

**IFLS LIBRARY SYSTEM  
Board of Trustees  
May 24, 2023**

**MINUTES**

The Board of Trustees of the IFLS Library System met on Wednesday, May 24, 2023, at the L.E. Phillips Memorial Public Library, 400 Eau Claire Street, Eau Claire, WI and via Zoom. Duerkop called the meeting to order at 1:04 pm.

**QUORUM AND CERTIFICATION OF COMPLIANCE  
WITH OPEN MEETINGS LAW:**

Joanne Gardner established that a quorum was present and certified that the meeting had been properly noticed in compliance with the open meeting law.

**BOARD MEMBERS PRESENT:**

**Judith Achterhof** (St. Croix County); **Mary Ellen Brue** (St. Croix County); **Jan Daus** (Eau Claire County); **Sue Duerkop** (Polk County); **Pat Eggert** (Dunn County); **Lois Goode** (Rusk County); **Kathy Krug** (Barron County); **Mary Alice Larson** (Barron County); **Sheila Lorentz** (Pierce County); **Paula Lugar** (Pierce County); **Jackie Pavelski** (Eau Claire County); **Michael Schendel** (St. Croix County); **Joel Seidlitz** (Chippewa County); **Josh Sterling** (Eau Claire County); **Jim Tripp** (Dunn County).

**BOARD MEMBERS ABSENT:**

**Marilyn Holte** (Chippewa County); **Jill Markgraf** (Resource Library); **Sue Marshall** (Price County); **Barbara McAfee** (Polk County); **Ricky Riggins** (Pepin County).

**OTHERS PRESENT:**

**John Thompson** (Director); **Adam Fuller** (Business Manager); **Leah Langby** (Library Development and Youth Services Coordinator); **Joanne Gardner** (Administrative Associate/Recorder).

**APPROVE AGENDA:**

**MOTION #16** <sup>(23)</sup>: To approve the agenda as presented. Daus/Pavelski  
**RESULT:** Carried.

**PUBLIC COMMENTS:**

There were no public comments.

**ANNOUNCEMENTS/CORRESPONDENCE/INTRODUCTIONS:**

Introductions were made.

**MINUTES:**

**MOTION #17** <sup>(23)</sup>: To approve the Board of Trustee minutes dated March 22, 2023 (Doc. #016-23). Pavelski/Eggert  
**RESULT:** Carried.

**FINANCIAL REPORTS:**

**MOTION #18** <sup>(23)</sup>: To approve the March/April 2023 Check Registers (Doc. #017-23). Daus/Lugar  
**RESULT:** Carried.

Questions were asked about the Waltco memo and if the payment to ProQuest was for an annual subscription.

**MOTION #19** <sup>(23)</sup>: To approve the March/April 2023 Financial Reports (Doc. #018-23). Lugar/Krug  
**RESULT:** Carried.

Questions were asked about the increase in payroll liabilities. Fuller noted that this includes payout on retirees and unused sick leave for payment of health insurance premiums.

**2022 AUDIT REPORT AND PRESENTATION:**

Sheanne Hediger, a Senior Manager with Bakertilly was present to provide a summary of the IFLS Library System 2022 Audit.

Hediger noted that they met with Adam Fuller, John Thompson, and staff in late April. They were responsive to questions about the process and very well prepared. The audit went smoothly.

IFLS was given an Unmodified opinion. This is the highest it can receive. The financial statements are presented fairly, in all material aspects, in accordance with account principals generally accepted in the U.S.

Management's responsibility is preparation and fair presentation of financial statements; design, implementation, and maintenance of internal controls; and evaluate conditions or events that raise substantial doubt about ability to continue as a going concern.

The auditors' responsibilities are to sample transactions, exercise professional judgement, gain an understanding of internal controls, evaluate appropriateness of accounting policies, and conclude whether there are conditions that raise substantial doubt.

Management's discussion and analysis is John Thompson and Adam Fuller's analysis of the financial condition and operating results of the system. Hediger encourages the Board to read this section.

Hediger reviewed the financial highlights from the 2022 Audit.

- Statement of net position and statement of activities (pages 58-59) list the assets, liabilities, and net position.
- General fund results (page 60) show the total fund balance, assigned fund balance, and the unassigned fund balance. The assigned and unassigned fund balance is 20% of 2022 expenditures (GFOA recommends minimum of 16%). The general fund excludes long term items. The net change in the fund balance was \$24,334 but budgeted for a loss of \$207,778. Revenues were under budget of \$227,511 while expenditures were also under budget by \$410,955. Lugar inquired why IFLS was budgeted for a loss. Thompson noted that IFLS has uncommitted carryover and dedicated reserves. If \$200,000 of money is unspent, it is budgeted for the next year. It is not new income.
- Note disclosure – Cash and investments (page 71) show a total of \$2,222,717 increase of \$84,640 from 2021. No deposits were exposed to custodial credit risk as of 12/31/222.
- Note disclosure – Long-term debt (page 74) shows a Net OPEB liability of \$164,172 (Local Retiree Life Insurance Fund) and compensated absences of \$119,916.
- Note disclosure – Pensions (pages 74-79) show Net pension asset of \$365,365 as of 12/31/2022, compared to net pension asset of \$287,120 as of 12/31/2021.

