

**Minutes of the  
Nicolet Federated Library System  
Board of Directors  
Tuesday, June 13, 2017 at 12 Noon  
Kress Family Branch Library, 333 N Broadway,  
De Pere, WI 54115**

**Present:** Paul Gustafson, Bob Entringer, Nancy Miller, Marsha Hoeffs, Kathy Pletcher, Elizabeth Arnold, Corrie Campbell, Miriam Erickson, Ken Harter, Sandy Ryczkowski, Julia Wallace

**Also present:** Jamie Matczak (NFLS), Megan Theys (NFLS) Tom Karman (Shenck), Josh Swanson (Shenck), Jennifer Thiele (Marinette), Brian Simons (BCL)

**Excused:** John Lemke, Cheryl Maxwell, Rosetta Stern, Christopher Wagner

**Unexcused:** Evan Hucek

1. **Welcome & lunch.** Corrie Campbell called the meeting to order at 12:01 p.m. Introductions were made.
2. **Agenda Revisions.** On the June 13, 2017 agenda, it incorrectly lists Miriam Erickson as the chair of the Personnel Committee. It will be changed to Ken Harter.
3. **Open Forum.** Nothing was brought forward.
4. **April 11, 2017 minutes.** Harter noted that Cheryl Maxwell's name was inadvertently omitted in Personnel Committee appointments in Item 5.1a, Appoint Personnel Committee. Miriam Erickson moved to approve the minutes with the change. Julia Wallace seconded. **Motion carried.**
5. **Reports:**
  - 5.1 **President – Corrie Campbell –**
    - Mark Merrifield resigned as Director of NFLS on May 12, 2017. Campbell met with the Personnel Committee and staff to facilitate the transfer of responsibility for daily System operations to Associate Director, Jamie Matczak. Campbell will send him the card signed by trustees present, and a gift card on behalf of the Board expressing thanks and appreciation of the board for his many years of service.
    - Cheryl Maxwell from Marinette sent a letter to OWLSnet AAC in opposition to the proposed revised OWLSnet fees. It was not read at the May AAC meeting, as had been requested. At that meeting the revised fee schedule proposal was recommended to the OWLS Board for adoption. Campbell indicated she will arrange for NFLS Board representatives to meet with OWLS Board representatives to discuss the issue before the OWLS Board acts on it.

- With OWLS also having an Acting Director, John DeBacher of the Division for Libraries and Technology Wisconsin DPI suggested NFLS and OWLS Boards explore possibilities of further cooperation and collaboration.
- The Personnel Committee is looking at the option of appointing a consulting director. Matczak does not qualify for the director position because she does not have an MLS. Potential candidates include the directors of the Manitowoc-Calumet or Wisconsin Valley Systems.
- In response to a question by Kathy Pletcher about the process for choosing a consulting director, Campbell noted first that no search has begun but said potential future merger partners, location and availability would be part of the consideration. Merrifield had also suggested Kathy Pletcher has the credentials to fill this role, but Pletcher and the rest of the Board feel this could be a conflict of interest since she serves on the NFLS Board.
- Miriam Erickson said the ongoing PLSR Project could affect the future of all Wisconsin library systems. Campbell said once we appoint a consulting director, the System would be in compliance with state requirements and would have the flexibility to consider future options as the PLSR recommendations are finalized.
- Matczak indicated to the Personnel Committee that she is comfortable running the day-to-day operations. She knows many of the other System directors and has been asking them questions as needed. She also would be comfortable working with either of the suggested system directors as a consulting director. Due to potential budget constraints, the Personnel Committee doesn't anticipate appointing a consulting director until 2018.

## 5.2 **Treasurer's Report – Sandy Ryczkowski –**

- Ryczkowski asked if the 2017 budget had been approved by the Board. Matczak suggested it was, according to past minutes. Board members received the February, March, and April statements of expense and revenue in their Board mailings.
- Matczak, Ryczkowski, and Campbell are reviewing NFLS's finances with our auditor, Tom Karman from Schenck. They have found that for a number of years, the reserve fund was used to balance the budget, drawing down the balance in that account.
- Our delivery service with Waltco has been on a handshake agreement. Following the RFP process last fall, Waltco did provide a draft contract but it has not yet been signed. The additional delivery stops at the Sister Bay library during summer months was not included in Waltco's new delivery schedule so the cost needs to be added. Campbell said the contract will be up for vote at the August meeting.
- Ryczkowski noted that an unanticipated cost is the vacation payout to Merrifield, which amounts to about \$12,000.
- Ryczkowski and Matczak will continue working on the budget and necessary adjustments.

- Campbell wants a clearer monthly financial statement because currently monthly statements do not include spending. Ryczkowski suggested working with Heartland on creating a clear, understandable financial statement. Harter suggested that the Executive Committee work on this and bring it back to the Board.

