

La Porte County Public Library Board of Trustees Meeting Minutes

January 18, 2024 at 5:30 PM CDT

904 Indiana Avenue, La Porte, IN 46350

Attendance

Present:

Members: Dara Jeffries, Karen Ellison, Bonnie Snider, and Amy Jackson

Anthony Novak, Attorney

Fonda Owens, Director

Ann Shaffer, Treasurer

Absent:

Members: Corey Campbell, Nicole Florek, and Rhonda Spence

Call to Order

Vice-President Dara Jeffries called the meeting to order at 5:34 PM.

Consideration of the Agenda

Motion was made by Karen Ellison and seconded by Bonnie Snider to amend the agenda by adding
4b – APV Batch 2023 year. The vote was taken and the motion carried.

Public Forum

Vice-President Dara Jeffries called for questions or comments from the public. There were none.

Consent Agenda

- a. Minutes of December 19, 2023 Board of Trustees Meeting
- b. Financial Report

A motion was made by Amy Jackson and seconded by Bonnie Snider to approve the consent agenda. The vote was taken and the motion carried.

Reports

Staff Reports

Youth Librarians, Lilly Dowty and Cassie Yeater introduced themselves to the Board.

Pam Okosun, Community Learning Manager, reported that PNW School of Technology will host teen summer camps again this year. Ms. Okosun also stated that December was a very busy month at the Exchange, with the highest monthly total of new members since opening.

Director

Director, Fonda Owens, reported that the Annual Library Report and Annual Financial Report are both due March 1, 2024.

Director Owens, shared information regarding Senate Bill 32 proposed legislation that would seriously impact public libraries. If passed, Senate Bill 32 would “eliminates the authority of public libraries to impose an ad valorem property tax as a taxing unit”. It would redefine the core functions of a library. As the bill is written the library would not be able to offer programs such as early literacy story times, book clubs, and educational programs would cease to exist. The Exchange would have to be closed. The Indiana Library Federation has released a statement against SB32.

Director Owens has met with Representative Jim Pressel regarding SB32 and will give him a tour of the Exchange on January 19th.

Legal Counsel

Attorney, Anthony Novak, stated he had nothing to report this month.

Unfinished Business

There was no unfinished business.

New Business

a. Nominating Committee for Election of Board Officers 2024

Vice President, Dara Jeffries, will organize the nominations for election of officers for 2024.

b. Affirmation of Internal Controls

A motion was made by Bonnie Snider and seconded by Karen Ellison to approve an affirmation of Internal Controls as presented:

Affirmation of Internal Controls

Whereas, the Board of Trustees, of the La Porte County Public Library recognizes their responsibility to the residents and taxpayers of the service district, to maintain minimum internal control standards as defined by State Board of Accounts and IC 5-11-1-27(g).

NOW THEREFORE BE IT AFFIRMED, that the Board of Trustees of the La Porte County Public Library adopted internal control standards at the regular Board of Trustees meeting in August of 2016. These standards remain in effect.

The Board of Trustees affirms as well that all Board and Library personnel receive training concerning the internal control standards and procedures adopted by the La Porte County Public Library Board of Trustees.

DULY affirmed by the Board of Trustees at the La Porte County Public Library at its regular meeting held on the 18th day of January 2024, at which meeting a quorum was present.

The vote was taken and the motion carried.

c. Review and Affirmation of Materiality and Acceptable Risk Policy Resolution

A motion was made by Amy Jackson and seconded by Bonnie Snider to approve an affirmation of the Resolution to Adopt Materiality and Acceptable Risk Procedures as presented:

Resolution to Adopt Materiality and Acceptable Risk Procedures

Whereas, IC 5-11-1-27 (j) requires erroneous or irregular material variances, losses, shortages, or thefts of political subdivision funds or property be reported immediately to the State Board of Accounts; and

Whereas, La Porte County Public Library does not condone any erroneous or irregular variances, losses, shortages, or thefts of political subdivision funds or property but recognizes that relatively small items may not justify the cost of the involvement of the State Board of Accounts:

Now, therefore, the Board of Trustees directs as follows:

All erroneous or irregular variances, losses, shortages, or thefts of Library funds or property shall be promptly reported to the Library Director or his/her designee. Documentation of all variances not meeting the threshold will be kept in the Administrative Services Office.

It will be the policy of the Library to report to the State Board of Accounts any erroneous or irregular variances, losses, shortages, or thefts of cash in excess of \$500 as a single occurrence or multiple occurrences, except for inadvertent clerical errors that are identified timely and promptly corrected with no loss to the Library.

It will be the policy of the Library to report to the State Board of Accounts any erroneous, or irregular variances, losses, shortages, or thefts of non-cash items in excess of \$5000 as a single occurrence or multiple occurrences, except for those resulting from inadvertent clerical errors or misplacements that are identified timely and promptly corrected with no loss to the Library.