Hediger reported on the Required Communication as part of the 2022 Audit. There was not much change, but a little. Internal control matters (page 26-27) reflect a significant deficiency-internal control environment (lack of segregation of duties) and material weakness-financial reporting. As was the case several years ago, there was a significant deficiency. It is very common to see this in organizations of this size. The IFLS Business Manager has access to everything. The auditors looked at mitigating controls including John Thompson's oversight and the IFLS Board careful review of financial statements. The only way to eliminate this would be to hire additional staff. There would definitely be a cost to that.

New this year is a material weakness – financial reporting. The auditors prepared the statements for this year. Details are provided in the letter. Hediger noted that IFLS had a gem with Juli Button.

Hediger noted that a majority of her clients have a significant deficiency in internal controls. Auditors are required to report this and make the governing bodies aware of the deficiency.

Other required audit communications on the 2022 audit include the responsibility of the auditor; significant risks of material misstatement and areas of audit emphasis; no changes in accounting policies in 2022; significant estimates included in financial statements – pension calculations, OPEB calculations and depreciable lives for capital assets; corrected and uncorrected misstatements; and no difficulties, disagreements or consultations occurred. Hediger noted that no audit entries were made for 2022. There were no corrected misstatements. A few DPI Grant funds did not come until March of 2023 and since it was beyond 60 days, it was listed as unavailable grant revenue.

Two-way communication regarding 2023 audit planning is included on pages 43-44.

Hediger provided the contact information for her at Bakertilly for board members who may have questions.

**MOTION #20** <sup>(23)</sup>: To approve the 2022 Audit Report (Doc. #019-23) and presentation. Eggert/Seidlitz

**RESULT:** Carried.

**IFLS INVESTMENT REPORT AND  
REVIEW OF INVESTMENT POLICY:**

**MOTION #21** <sup>(23)</sup>: To approve the IFLS Investment Policy (Doc. #020-23). Daus/Achterhof

**RESULT:** Carried.

Tripp inquired if there were other considerations the Board should think about such as investing locally. Thompson noted that there are limitations to protect the principal and liquidity maintained to meet disbursements. Funds are kept in the Pooled Investment Fund (PIF) and a local bank. The interest at the local bank meets or exceeds the PIF.

**IFLS STAFF REPORTS:**

Leah Langby was present to provide an in-depth staff report. Langby is the Library Development and Youth Services Coordinator. Langby wears lots of hats but plans to talk about Inclusive Services today. Inclusive Services provides equitable access to library resources and spaces that are welcoming and access free.

The State is providing consulting and funding for statewide projects. Every library system has someone designated as an Exclusive Services Consultant. IFLS provides consulting, continuing education, resources, and special projects. IFLS has coordinated accessibility audits for ADA compliance which provides insight down to what the local library is able to do for access.

The Department of Public Instruction (DPI) in conjunction with library workers created a tool in 2019 as a follow-up to their Inclusive Services Statement. It is not meant as a rulebook, but rather a self-reflection tool. Not every library has the resources to do all the things or does it make sense to do them all. It is a handy and useful tool that can be used continually and taken in pieces. Langby noted that there are some federal grants for libraries, but they cannot be used for construction.

Lugar noted that there has been a huge pushback for what is on the library shelves and inquired if this tool is helpful for that. Langby noted that the most useful tool is a really solid collection development policy for the library. Thompson added that collection development policies and statements that the collection is not restricted or censored are key. Ultimately, the local library board creates the policy. Thompson noted that the nature of developing a diverse collection is that not everyone agrees with it. Langby stated that collections can be contentious, and libraries are working hard on this. School and public librarians in some communities are targets of overt hostility from community members. IFLS tries to keep these principles in mind with continuing education and consulting. IFLS tries to balance encouraging action of member libraries and responding to needs. Achterhof noted that libraries immensely appreciate IFLS delving into Intellectual Freedom.

**DIRECTOR'S REPORT:**

Through a contract with WiLS, they were retained to lead an internal strategic planning meeting with IFLS staff. Strategic priorities were identified, and skills balanced out. This will assist with

direction going forward for 2023-2026. WILS staff will be back in the early fall to wrap up the strategic planning.

IFLS is looking at strengthening what we do. Libraries value the services and consultation we provide. IFLS wants to continue to meet their needs and identify things that might be bigger priorities. One goal is to help member library board members understand Intellectual Freedom and inclusive services.

