were clean and no misstatements were noted
- GAPP and State Aid received unmodified opinions and the highest level of assurance
- Effective 7/1/12 the Foundation was created and its financials must be blended with the Library's financials
- Fixed assets and post employee benefits are significant estimates
- No unusual transactions
- No difficulties in performing audit
- One non-corrected misstatement: \$1.00 is not fair value of annual leases at Mint Hill and University City Library
- No disagreements with management
- Management letter is very similar to prior years:
 - State law requires that any cash over \$250.00 should be deposited within one day. Deposit process has been changed to ensure compliance.

Bob Sink commented that post employee benefit cost had risen. Mr. Hill stated that liability in this area would continue to grow and that the library is using a "pay as you go" philosophy.

Ed Williams asked if we were funding post employee benefits at the amount we should be and Mr. Hill explained that there were typically three ways to fund this area including "pay as you go", partially funding or fully funding and there were positives and negatives to each one.

Lee Keesler asked Mr. Hill to meet with the Finance Committee after the beginning of the year to review the options.

John McGillicuddy explained that the County partially funds post employee benefits at a rate of \$8MM per year and has done so for the last few years. He went on to explain that fully funding this area is a very expensive proposition.

CEO Report:

Mr. Keesler commented that the Library has a good working relationship with Cherry Bekaert and Holland and was pleased with the results of the audit.

County Relationship: Mr. Keesler reported that he and several other leadership team members were meeting with BSSA leadership as part of an annual review of services provided. He also stated that he would be providing an update on the Library to the BOCC on November 19, 2013.

Mr. Keesler reported that he and several members of the leadership team would be meeting with County Finance staff to review the Foundation's financial practices and that the budget process would be starting soon.

CMS Relationship: Mr. Keesler explained that Michele Gorman has been active in building a strong relationship with CMS noting she recently hosted an information sharing event at ImaginOn for CMS Literacy Facilitators and had a productive meeting with Hope Johnston, the new Media/Library Services Manager at CMS. He also noted that Ann Clark would serve as guest speaker at the Library's Service Awards event on 12/11/13.

Strategic Plan Update: Mr. Keesler explained that the strategic plan roll-out was progressing according to schedule and that he and David Singleton were in the process of visiting with each branch to roll-out the plan and answer employee questions.

David Singleton addressed Robin Branstrom's question from the last meeting regarding the Library's partners in the community. Mr. Singleton provided the Board a handout with major partners listed.

Branding Rollout Update: Cordelia Anderson reported that work continues on the public launch of the brand via the new website. She stated that approximately 140,000 people per week were accessing the Library's website. Ms. Anderson stated that the Library's new brand would be advertised on the billboard at the Epicentre beginning at the end of November.

Charles Bowman joined the meeting.

Foundation Update: Jenni Gaisbauer thanked everyone for attending the Library Foundation's launch event. She also reported that the Foundation had received a grant from the Charlotte Bobcats for \$20,000 to advertise our tutorial services. Ms. Gaisbauer also reported that the Foundation's year end annual appeal had begun and that she and her team were in the process of planning donor cultivation events in the libraries to help spread the word about the Foundation and its mission.

Ms. Gaisbauer reported that she was in the process of interviewing candidates for the Foundation's marketing and communications position with the hope of having it filled by the beginning of January.

Ms. Gaisbauer described the "Free Little Library" project and stated that she and her staff were working with the City of Charlotte to secure funding for it. The Friends Council will be leading the project.

Finance Transition: Mr. Keesler welcomed Angie Myers to the meeting and explained that Chuck Mallas would remain in charge of Finance until December 1, at which time Angie Myers would officially become the Director of Finance.

Financial Report: The financial report was presented by Financial Director Chuck Mallas. Mr. Mallas presented FY14 financial projections showing a flat (less than 1% variance) projection to budget in both total revenues and total expenses. No significant projected variances were projected as of 10/31/13.

Budget Adjustments: Mr. Mallas presented four budget adjustments for Board approval:

- \$346,722 Mecklenburg County funded market adjustments to salaries
- \$27,500 Provided by Bank of America to help launch the Foundation.
- \$2,700 Gifts to specific branches to fund branch specific needs
- \$2,500 From the Library's humanities reserve to aid in funding the Turning Pages Book Club

On a motion by Charles Bowman, seconded by Robin Branstrom, the Board of Trustees unanimously approved the budget adjustments.

Other Business: Mark Kutny stated that the board would now go into closed session to complete Mr. Keesler's performance review as allowed by NC General Statute 143-318.11.

Mr. Bowman asked the Trustees for a motion to go into closed session. On a motion by Rob Harrington, seconded by Ed Williams, the Trustees unanimously approved closed session at 1:05 p.m.