

COMMITTEE NOTES

Finance & Audit Committee Meeting Kansas City Public Library Board of Trustees August 27, 2013

The Finance and Audit Committee of the Board of Trustees of the Kansas City Public Library, pursuant to official notification, met Tuesday, August 27, 2013, at 4:00 p.m. at the Central Library, 14 West 10th Street, Kansas City, Missouri.

MEMBERS PRESENT: David Mayta (Chair)
Jonathan Kemper (ex officio)

MEMBERS ABSENT: Olivia Dorsey
Claudia Oñate Greim

OTHER TRUSTEES PRESENT: Rose Marie Bell
Leon Dixon

STAFF PRESENT: Crosby Kemper III, Chief Executive
Reed Beebe, Purchasing Manager
Lillie Brack, Central Library Director
Henry Fortunato, Director of Public Affairs and
Communication
Joel Jones, Director of Branch and Outreach Services
Dennis Halbin, Collection Development Librarian
Kathleen Hinton, Finance Manager
Pam Kannady, Human Resources Director
Cheptoo Kositany-Buckner, Deputy Director
Eli Paul, Special Collections Manager
Heather Pedersen, Administrative Officer
Debbie Siragusa, Chief Financial Officer
Kaite Stover, Director of Readers' Services
Debbie Stoppello, Collection Development Manager
Mary Thompson, Outreach Manager

OTHERS PRESENT: Angela Miratsky
Tom Platt

Mayta called the meeting to order at 4:03 p.m.

Siragusa introduced Angela Miratsky of BKD, LLP to discuss the scope and results of the Comprehensive Annual Financial Report (CAFR) for fiscal year 2012 – 2013. Miratsky thanked Siragusa and the Finance Department, noting that the auditors were provided with everything that they requested in a timely manner.

Miratsky reported that a number of revised standards were included in this year's audit process. The auditors recommended two minor adjustments to the financial statements as a result of the audit in the following areas: prior year adjustment to fund balance and prior year adjustment to library collections.

Dixon arrived at 4:12 p.m.

Bell arrived at 4:24 p.m.

Howard Barnes arrived at 4:28 p.m.

The auditors determined that only two of the four changes to GASB standards had an impact on the audit of Library finances and that the impact was very minor.

The auditors discussed a minor deficiency noted in the management letter relating to the Library's segregation of accounting duties. However, the auditors noted that this is a difficult deficiency to correct in a small organization, and the auditors noted that compensating controls have been instituted that reduce the risk of misstatement to an inconsequential level.

The auditors advised management regarding changes to GASB 68 which will affect liability reporting standards as it relates to pension plans. The statement will be effective for the Library in the fiscal year ending June 30, 2015, but retroactive restatement of all prior periods presented will be required so the auditors recommended that the Library begin reviewing these changes prior to their effective date.

The auditors noted the decline in the Build America Bonds subsidy due to Sequestration. Library staff continues to research options for reinvestment of the bonds.

Motion by J. Kemper to adjourn the meeting. Second by Bell. Approved unanimously.

The meeting adjourned at 4:34 p.m.

Respectfully submitted,

David Mayta, Chair
Finance and Audit Committee

Date