La Porte County Public Library reserves the right to report any and all occurrences of irregular variances, losses, shortages, or thefts of Library cash or non-cash items to the State Board of Accounts and other authorities regardless of the amount.

All Library Board members, and all Library employees and volunteers are directed to comply with this policy.

Duly adopted by the Board of Trustees of La Porte County Public Library at its regular meeting held on Thursday, October 27, 2016, at which meeting a quorum was present and reviewed and reaffirmed on January, 18th, 2024, at which meeting a quorum was present.

The vote was taken and the motion carried.

d. Advance Payment of Claims Policy Revisions

Director Owens reported that the Advance Payment of Claims Policy has been updated to reflex updated changes in the Indiana Code. A motion was made by Karen Ellison and seconded by Amy Jackson to approve the Advance Payment of Claims Policy has present:

**LA PORTE COUNTY PUBLIC LIBRARY
RESOLUTION FOR ADVANCE PAYMENT OF CLAIMS**

WHEREAS, the La Porte County Public Library must pay its bills on time and the La Porte County Public Library Board of Trustees requests that all bills be paid by their due date, the La Porte County Public Library Board of Trustees does hereby approve that the following types of disbursements be made before the monthly regular scheduled Library Board meeting as allowed by Indiana Code 36-12-3-16(a)(b)(1-18)(c):

Property or services purchased or leased from the federal government or the federal government's agencies and the state, the state's agencies, or the state's political subdivisions.

- (1) Dues, subscriptions, and publications.
- (2) License or permit fees.
- (3) Insurance premiums.
- (4) Utility payments or connection charges.
- (5) Federal grant programs where:
 - (A) advance funding is not prohibited; and
 - (B) the contracting party posts sufficient security to cover the amount advanced.
- (7) Grants of state funds authorized by statute.
- (8) Maintenance and service agreements.
- (9) Legal retainer fees.
- (10) Conference fees.
- (11) Expenses related to the educational or professional development of an individual employed by the Library Board, including:
 - (A) in-service training;
 - (B) attending seminars or other special courses of instruction; and
 - (C) tuition reimbursement; if the Library Board determines that the expenditures under this subdivision directly benefit the library.
- (12) Leases or rental agreements.
- (13) Bond or coupon payments.
- (14) Payroll costs.
- (15) State, federal, or county taxes.
- (16) Expenses that must be paid because of emergency circumstances.
- (17) Expenses incurred to advertise and promote the programs and services of the library.
- (18) Other expenses described in a Library Board resolution.

The La Porte County Public Library Board requests that each payment of expenses lawfully incurred for library purposes must be supported by a fully itemized invoice or other documentation. The Library Director must certify to the Library Board before payment that each claim for payment is true and correct. This certification must be on a form prescribed by the State Board of Accounts and presented at the next regularly scheduled Library Board

meeting.

Purchases of books, magazines, pamphlets, films, filmstrips, microforms, microfilms, slides, transparencies, phonodiscs, phonotapes, models, art reproductions, and all other forms of library and audiovisual materials are exempt from the restrictions imposed by IC 5-22.

Revised and adopted this 29th day of February, 2016.

Revised and adopted this 18th day of January 18,

The vote was taken and the motion carried.

e. Review and Affirmation of Capitalization Policy

A motion was made by Bonnie Snider and seconded by Amy Jackson to approve an affirmation of the Capitalization Policy as presented:

**La Porte County Public Library
Capitalization Policy**

In accordance with the State Board of Accounts' Accounting and Uniform Compliance Guidelines, the La Porte County Public Library shall establish a policy that provides for recording of capital assets. A Capital Assets Ledger will record an item's description, type of asset, location, date of purchase, acquisition cost, estimated life, depreciation, tag or serial number, date of disposal, and amount received on disposal.

Capital Asset Definition

Capital assets are defined as land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single report period.

Capitalization Threshold

The La Porte County Public Library establishes the following minimum capitalization thresholds for assets which is to be applied on an individual or per item basis, unless the effect of doing so would be to eliminate a significant portion of total capital assets.

Land	\$1
Buildings	\$5,000
Improvements other than buildings	\$5,000
Furnishings, Machinery & Equipment	\$5,000
Infrastructure	\$5,000
Construction in Progress	\$5,000
Collection	\$5,000

Included in the "Collection" category are circulating library materials; Books, Magazines, DVD's, Music CD's, Kits, Playaways, Hotspots and Chromebooks.

Capitalization Method

Capital assets are recorded at cost as of the date acquired. If cost information is not available, assets are to be recorded by calculating current replacement cost. Relevant historical documents may be used in determining fair value.

