

**ELA AREA PUBLIC LIBRARY DISTRICT
BOARD OF TRUSTEES
Meeting Minutes of the Finance Committee
Remote (via Zoom) Meeting at Ela Area Public Library
May 4, 2021**

1. Call to Order

At 6:00 p.m. Finance Committee Chairperson Stamoolis called the meeting to order.

2. Roll Call

Finance Committee members present in person: Stamoolis (Chair)

Finance Committee members present via Zoom: Blank, Corzine

Additional Trustees present via Zoom: Caudill, Hurst (arrive 6:12 and sign off 7:50), Stanonik, Steker

Staff Present in person: Executive Director Rosenthal

Additional Staff present via Zoom: M. Povilonis, C. Pedersen (recording)

Members of the public present via Zoom: Silcroft (Trustee Elect)

3. Adjustments to the Agenda

None

4. Public Comment

None

5. Discussion OF 2020-2021 Audit Engagement

Executive Director Rosenthal stated that an error had been found in the independent audit of the Library's financial statements for the year ending June 30, 2020 performed by McClure Inserra & Company. Note 8 on page 14 states "The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. Settlements did not exceed coverage during the year." In fact, a settlement check was issued using the library's Corporate fund, which exceeded insurance coverage.

The auditor advised that an audit correction and subsequent re-filing was not required since the settlement amount was correctly included in the audit and the correction would be to the verbiage in the note only (and not change final figures in the audit) and therefore would not be material.

Discussion followed on the best way to proceed so as to be correct and transparent. Executive Director Rosenthal will contact the Library's attorneys and provide additional advice to the Board at the May meeting.

Discussion followed regarding a change to the Library's auditing firm. Executive Director Rosenthal has a recommendation for a new firm. A formal proposal and presentation from that firm will be included on the agenda for the May Board meeting.

5. Discussion of 2021-22 Working Budget Draft

Executive Director Rosenthal presented an overview of the budget process. She then shared three budget documents:

- *FY2022 Budget Summary* reflected revenues and expenditures in the function groups by which our B&A is filed, with the total net across all funds.
- *FY2022 Budget by Account* reflected revenues and expenditures more detailed, by function group plus account code, with the total net across all funds.
- *FY2022 Budget by Fund* reflected revenues and expenditures most detailed, by fund, then by function group plus account code with the net by fund, not as a total.

It is a balanced budget. The budget allocates funds needed to complete the work prioritized in the 2021-22 Action Plan. The budget was prepared in the new accounting software being implemented by the administration for the next fiscal year and provides additional account/department/function breakdown and details that several Trustees commented on favorably.

Trustee Blank moved to present the working budget in the amount of \$6,442,408.94 to the full board for consideration at the May meeting and approval at the June meeting. It was seconded by President Corzine and it carried on unanimous roll call vote of Finance Committee members present.

- AYES: Blank, Corzine, Stamoolis (Chairperson)
- ABSENT: (0)
- ABSTAIN: (0)

6. Adjournment

At 8:22 p.m. Trustee Blank moved to adjourn the meeting. It was seconded by Chairperson Stamoolis and it carried on unanimous roll call vote of Finance Committee members present.

AYES: Blank, Corzine, Stamoolis (Chairperson)

ABSENT: (0)

ABSTAIN: (0)

Approved at the Regular Meeting of May 18, 2021



Cindy Blank, Finance Committee Chairperson