

LA PORTE COUNTY PUBLIC LIBRARY
BOARD OF TRUSTEES MEETING
MINUTES JANUARY 20, 2022

CALL TO ORDER

President Karen Ellison called the meeting to order at 6:30 PM.

ROLL CALL

Present

Karen Ellison – President
Michelle Shirk – Vice-President
Corey Campbell – Secretary
Marie Gilliland
Dara Jeffries

Absent

Dave Decker

*Open seat---waiting on appointment of La Porte Community School Corporation

A quorum was present to conduct the business of the Library.

Also in Attendance

Fonda Owens – Director
Anthony Novak - Legal Counsel
Cindy Lane – Treasurer

CONSIDERATION OF THE AGENDA

There were no changes to the agenda.

PUBLIC FORUM

President Ellison called for questions or comments from the public. There were none.

CONSENT AGENDA

President Ellison called for a motion to approve the consent agenda as follows:

Minutes of the December 16, 2021 Board of Trustees Meeting

Manager Reports

Financial Report

Approval and Payment of Claims ---per APV Batch January 20, 2022

Michelle Shirk moved and Corey Campbell seconded to approve the consent agenda as presented. The vote was taken and the motion carried.

PRESENTATION ON COLLECTION AND CIRCULATION

Toni Kester Bulgar, Public Services Manager presented plans to improve access to collections, a major goal of the Library's Strategic Plan. Rightsizing the collection works by reviewing items that are being checked out at each location and tailoring the collections to community interests at that location. This will reduce the number of items placed on hold for delivery at different locations. Fish Lake Branch was the pilot location and the results show an increase in circulation. Rolling Prairie Branch will be converted next. Main Library will be the repository location for collections.

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Going Dewey-Less will change the way items are cataloged. It is a system that makes sense to people by organizing library items by subject and using words rather than numbers (Dewey Decimals) to organize the collections. This the system that is used at bookstores like Barnes and Noble.

REPORTS

Director

Director Owens reported construction work has slowed down on the parking lot due to winter weather. Light poles are not expected to arrive until end of January, early February.

The Library will be working with the Unity Foundation once again to host the teacher conference in the summer.

The 2022 materials budget has been entered into the new OSA software that will make ordering, invoicing and cataloging easier.

Director Owens reported that the library received a materials reconsideration form for the book "Gender Queer". The customer cited that the book's subject matter and graphic illustration were inappropriate for the YA collection. A committee of library staff was formed to evaluate the book in accordance with procedure. The committee recommended to the Director to retain the book but to reclassify to the adult collection. The customer has been informed of this decision.

LPCPL joined the Indiana Digital Library Consortium to give access to a larger selection of Overdrive material. About 150 Indiana Libraries are members of the consortium.

Director Owens reported that she has applied to be a member of the OF/BY/FOR ALL network. If accepted eight to ten staff members will be part of the cohort team which will help our staff deepen community relationships and develop leadership skills.

Director Owens also spoke about proposed legislation that will impact libraries, HB1134 and SB 17.

Ms. Owens reported to the Board that the library was informed of its required involvement with the county's 2019-2020 audit, because the Library is a component unit of La Porte County government. The county's move to GAAP accounting standards caused the Library to be considered a component unit, of which the Library was not informed until late 2021. Ms. Owens reported that it has been a difficult and confusing process when communicating with the State Board of Account auditors, specifically in regard to their requests for detailed information on the Library's collection and depreciation for the years 2019 and 2020. The Library was not required to calculate depreciation of the collection until 2021 so it has been challenging to provide information to the auditors that was not reported on previously.

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Legal Counsel

Attorney Anthony Novak reported that he had no updates to report at this time.

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

Revisions to the LPCPL Capital Assets Policy

The policy was updated to include a section on the method used to evaluate and depreciate the Library's Collection.

Corey Campbell moved and Marie Gilliland seconded to approve the Capital Asset Policy as presented. The vote was taken and the motion carried.

La Porte County Public Library Capitalization 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 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. Due to the nature of the Library's mission and the dollar amount it invests, books, publications, and audio-visual materials are also considered capital assets of the Library.

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

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Infrastructure	\$5,000
Construction in Progress	\$5,000
Collection	\$5,000

Included in the "Collection" category are circulating library materials such as: books, magazines, DVDs, music CDs, multi-media kits, audiobook devices, loanable computer/tech equipment.

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 an 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 five (5) years.

Administrative Services staff will maintain an inventory of all capital assets.

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

The Library will attempt to retain capital assets until the end of their expected useful life, or they become obsolete or unrepairable. Asset retirements must be recorded including

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accounting for any money received. Documentation of the asset retirement should be retained. A "Collection" asset 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.

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

Recommendation to establish a Depreciation Policy

Corey Campbell moved and Dara Jeffries seconded to approve 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

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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 the 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.

The vote was taken and the motion carried.

Nominating Committee for Election of Board Officers 2022

President Ellison asked for volunteers for the Nominating Committee for Board Officers for 2022. Michelle Shirk agreed to serve.

Proposal for Architect Services

Corey Campbell moved and Dara Jeffries seconded to approve hiring Jones, Petrie, and Rafinski Architects at a cost of \$25,000 to write the bid requests for replacement of windows at Main Library. The vote was taken and the motion carried.

QUESTIONS OR COMMENTS FROM THE PUBLIC

President Ellison called for questions or comments from the public. There were none.

QUESTIONS OR COMMENTS FROM THE BOARD

The Board thanked the staff for another wonderful year.

ADJOURNMENT

Corey Campbell moved and Dara Jeffries seconded to adjourn the meeting at 7:23 PM. The vote was taken and the motion carried.