

MINUTES OF THE MEETING OF THE
WASHINGTON COUNTY FREE LIBRARY BOARD OF TRUSTEES
HELD VIA ZOOM
November 18, 2020

Present: John Schnebly, President
Judith Chambers
Kimberly Halsey
Al Martin
Kristine McGee
Kathleen Oliver
Aaron Peternaecz
Stephen Schutte
Greg Snook

Board Absent: None

Staff Present: Jenny Bakos
Kathleen O’Connell
Elizabeth Hulett
Sara McCall

Guest: Terri Kreit, Smith Elliot Kearns (SEK)
Brad Close, BTM Accounting
Elizabeth Forrest, BTM Accounting

This meeting was called to order in executive session at 12:00 PM by Mr. Schnebly. The executive session concluded at 12:23 PM and the regular session began.

Ms. Terri Kreit, Smith Elliott Kearns & Co. was in attendance to present the fiscal year 2020 audit.

Ms. Kreit thanked the WCFL/WMRL staff and the staff at BTM for all the hard work and collaboration it took to complete the audit with the unique challenges faced in 2020.

SEK issued an unmodified opinion for the fiscal year 2020 financial audit. An unmodified opinion is the best opinion an audit can receive.

The following pages were pointed out in her review:

Page # 1—2	Independent Audit Report, Clear Opinion
Page # 3 – 11	Management Decision Analysis– what the future goals of the library are in upcoming years.
Page # 12	Statement of Net Position
Page # 13	Statement of Activities
Page # 14	Balance Sheet
Page # 26 – 28	Cash and Investments
Page # 29	Capital Asset and Depreciation
Page # 30 – 33	Fund Balance Classifications
Page # 34 – 39	Retirement and Pension Plans
Page # 40	Commitments and Contingencies
Page # 41 – 42	Fair Value Measurements

Page # 43 – 44	Budgetary Comparison Schedule for WCFL
Page # 45	WMRL – good with keeping within their budget
Page # 46 – 49	Additional Retirement System Requirements
Page # 50-51	Auditors Report on Internal Controls

On page 12 , Ms. Kreit noted compensated absences were separated into current liabilities and noncurrent liabilities. This occurred due to the COVID related increase in the employee vacation carryover above last year. Additionally, the PPP loan WCFL received was designated into long-term and short-term liabilities as well. Under the PPP loan forgiveness guidelines, parties can anticipate full forgiveness; however, until the forgiveness process is completed and a final determination is made by the bank, the loan will be reflected as a debt.

The only new footnote to the audit was the PPP loan.

Mr. Snook inquired if the PPP loan would be reflected as a one-time event on the financial statements. Mr. Close was able to identify that the loan was input into the monthly financial statements as other income. As other income, it is separate from normal, operating income. Ms. Kreit advised an added descriptive term in the financials regarding the forgiven PPP loan proceeds to ensure the funds are separate from the normal grants received throughout the year.

Page 50 reflects there were no internal control issues found.

Mr. Martin made the motion to accept the audit as presented and Ms. Oliver seconded. The audited financial report was unanimously approved by the board.

Ms. Kreit, Mr. Close and Ms. Forrest left the meeting.

Minutes

The minutes of September 9, 2020 meeting of the Board were reviewed. Mr. Martin motioned to approve and Ms. Oliver seconded the motion. All approved the amended minutes.

Director’s Report

Ms. Bakos reported the branches have updated the emergency action plans. She is also working on costs associated to increase staff numbers/hours in the branches.

Senator Chris Van Hollen nominated WCFL for the National Medal of Public Libraries and Museums. This award is the highest honor a library can earn in this country. Library staff will keep the board updated as we have more information.

Ms. Bakos and Ms. Viands (acting branch consultant) met with Mr. Stottlemyer, town manager for the town of Williamsport, regarding potential sites for a new facility.

Assistant Director

Ms. O'Connell reported as of November 9, 2020, WCFL is pivoting back to curbside only services. This is due to the increased COVID positivity rates in Washington County Maryland.

