

**West Georgia Regional Library System Board of Trustees
Called Special Meeting**

MINUTES

October 23, 2018 at 10:00 a.m.
Neva Lomason Memorial Library - Conference Room
710 Rome Street
Carrollton, GA 30117

Call to Order

Chairman Denney Rogers called the meeting to order at 10:00 a.m.

Attendance

Trustees present at beginning of meeting (appointing board in parenthesis):

- **Denney Rogers, Chair (Heard County)**
- **Shirley Vassy, Vice-chair (Carroll County)**
- **Ronnie Pate (Carroll County)**
- **Shannon Bentley (Douglas County)**
- **Keri Perkins (Haralson County)**
- **Donette Lee (Paulding County)**

A quorum was obtained at 10:11 a.m. with the arrival of:

- **Beth Hammond, Secretary (Heard County)**

Others in attendance:

- **Jessica L. Everingham, WGRLS Director**
- **Jeremy Snell, WGRLS Deputy Director**
- **Cherry Waddell, WGRLS Business Manager**
- **Beth Grimes, Partner at BatesCarter (via phone)**

Pledge of Allegiance

Mr. Ronnie Pate led the Board in the Pledge of Allegiance.

Public Comments (please limit to 2 minutes)

There were no public comments.

New Business

- FY2017 Budget Amendment for Audit Compliance

Ms. Beth Grimes of BatesCarter, the firm performing WGRLS's audit, joined via teleconference to review the draft FY2017 audit report. Ms. Grimes noted that WGRLS overspent in FY2017 in comparison to the approved budget due to a number of funds not having budgets. Overall, WGRLS received \$295,000 over budget in revenue and \$394,000 over budget in expenditures in FY2017. Ms. Grimes informed the Board of action needed to be taken to adjust the FY2017 budget to prevent a compliance finding. Discussion followed.

Mr. Pate asked about the legality of amending the FY2017 budget at this point in time. Ms. Grimes explained that the Board isn't considering amending the budget, but instead approving a budget for unbudgeted funds from FY2017.

Mr. Pate asked Ms. Grimes if the Finance Committee plays a role in other library systems she works with. Ms. Grimes noted when she works with system's that do have Finance Committees, she often works directly with the Finance Committee instead of the full board.

Ms. Grimes noted that in FY2017 there was a \$99,213 loss mainly due to the accrual of a debt to AT&T. In FY2016, there was a \$96,000 loss which appears due to management issues during that time. Discussion followed.

Mr. Pate asked what a desirable reserve for a library system would be. Ms. Grimes recommended 25% of annual expenditures be in fund reserve at the end of a fiscal year.

Ms. Grimes reviewed the three FY2017 findings:

- **Bank reconciliations were not done in a timely manner. They should be done the first few days after the first of each month. Ms. Everingham noted the Deputy Director would be doing bank reconciliation in FY2019.**
- **Construction account activity was not fully recorded in the accounting software. Ms. Everingham told the Board that WGRLS would be able to track expenditures of state funds through Blackbaud, and the staff account noted in the finding was closed in FY2018 year.**

- There was not significant documentation in regards to the accounts receivable schedule. WGRLS will begin using the A/R module in Blackbaud during FY2019.

Discussion followed.

Ms. Lee asked why the audits in prior years did not catch some mismanagement issues. Ms. Grimes informed the Board that WGRLS had previously done AUPs after the state lowered their requirements and allowed systems to do full audits or an AUP. AUPs do not provide as much assurance as a full audit on the financial statement or internal controls. Ms. Everingham told the Board that WGRLS will be investing in a full audit from this point forward.

Ms. Grimes left the meeting at this point.

MOTION: FY2017 BUDGET

Mr. Pate motioned that the Board approve an FY2017 budget equal to expenditures for any fund that does not currently have an FY2017 budget. Ms. Bentley seconded.

There was discussion. Mr. Pate asked about financial policies in place at WGRLS. Ms. Everingham said they are not as strong as she would like and would be addressing that in the future.

The motion passed unanimously.

Bentley	Gibson	Hammond	Lee	McBurrows
YES	absent	YES	YES	absent

Pate	Perkins	Phillips	Rogers	Scaglione
YES	YES	absent	YES	absent

Vassy
YES

Adjournment

Ms. Bentley motioned for the meeting to be adjourned. Ms. Vassy seconded.

Passed unanimously.

Bentley	Gibson	Hammond	Lee	McBurrows
YES	absent	YES	YES	absent

Pate	Perkins	Phillips	Rogers	Scaglione
YES	YES	absent	YES	absent

Vassy
YES

The meeting was adjourned at 11:01 a.m.

Minutes taken by Jeremy Snell.

Reviewed and presented to the Board by Beth Hammond, Secretary.

Approved by the Board on November 27, 2018.