### 5.3 **Personnel Committee – Ken Harter –**

- On May 8<sup>th</sup>, Merrifield informed Harter and Campbell that he would be resigning effective May 12.
- May 10 Merrifield met with the Executive and Personnel Committees. Progress on various administrative responsibilities and ongoing projects were discussed. Merrifield informed the Committee that Matczak is the associate director and that no committee or board action was necessary for her to assume responsibility as interim director. He offered to come in as a consultant to finish projects.
- On May 19 the Personnel Committee and Board President Campbell met. They decided a resignation agreement was needed to document Merrifield's resignation and facilitate a clean break with him on his responsibilities at NFLS. Ryczkowski prepared a resignation document and had it reviewed by legal counsel. It specified that Merrifield's salary will be paid through May, his benefits through August, and a payout for his 407 accrued vacation hours. It included a statement agreeing that he would not pursue any future legal action against NFLS in regards to his employment with the system. He did sign the agreement. The Personnel Committee recommends acceptance of Merrifield's resignation and the terms of the resignation agreement to the Board.

### 5.4 **Interim Director's Report – Jamie Matczak –**

- On May 24, Megan Theys, Holly Handt, and Jamie Matczak visited the Waltco distribution center and met with Bob Walters and Brenda Moser.
- The Continuing Education Fall schedule has been completed and distributed. The Wild Wisconsin Winter Conference will go on as planned on January 24-25. She's still leading it but reaching out for help from other systems. Trustee Training Week is August 21-25. Once she gets the brochures, she will send them out. She is still on the CE workgroup for PLSR. She is also the communication liaison for PLSR and will continue to send out email updates. She is the WLA conference publicity co-chair. Registration for WLA opens next month. She submitted a proposal to present at the ARSL conference in Utah in September, and was asked to present.
- NFLS staff are doing trainings for the librarians – Megan Theys did a database training, John Kronenburg is doing technology trainings, Holly Handt and Megan Theys will be doing an ILL/Delivery training, and Jamie Matczak did a customer service training. Matczak will be doing an email etiquette training for Brown County, and a Google docs training for Marinette.

- The new director orientation program developed as part of the Strategic plan was used for the first time last week with the new director from Door County and will be used again in early July for the new Algoma director.
- System account passwords/username/credit card have been transferred to Matczak's name. Campbell and Matczak are now signers for the bank account along with Board treasurer, Ryczkowski. Matczak is creating a master list of Internet passwords. Staff is making an effort to insure someone is in the office to the extent possible with a staff of four people. The library directors have Matczyk's personal cell number if needed.

## 6. NFLS 2016 Audit

- Tom Karman, CPA, and Josh Swanson of Schenck, SC reported on the audit
- The Management Communications to the Board and 2016 Annual Financial Report were sent to trustees. Karman explained the documents show Schenck's opinions of the finances and pointed out several things of note in the report. On page 11, the balance sheet what appear to be big changes in cash and investments resulted from cash being held in the account instead of in the local government investment pool at the end of 2015. Karman recommended keeping funds in this pool until needed as it generates some interest income and is easily accessed as needed for operational costs. He said it is the best option for NFLS based on our size and operations.
- NFLS receives the first state aid payment for each year in November before the new fiscal year begins. The past few years, NFLS used this allocation to balance the previous fiscal year budget at year end.
- In 2016 four accounts: Technology Reserve, Payroll Liability Reserve, Capital Projects, and Unassigned showed ending balances. Karman said-some of Merrifield's vacation payout can come from these funds with Board approval.
- On page 13 in the Revenue and Expense for the year the total revenue stayed about the same but because additional funds are being drawn for expenditures, we are getting much closer to breaking even over time.
- Karman recommended that in order to balance the budget going forward, NFLS needs to match the revenue with spending. Accounts are set up but the budget doesn't align with the funds.
- Karman said reports prepared by Heartland can easily be tailored to our needs. Matczak will request financial report formats from other library systems for ideas. Karman offered to advise the board if needed.
- Ryczkowski moved to approve 2016 audit. Kathy Pletcher seconded.  
**Motioned carried.**

7. **Approve Resignation Agreement for Mark Merrifield.** – Ken Harter moved to approve the resignation agreement. Julia Wallace seconded. **Motion carried.**

8. **Approve Additional Library Services Grants.** – Miriam Erickson moved to approve the library services grants for Brown and Oconto County. Bob Entringer seconded. **Motion carried.**

**9. Delivery Update.** – Sister Bay will be getting 5-day a week delivery service from June—October. Matczak received a contract from Waltco but did not sign it until the Board was able to review and discuss it. Earlier this year NFLS paid about \$15,000 a month for delivery services. In May a reduced delivery schedule resulted in a reduction in cost to about \$12,500 a month. Several issues with delivery scheduling and service at NFLS and Brown County’s separate schedule were brought up and discussed. The Waltco contract will be on the agenda of the next Board meeting.

