

**Minutes of the
Nicolet Federated Library System
Board of Trustees
August 13, 2013 - 12 Noon
Kress Branch Library, DePere, WI**

Present: Bob Entringer, Marsha Hoeffs, Julia Wallace, Gina Reinardy, Paul Kegel, Denise Bellmore, Connie Seefeldt, Sandy Ryczkowski, Cheryl Maxwell, Miriam Erickson, Ken Harter, Kay Krall, Corrie Campbell.

Excused: Christopher Wagner, Rosetta Stern, Kathy Pletcher.

Also present: Gerri Moeller (OWLS), Tom Karman (Schenck), Jen Thiele (Marinette), Lynn Stainbrook (Brown), Mark Merrifield (NFLS), Denise Fitzgerald (NFLS).

1. **Welcome and Introductions.** Cheryl Maxwell called the meeting to order at 12:15.
2. **Lunch.**
3. **Agenda Revisions.** Denise Bellmore moved to accept the agenda, with the provision that item 7 "NFLS 2012 Audit" be moved up to item 6; Miriam Erickson seconded the motion. **Motion carried.**
4. **Open Forum.** No one came forward.
5. **June 11, 2013 minutes.** Erickson moved to approve the minutes as mailed; Kay Krall seconded. **Motion carried.**
6. **NFLS 2012 Audit – Tom Karman, CPA, Schenck.** A draft of the 2012 audit was sent in the board packet. The final audit and management documentation were distributed to the board. Tom stated that Schenck issued a clean opinion for NFLS. Tom summarized the annual financial report. Compared to 2011, the 2012 total assets decreased \$266,000 due to project funding in 2012.

Sandy Ryczkowski joined the meeting.

Karman noted that a decrease in state aid started in 2012. Ken Harter asked if there is a best practice in terms of maintaining reserve funds. Karman said as long as the state continues to fund twice annually, the system will be in good shape. He noted that typically 2-3 months of funding, or 15% of the budget, should be available. If the state changes the method of funding systems, that would alter what reserve funds would be needed. Mark noted that Wisconsin Library Systems' source of revenue is the Universal Services Fund, and is not subject to the same pressures as tax dollar funding. Karman summarized the management communication. He said there were no issues to report, and the audit went smoothly. There are two control matters which the auditing firm is required to report to the board. Due to the limited number of employees of the system, there is a segregation of duties issue. Helping to mitigate this are regular board reviews, and the contracting of outside accounting services. The other issue is that, as part of their services, Schenck drafts the management document and has NFLS management review it. Kay Krall moved that the board accept the audit report and documentation as presented; Corrie Campbell seconded. **Motion carried.**

7. **Reports:**

7.1 President – Cheryl Maxwell

- a) Executive Committee Report. Cheryl stated that the committee recommended that the full board accept the audit report as presented.

7.2 Treasurer – Sandy Ryczkowski - went over the June financial report which was sent in the board packet, and noted that pre-paying some of the expenses accounts for some of the line items' balances. Sandy asked Mark to go over the budget revisions. He had distributed a sheet detailing these modifications. The largest

revision is a new line item, 6415 RLA BCL Technology, in the amount of \$25,000. Mark recommended transferring \$10,000 from Online Databases, and \$15,000 from Salaries to cover this cost. Sandy made a motion to approve the financial statements as mailed. Denise Bellmore asked what NFLS is anticipating as far as carry-over at the end of the year. Mark said around \$150,000 is projected to be carried over. The budget is built around the state aid and the projected carry-over. Marsha Hoeffs asked if there is a ceiling on the amount of carry-over allowed. Mark said there is not, but all the funds need to be allocated. Bellmore seconded Ryczkowski's motion to approve the financial statements. **Motion carried.** Mark asked that the board approve the budget modifications for 2013; Denise Bellmore moved to approve the modifications; Miriam Erickson seconded. **Motion carried.**

7.3 Director – Mark Merrifield – Mailed his report to the board. Has been working with the libraries in Birnamwood and Florence on security issues. He is applying for LSTA grants, specifically two noncompetitive grants – the digital buying pool and a system technology project which has traditionally been used to offset database costs. There are several categories of competitive grants that he can submit. Gerri Moeller is on the LSTA Advisory Committee. Mark said he will talk to the librarians about their priorities, and apply for a grant based on that. Cheryl asked if NFLS could apply for several of the grants, and Mark stated that we could but then we need to have the ability to follow through on the projects. Miriam Erickson would like to discuss the system configuration report before acting on this. Connie Seefeldt asked about the updated NFLS website. She asked where we are in the NFLS and member library website design process. Mark stated that the system website is a work in progress. He noted that some of the libraries are moving to other web design vendors, and he can work with the libraries on system aid funding for this. He said it then becomes their responsibility to work with the vendor. Seefeldt asked how long NFLS's contract with Digital Design Services will last. Mark stated it's an open-ended contract. He noted that NFLS pays a separate contractor to do Brown County's webpage, and the budget's Web & Technology Development line item covers all these expenses.

8. **OWLSnet Report** - Gerri Moeller - discussed the OWLSnet planning document that is in progress with a committee of librarians and staff. Among the planning priorities are technology, competencies, fees, fee structure, hardware and e-content. Issues have come up with the Integrated Library System (ILS), and an evaluation will start as to whether a move is needed to another ILS. She stated that they are looking at updating Infosoup, with social-like integration such as reviews included. Kay Krall said board members need to know what services are provided by the OWLSnet consortium. Gerri stated that she has a document that she can make available on this. Sandy Ryczkowski asked when OWLS will have a new director. Gerri noted that Rick is retiring in October, and the OWLS board is setting up candidate interviews. Cheryl Maxwell thanked Gerri for her report.

9. **Member Library Report** – Stephanie Weber was unable to attend today's meeting. Kay Krall gave a report on the Florence Library for Steph, and distributed two handouts. She said the Florence County Library is a joint school/public library. In the past year, security anxiety for the school children has grown in the community. Kay said with Mark's help, they came up with a number of security solutions, such as a panic button at the librarian's desk. The exits in the public library will be changed to stop public access to the school. One sheet lists a summary of Florence's activities in 2013. The other summarizes Florence County Library's 2012 annual report. Cheryl thanked Kay for the report.

10. **2013 Budget Revisions.** Covered under financial report.

11. **SRLAAW System Configuration Final Report.** The final report was sent with the board packet. Rick Krumwiede, OWLS' director, chaired the subcommittee which made the report. Mark distributed a summary list of the subcommittee's recommendations.

Julia Wallace left the meeting.

Mark said the library community generally agrees that these recommendations need to be used in planning, to meet the needs of the libraries. Legislative support will be needed for several of these items. Miriam Erickson said recommendation numbers 4 and 5 suggest conducting studies, and she feels that this is a delaying action. She said she serves on the Wisconsin Council on Library and Network Development (COLAND), and she feels that the systems will be made to consolidate by the state if action is not taken proactively by the libraries' systems. Cheryl Maxwell made a motion that the board look into consolidating NFLS with other systems, and for Mark to submit an LSTA grant application for this purpose if funds are available. Bellmore seconded the motion.
Motion carried.

12. **New Business.** Marsha Hoeffs announced that Shawano Library's director, Kristie Hauer, had a baby boy August 5.

13. **Adjourn.** Corrie Campbell moved to adjourn at 2:20; Connie Seefeldt seconded.
Motion carried.

**Next Meeting: Tuesday, October 8, 2013 – Brown County Central Library,
Lower Level Meeting Rooms**

Gina Reinardy, Secretary
Denise Fitzgerald, Recording Secretary