

**FONTANA REGIONAL LIBRARY**  
**Special Called Meeting of Board of Trustees**  
**Tuesday, June 10, 2025, 4:00 pm**  
**Swain County Education and Business Center**

**Attendance:**

**Board Members Present:** Cynthia Womble (Vice Chair, Acting Chair), Ellen Snodgrass, Tony Monnat, Lori Richards, Marva Jennings, Deborah Smith, Bill McGaha

**Board Members Absent:** Marsha Moxley

**Others Present:** Tracy Fitzmaurice-FRL Regional Director; Lynn Cody- FRL Finance Officer; Meredith Fortner (Recording Secretary), Finance Specialist

**I. Call to Order / Roll Call**

Acting Chair Womble called the meeting to order at the Swain County Education and Business Center at 4:00 pm on Tuesday, June 10th, 2025, followed by a roll call. A quorum was determined.

**II. Approval of the June 10, 2025, Meeting Agenda:**

Bill McGaha made a motion to approve the agenda as presented. Deborah Smith seconded. The motion carried unanimously.

**V. Public Comment and Correspondence**

Acting Chair Womble read the Fontana Regional Library Public Comment Procedures aloud.

One member of the public, Paige LeBlanc, addressed the board and shared concerns directed at a board member regarding representation and inclusivity.

Chair Womble thanked the public for their participation and closed the public comment period.

**VI. Discussion on the 2025-2026 FRL Budget**

Ellen Sondgrass made the motion to adopt the budget as presented Tony seconded.

Discussion commenced concerning the FRL Budget.

Deborah Smith thanked Lynn Cody for thorough responses to board questions and inquired about the availability of a balance sheet. Lynn clarified that updated balance sheets would be available after fiscal year-end processing in late July.

Bill McGaha proposed three budget amendments regarding revenue reallocations for fines/fees, sales tax refunds, and E-rate refunds, arguing for funds to remain with the counties/libraries that generated them.

Several board members and staff raised concerns about how removing these funds from headquarters could jeopardize critical shared services such as accounting, payroll, IT, grant administration, and software subscriptions. Lynn Cody and Tracy Fitzmaurice explained the complexity and legal requirements of shared financial services and fund allocations.

Discussion included clarification about the use and limits of contingency funds, audit requirements, and the historic purpose of centralized regional funding.

After extensive discussion, Bill McGaha withdrew his amendments contingent on the formation of a committee to study shared services and funding flows. The board agreed to add the committee formation to the July meeting agenda.

Lori Richards moved that FRL not provide funding for professional association dues for any library or employee unless explicitly required by statute or rule.  
Seconded by Marva Jennings.

Discussion included the motion presented as a cost-saving measure. Multiple board members and staff emphasized the importance of professional memberships for training, recruitment/retention, and presentation eligibility. Tracy Fitzmaurice and Lynn Cody provided clarification on required memberships and projected costs.

During the discussion of the FY 2025–2026 budget, board members sought clarification on the procedures required for amending the budget prior to its adoption.

Lynn Cody (Finance Officer) clarified that, per the Regional Agreement and state requirements, the proposed budget must be adopted prior to any formal amendments. If the budget were amended before adoption, it would need to be revised and reposted for public comment for an additional 30 days, which would result in the Board being out of compliance with the state mandate to adopt a budget before June 30.

Lynn Cody outlined two possible alternatives:

1. **Adopt the proposed budget as-is**, and submit formal amendments for board consideration and vote at the July 2025 meeting.
2. **Adopt an interim budget**, which would restrict spending to essential services only (e.g., salaries, benefits, and debt obligations) until a full budget is approved.

Board members discussed the impact of adopting an interim budget, including the inability to make new purchases, delays in essential contracts (e.g., software, audit services), and potential risks to compliance. Interim appropriations would be limited under NCGS §159-16 to ordinary operating expenses.

At the conclusion of the discussion, Acting Chair Cynthia Womble called for a five-minute break before continuing the meeting.

Upon reconvening from the break, Acting Chair Womble and the board revisited the procedural process of amending the FY 2025–2026 budget.

Board members reviewed relevant sections of NC General Statute Chapter 159, particularly §159-8, §159-13, and §159-15, which govern the adoption and amendment of local government budgets.

It was clarified that:

- A balanced budget must be adopted before the end of the fiscal year (June 30).
- Amendments to the budget may be made only after the ordinance is adopted, per §159-15.
- If the board attempts to amend the budget prior to adoption, the revised version would require republication for 30 days of public comment, per the Fontana Regional Agreement.
- Failure to adopt a budget before June 30 would require passing an interim budget, which limits spending to essential services (e.g., salaries, debt payments, routine expenses).

It was acknowledged that the proper procedural order had not been initially followed due to a misunderstanding. Amendments should be proposed after budget adoption to avoid triggering a 30-day public review delay.