**10. LSTA 2017 Grants Update.** – Matczak was informed by the Division for Libraries and Technology that NFLS should receive the technology grant the System has received regularly again this year; however there are indications that this may be the last year it will be available. The other grant NFLS applied for to use for people counters is no longer funded. The Division will continue to fund, with modifications, projects such as Summer Reading, the Coding Initiative, New Director Boot Camp, WISCAT and BadgerLink.

**11. Legislative Update and System Funding Update – Kathy Pletcher.** – The Joint Finance Committee included the \$1.5 million increase for Wisconsin libraries in the budget. The library advocacy group is now working to insure the Governor won’t veto it. The additional appropriation would mean about \$35,000 in 2018 and same amount in 2019 for NFLS. Pletcher noted this is not a permanent addition to library’s budget allocation; it’s only for the next two years. Libraries and systems are being advised to track where they spend the money to help justify making it a permanent increase. Campbell reported she sent thank you letters to every member of the Joint Finance Committee. Pletcher encouraged the other Board members also send thank you notes.

**12. County Library Planning Progress Report.** – Marsha Hoeffs updated the board on Shawano County library planning progress. In June 2016, the Shawano County Board established the current Library Planning committee. The committee has met monthly since being established. After those initial meetings, the library planning committee established a plan of service that addressed the issues of branches not originally properly formed under state statute and adjacent county borrowing charges which was a concern of the Shawano County Board.

The plan of service calls for creating a countywide consolidated library system effective 1/1/2018.

Two public hearings on the plan were held in January 2017. The plan was reviewed by DPI in spring 2017 with several adjustments made.

From February through April 2017, each of the villages with current public libraries (Birnamwood, Bonduel, Mattoon, Tigerton, and Wittenberg) passed a resolution indicating interest in consolidating library services with the county.

In March 2017, the Shawano County board approved funding for a wage study by an outside consultant as the service plan would require all library employees to be county employees. The wage study is currently on-going with an anticipated completion of mid-summer for budget planning purposes.

Beginning in May 2017, the county administrator, library director, and three members of the library planning committee began to meet with each village board for the purposes of drafting a facility usage agreement. These agreements should be wrapped up in June or July.

Later this year (date unknown), the library plan of service will be requested to be approved by the Shawano County board. The City of Shawano and County of Shawano will also need to dissolve the current joint library contract in order to move forward with consolidation. Assuming consolidation is approved and implemented, the issues set forth previously by DPI will be addressed. If consolidation is not approved, the main library will remain a joint city-county library and remain in compliance with state law. The small village libraries would then need to establish themselves as a type of library allowable under state statute (joint or municipal) in order to be in compliance.

The Menominee County has been accepted by DPI. NFLS may be able to get \$9000 from the state that had previously been withheld because of Menominee's noncompliance.

**13. Public Library Redesign Project Update – Jamie Matczak.** – PLSR has formed an events subcommittee to talk about the agenda for the Steering Committee retreat. The retreat will take place on July 12 and 13. Most Steering Committee meetings prior to this were done via phone, not in person. The CE workgroup meets Thursday. There will be a PLSR day soon. There is a PLSR track at the WLA conference in October. PLSR is on Phase III and their work goes on into next spring.

#### **14. CLOSED SESSION**

Ken Harter moved to go into closed session under WI Statutes Section 19.85 (1)(c) considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility at 2:03 pm. Sandy Ryczkowski seconded. Roll call taken. **Motion carried.**

#### **15. Reconvene in open session pursuant to WI Statutes Section 19.85 (2).**

Elizabeth Arnold moved to reconvene in open session at 2:12 p.m. Seconded by Ken Harter. **Motion carried.**

**16. Possible action from closed session.** Julia Wallace moved to recommend a 20% increase in salary for Jamie Matczak, beginning May 12 and continuing until her term as interim director ends. Seconded by Kathy Pletcher. **Motion carried.**

**17. New Business**

- a. New Date for August Meeting. – The next Board meeting is scheduled for August 8<sup>th</sup> but Jamie Matczak will be on vacation.
- b. New date: The Board meeting date was changed to Wednesday August 16<sup>th</sup> at noon.

**18. Adjourn.** Marsha Hoeffs moved to adjourn. Paul Gustafson seconded. **Motioned carried.** Meeting adjourned at 2:21 p.m.

**Next meeting: Wednesday August 16<sup>th</sup>, 2017**

Megan Theys, Recording Secretary