As of November 16, 2020, the Lourie map collection is now in the Western Maryland Room.

She and Ms. McCall are working on the CIP for the state library. With the help of the maintenance staff, facility needs were identified for the state report.

Associate Director, WMRL

Ms. Hulett reported deliveries are resuming as more counties open up.

Ms. Craig is creating a COVID website on Wilbur. This is an opportunity for WMRL to curate public contributions of information, pictures and experiences from COVID-19 pandemic.

Financials

Mr. Martin presented the financials through September 30, 2020 noting staff are doing a great job controlling costs.

Ms. Oliver moved to accept the financials and Mr. Schutte seconded.

Old Business

Strategic Planning Committee:

Ms. Chambers asked the board members to review the notes from the committee meeting and scheduled a meeting for December 2020. The committee is looking at a new "locker" concept which would provide pick-up service in extended locations.

There are questions of adequate security for staff working alone in our facilities. Mr. Martin recommended looking at addressing this sooner rather than later, making sure we have a comprehensive solution.

January 2021 Board Vacancies:

Mr. Schnebly's second six-year term concludes January 2021. After eleven years on the Board of Trustees, Mr. Snook is stepping down from the board.

A brief discussion ensued concerning the candidates, Ms. Laurie Bender and Mr. Zack Kieffer, then Mr. Snook moved to approve Ms. Bender and Mr. Kieffer to fill the vacancies. Mr. Martin seconded the motion with the motion carrying unanimously.

End of Fine-Free:

Ms. Bakos confirmed reinstating fines for overdue materials as of December 1, 2020. Currently, there are many outstanding materials. Reminder notices have started going out to patrons asking them to return the items and avoid fines.

A discussion ensued regarding fine-free options. Members of the staff will conduct more research and present to the board at a later date. Consideration should be given to acquiring replacement funding if fines are ever eliminated.

New Business

Annual Report:

Digital content numbers are up. The current return on investment is \$4.84 per \$1.00 spent.

Retiree Email Accounts:

Ms. Bakos advised retirees still have active WCFL email accounts. She asked the board approve discontinuing their email accounts, unless specifically designated by the board. Mr. Snook made the motion to have email continuation at the discretion of the Executive Director. Mr. Schutte seconded the motion with unanimous approval from the rest of the board.

Funds Transfer to Endowment:

Mr. Martin motioned, Mr. Snook seconded and was unanimously approved to move \$500,000 from the operating account to the endowment for investment and a higher rate of return. Mr. Martin explained the funds accumulated from collection of pledges, capital campaign, etc.

Officer Elections for January 2021:

Board members agreed to serve in executive positions as follows:

President	Mr. Stephen Schutte
Vice-President	Ms. Kimberly Halsey
Treasurer	Mr. Al Martin

Mr. Snook moved to approve the slate of officers and Ms. Chambers seconded the motion with the board passing unanimously.

Ms. Chambers requested that a nominating committee within the board be activated to secure calendar year 2022 officer positions.

Board comments

Board members echoed congratulations on a clean audit, especially in the challenging circumstances throughout 2020.

Mr. Snook thanked the board, Ms. Bakos and the staff for a great year. He expressed the honor and privilege to serve with everyone since he began his relationship with the library in 1990. He is very proud of the library system and the staff as they do a lot of hard work. Going forward, he is willing to assist with anything the library needs.

Mr. Schnebly said the WCFL system is a great institution in the State of Maryland. He praised our robust facilities and stated that the library is an arsenal of Democracy.

Mr. Martin thanked Mr. Snook and Mr. Schnebly for their years of service. He offered thanks to the staff for their time dealing with the continuing challenges.

The next meeting of the board of trustees is scheduled for Wednesday, January 20, 2020 at 12:00 noon.

The meeting adjourned by consensus at 2:13 PM.

Respectfully Submitted,

Jenny L. Bakos

Jenny L. Bakos
Executive Director