Chair Womble expressed responsibility for the confusion and emphasized that the board had learned the correct legal process for future reference.

**Clarifications Provided:**

Interim budgets limit purchases to only essential and statutory obligations.

An adopted budget can be immediately amended at the next regular meeting.

Any amendments will be reviewed and submitted by the Finance Officer for board vote in July, ensuring continued compliance and flexibility.

#### **Motion Withdrawal and Budget Vote:**

Lori Richards voluntarily withdrew her pending amendment to allow for the proper sequencing of future changes.

The motion to adopt the FY 2025–2026 budget as presented by Finance Officer Lynn Cody, originally made by Ellen Snodgrass and seconded by Tony Monnat, was brought to a vote. The result of the vote was 5 in favor and 2 opposed. The motion passed, and the FRL FY 2025-2026 Budget was officially adopted.

#### **VII. 2025-2026 Auditor's Contract**

Lynn Cody presented the auditor's contract for the 2024-2025 Fiscal Year. Acting Chair Womble asked Lynn to explain why the contract must be approved by June 30. The auditor contract must be approved by June 30 because the North Carolina Department of the State Treasurer requires confirmation that Fontana Regional Library has an auditor secured for the upcoming FY 2024–2025 audit. This contract is a one-year agreement with the same audit firm used in previous years for the same cost of \$20,300. must be in place by that deadline in order to ensure compliance and eligibility for state aid funding. Failure to have an auditor in place could result in the loss of state funds or intervention by the Treasury Department.

A motion was made by Ellen Snodgrass and seconded by Tony Monnat to approve the contract. The motion passed unanimously. During the discussion, a clarification was made that must be in place by that deadline in order to ensure compliance and eligibility for state aid funding. Failure to have an auditor in place could result in the loss of state funds or intervention by the Treasury Department. The Board unanimously approved the audit contract for FY 2024–2025 with the same firm used in previous years.

#### **VIII. Budget Amendments- Planning and Discussion**

Chair Womble then shifted the conversation to potential budget amendments. She clarified that any amendment would need to result in a balanced budget and directed Lynn to prepare an official Amendment #1 to be presented at the July 8 regular meeting.

The Board reviewed the process: any proposed changes must first be submitted to Lynn, who will revise the budget document and ensure that all revenue and expenditure adjustments are properly balanced before the Board can vote on the amendment.

Board members were invited to raise any items they would like Lynn to review in advance of the July meeting. The following proposals were discussed:

Lori Richards requested removing the \$3,000 marketing allocation from the Jackson County Library budget, noting that other libraries do not receive similar funding and suggesting the amount could be better used elsewhere.

Lynn clarified that the total marketing budget is \$3,450 (including \$250 in grant funds) and covers branded materials for outreach events.

Chair Womble requested that Lynn and Tracy review the marketing line item and present possible adjustments at the July meeting.

Consider cutting some or all of the \$5,100 outreach allocation, which includes \$3,000 for Jackson County, \$2,000 for Cashiers, and \$100 for Marianna Black Library.

Lori Richards suggested outreach might be a discretionary area to reduce. Lynn cautioned that a portion of outreach funding is often donor-restricted for specific programs or communities, such as recent donations earmarked for children's programs at Hudson Library.

Chair Womble requested that Lynn and Tracy prepare a breakdown of outreach funds, specifying which are restricted and which could be reallocated by the Board.

## **IX. Tracking Donations and Financial Oversight**

During the broader financial discussion, several board members raised questions about how donations and Friends of the Library contributions are tracked and reflected in the budget. Lynn clarified that:

- Individual libraries track donations internally using spreadsheets.
- All funds, whether received directly by the library or routed through the central office, are deposited and reconciled monthly by finance staff.
- Gifts and donations appear in the budget under a general revenue line and are formally recognized through monthly budget amendments.

Chair Womble reiterated that Lynn and Meredith are responsible for ensuring compliance with grant restrictions and donor intent. She noted that while Board oversight is important,

members are not expected to micromanage financial operations. Still, increased clarity around how donations and Friends funds are categorized may be helpful.

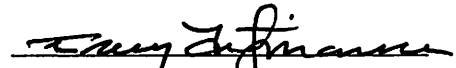
It was agreed that a more in-depth review of Friends of the Library contributions and their budgetary treatment would be deferred to the September meeting, as the July agenda is already full.

## X. Adjournment

With no further items to discuss, Chair Womble called for a motion to adjourn the meeting. The motion was made by Lori Richards and seconded by Bill McGaha, and passed by unanimous vote. The meeting adjourned at 6:27pm

  
Cynthia Womble (Vice Chair, Acting Chair)

07/08/05  
Date

  
Tracy Fitzmaurice (PRL Director)

7/8/05  
Date