Daus noted that news Thompson shared with the Board notes that he is the longest serving system director in the state. Thompson noted that system directors have started meeting regularly since COVID.

*(Seidlitz left at 2:28 pm.)*

Thompson noted that the backgrounds of public library directors are much more diverse, and they serve shorter tenures now. A lot of education and training are offered to support libraries.

### **REPORT FROM IFLS PERSONNEL COMMITTEE:**

Jan Daus was elected chair of the IFLS Personnel Committee for 2023.

The Personnel Committee is planning to send out John Thompson's Director Evaluation survey. Survey Monkey will be sent to the 53-member public libraries. An email will be sent to the IFLS Board and IFLS staff asking if they have anything to share as part of the Director Evaluation.

The Survey and Emails will be sent in June and due by the end of that month. The results of Survey Monkey will be tabulated and shared with the Personnel Committee. John Thompson will provide his Director Accountabilities in July as part of the evaluation process.

**MOTION #22** <sup>(23)</sup>: To approve the IFLS Personnel Committee recommendations on the Director Evaluation Survey and Timeline. Larson/Pavelski  
**RESULT:** Carried.

### **BOARD MEMBER REPORTS:**

Brue noted she is doing radiation and her sister is taking good care of her.

Daus inquired when the Explore MORE Passport Program will conclude. It was noted it will run through July 15, 2023.

Achterhof noted that she saw the Baldwin book bike. It is bigger and heavier than she thought. It holds a lot of books.

Achterhof mentioned the Dolly Parton books where kids can receive sixty new books. She inquired if that may be something to mention to libraries and communities that might want to help participate. Langby noted that postage is expensive, and a lot of these kids move a lot and have a chaotic life. There may be other avenues that might be more effective.

**ADJOURNMENT:**

Board members interested in a tour of the L.E. Phillips Memorial Public Library should stay following adjournment. Director, Nancy Kerr, will be providing the tour.

Brue made a motion to adjourn at 2:43 pm. Lugar seconded. Motion carried.

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Joanne Gardner, Recorder/Administrative Associate

These minutes of the Board of Trustees are approved:

- as printed.
- with corrections noted.

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Presiding Officer

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Dated

IFLS LIBRARY SYSTEM  
Personnel Committee  
May 24, 2023

**MINUTES**

The Personnel Committee of the IFLS Board of Trustees met on Wednesday, May 24, 2023, at IFLS Library System, 1538 Truax Boulevard, Eau Claire, WI 54703 as well as via Zoom. Duerkop called the meeting to order at 10:40 am.

**QUORUM AND CERTIFICATION OF COMPLIANCE  
WITH OPEN MEETING LAW:**

Joanne Gardner established that a quorum was present and certified that the meeting had been properly noticed in compliance with open meeting law.

**PERSONNEL COMMITTEE MEMBERS PRESENT:**

Jan Daus (Eau Claire County), Sue Duerkop (Polk County), Mary Alice Larson (Barron County, Jim Tripp (Dunn County).

**PERSONNEL COMMITTEE MEMBERS ABSENT:**

Sue Marshall (Price County), Ricky Riggins (Pepin County).

**OTHERS PRESENT:**

John Thompson (Director), Joanne Gardner (Administrative Associate/Recorder).

**APPROVE AGENDA:**

**MOTION #12** <sup>(23)</sup> To approve the agenda as presented. Daus/Tripp.  
**RESULT:** Carried.

**CITIZEN COMMENTS:**

There were no citizen comments.

**ELECTION OF CHAIR:**

**MOTION #13** <sup>(23)</sup> To nominate Jan Daus as Chair of the Personnel Committee.  
Tripp/Larson  
**RESULT:** Carried.

**MINUTES:**

**MOTION #14** <sup>(23)</sup> To approve the Personnel Committee Minutes dated September 28, 2022 (Doc. #044-22).  
**RESULT:** Carried.

**DIRECTOR EVALUATION PROCESS/TIMELINE FOR 2023:**

**MOTION #15** <sup>(23)</sup> To approve that an Evaluation Survey (Survey Monkey) will be sent to Library Directors and an Email will be sent to the IFLS Board and IFLS Staff. Tripp/Larson  
**RESULT:** Carried.

Thompson noted that he will provide his accountabilities at the July Personnel Committee meeting. If the Committee would like anything else, they should let Thompson know. Tripp noted that he appreciates updates on statewide projects related to libraries.

Tripp stated that the IFLS Board of Trustees is fortunate in the staff in general and there have been no personnel issues to deal with. A director evaluation process should address concerns no matter how well or roughly the organization is running.

Duerkop noted that in 2024 the questions on the director evaluation survey document could be reviewed and adjusted as needed by the Personnel Committee.

**ADJOURNMENT:**

Motion to adjourn at 11:00 am. Larson/Tripp

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Joanne Gardner, Recorder/Administrative Assistant