Depreciation and Useful Life

In accordance with the State Board of Accounts, a “Depreciable/Amortizable Lives” schedule will be applied to all capital assets except the “Collection”. Asset lives will be adjusted as necessary depending on the present condition and use of the asset and based on how long the asset is expected to meet current service demands. Assets are depreciated on a straight-line basis beginning the year placed into service.

“Collection” Assets will be depreciated over that same estimated useful life of five (5) years beginning the year placed into circulation. An annualized amount is deducted from accumulated depreciation each year. Annual depreciation and reduction in accumulated depreciation is calculated at year end.

Internal Control

As required by the Indiana State Board of Accounts, a physical inventory is to be performed comparing the asset listing to actual items, ensuring the inventory is accurate and that assets have not been removed without authorization. Inventory should be completed every two (2) years.

Donated Assets

Donated assets must be capitalized at market value as of the date of donation. Market value is defined as the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date, or the amount at which a liability could be liquidated with the counterparty.

Retirement of Assets

Asset retirements must be recorded including accounting for any money received.

Documentation of the asset retirement should be retained. “Collection” Asset is disposed of is considered fully depreciated in the year of disposal regardless of how long it has been in circulation.

Construction in Progress

Capital expenditures incurred with constructing or developing a tangible or intangible capital asset before it is substantially ready to be placed into services is categorized as Construction in Progress. Once the asset is complete and placed into service the asset will be reclassified into the appropriate capital asset category. Until the asset is placed into service no depreciation expense will be incurred.

Revised: May 19, 2022, La Porte County Public Library Board of Trustees

Adopted: January 20, 2022, La Porte County Public Library Board of Trustees. To be effective January 1, 2021.

Reviewed and Reaffirmed January 18, 2024

The vote was taken and the motion carried.

f. Review and Affirmation of Depreciation Policy

A motion was made by Karen Ellison and seconded by Bonnie Snider to approve an affirmation of the Depreciation Policy as presented:

La Porte County Public Library Depreciation Policy

Statement of Purpose

In accordance with the State Board of Accounts' Accounting and Uniform Compliance Guidelines, the La Porte County Public Library shall establish a policy that provides for a schedule of depreciation of capital assets.

Depreciation and Useful Life

Depreciation is the systematic and rational allocation of the acquisition cost of an asset, less its estimated salvage value or residual value, over the assets estimate useful life.

Useful life is an estimate of the average number of years an asset is considered useable before its value is fully depreciated.

Depreciation Schedule and Methods

A "Depreciable/Amortizable Lives" schedule will be applied to all capital assets except the "Collection". Asset lives will be adjusted as necessary depending on the present condition and use of the asset and based on how long the asset is expected to meet current service demands. Straight-line basis will be used to calculate depreciation on non-Library. An annualized amount is deducted from accumulated depreciation each year.

Annual Depreciation = Cost/Useful Life

Accumulated Depreciation = Annual Depreciation x Years in Service

Composite method (groups of similar items together) will be used for calculating the Library's Collection. The Library collection is recorded on the capital asset ledger based on actual cost of the item. The estimated useful life will be five (5) years beginning the year placed into circulation.

Composite Method of Depreciation will be used to calculate the Library's Collection. A full year of depreciation is taken in the first year when the collection item is put into use. An annualized amount is deducted from accumulated depreciation each year.

Annual Depreciation = Actual Cost/Useful Life

Accumulated Depreciation = Annual Depreciation x Years in Service (5 years)

Accumulated Depreciation includes only five years of depreciation since that is the estimated useful life of the group and it is assumed that the library materials that are six years old have been removed from the collection.

Adopted: January 20, 2022, La Porte County Public Library Board of Trustees. To be effective January 1, 2021.

Reviewed and Affirmed: January 18th, 2024

The vote was taken and the motion carried.

Approval and Payment of Claims---APV Batch January 18, 2024

A motion was made by Karen Ellison and seconded by Bonnie Snider to approve payment of claims APV batch dated January 18, 2024. The vote was taken and the motion carried.

Approval and Payment of Claims---APV Batch Year 2023

A motion was made by Amy Jackson and seconded by Bonnie Snider to approve payment of claims APV batch Year 2023. The vote was taken and the motion carried.

Questions or Comments from the Public

Vice-President Dara Jeffries called for questions or comments from the public. There were none.

Questions or Comments from the Board

Vice-President Dara Jeffries called for questions or comments from the Board. Director Owens asked the board if meeting dates and times should stay the same for the year 2024? The board decided, yes to keep the same date and time. Having board meetings at library branch location would start in April. Director Owens then asked if the board would like to continue to use OnBoard to receive documents and notifications. The board decided yes.

Adjournment

A motion was made by Bonnie Snider and seconded by Amy Jackson to adjourn the meeting at 6:06 PM. The vote was taken and the motion carried.