

**PUEBLO CITY-COUNTY LIBRARY DISTRICT BOARD OF TRUSTEES
MINUTES FOR THE REGULAR MEETING**

January 26, 2017

I. CALL TO ORDER AND ROLL CALL

The regular session of the Pueblo City-County Library District Board of Trustees was called to order at the Rawlings Library at 5:31 p.m. by President Fredrick Quintana.

Board Members Present: Fredrick Quintana, President; Donna Pickman, Vice President; Marlene Bregar; Lyndell Gairaud; Philip Mancha; Doreen Martinez; Jim Stuart

Staff Present: Jon Walker, Executive Director; Sherri Baca, Chief Financial Officer; Sara Rose, Chief Operating Officer; Maria Sanchez Tucker, Special Collections and Museum Services Manager; Charlene Garcia Simms, Special Collections Librarian; others not recorded.

Attorney Present: Kate Shafer

II. CORRECTIONS AND MODIFICATIONS TO ADENDA

Mr. Walker asked to add a new Item VIII.B.8 to discuss Urban Renewal, moving the Executive Session to VIII.B.9.

III. APPROVAL OF THE MINUTES

Mr. Quintana said the Minutes of the Library Board Work Session held on December 8, 2016 and Minutes of the Regular Library Board meeting held on December 13, 2016 were provided to Board members prior to the meeting.

Ms. Pickman made a Motion, seconded by Dr. Mancha, to approve the Minutes of the Library Board Work Session held on December 8, 2016. The minutes were approved by unanimous consent.

Ms. Bregar made a Motion, seconded by Mr. Stuart, to approve the Minutes of the Regular Library Board meeting held on December 13, 2016. The minutes were approved by unanimous consent.

VI. REPORTS

A. Executive Director Report

Pueblo: Images of America: Mr. Walker invited Maria Tucker, Special Collections and Museum Services Manager, and Charlene Garcia Simms, Special Collections Librarian, to provide a report.

Board members were provided a copy of the book, *Pueblo: Images of America*, and Ms. Tucker reviewed how the effort originated. Ms. Tucker commented that Charlene Garcia Simms was the driving force keeping it all on track with all the coordination required. Jeff DeHerrera was the third author who was brought in to work on the deep research.

There will be a book signing event at Barnes & Noble on Saturday, January 28 from 2:00-4:00 p.m., and Ms. Tucker was told that the books are selling like hotcakes. The library has sold about ten copies, and copies are available at other locations around town. The library will receive royalties on sales in the future.

Ms. Simms noted they were given six choices for the cover and was pleased the cover selected included the Vail Hotel which is still standing. Ms. Simms presented various photographs including one depicting Arapaho Indian trade and a reprint from a newspaper

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article where Pueblo was referred to as “Pittsburg of the West.” She commented on photographs of Charles Autobees with Wild Bill Cody and a chapter on Pueblo’s great diversity. Ms. Simms said the publisher limited the book to 128 pages, there were 199 pictures, and captions were limited to 70 words. Ms. Simms is hopeful the book will inspire people in Pueblo to bring in more pictures. The library’s vault holds a gold mine of historic photographs.

Ms. Simms briefly reviewed chapters and photographs featuring CF&I, a “newsie,” a crowd which included Teddy Roosevelt, a World War I soldier’s wedding, John F. Kennedy signing the Fryingpan-Arkansas Project, a painting of Patrick Lucero brought in by his brother for digitization, murals along the levy, and ending with the Song of Pueblo stage production. Ms. Simms concluded by offering her thanks to the Board for its support of the project.

Mr. Stuart asked if the project turned out to be more difficult than they thought at the beginning, and Ms. Simms said the biggest challenges were time constraints and the word limitations. Mr. Stuart commented that the timing is perfect because Books Again only has three copies of the book Joanne Dodds wrote in 2003, and this will give them a fresh new book on Pueblo. It was agreed Ms. Tucker and Ms. Simms did a great job.

Key Results: Mr. Walker provided a presentation comparing PCCLD key results with Colorado peers using data collected by the Library Research Service (LRS), a program of the Colorado State Library. LRS recently released the 2015 updates to the data it compiles. PCCLD’s peers are public libraries serving communities with populations over 100,000. Mr. Walker presented graphs showing five-year trends among the peer libraries and one showing the comparisons for 2015 in Circulation per Capita, Library Visits Per Capita, Program Attendance per 1,000 served, and Use of Internet Computers. Mr. Walker pointed out in every category PCCLD was trending up. Mr. Walker noted a slight dip in Circulation in 2013 which he attributed to the Library Enhancement Project that closed Barkman and Lamb during the 1st quarter of the year. In 2015, PCCLD was second to none in Visits and Program Attendance. Use of Internet Computers is not adjusted to the size of the community, but PCCLD still ranked third even though it is not the third-largest community.

Mr. Walker wanted to bring these to the Board’s attention, noting that the recent Star Library Award from the *Library Journal* is based on these four categories because they and the PLA believe these categories measure a library’s community engagement.

Gallagher Amendment: Mr. Walker asked Sherri Baca to present on an issue that just came on his radar a week ago which will impact property tax revenue. Even as property values increase, it appears that property tax revenue will decrease in 2018, and Ms. Baca would explain how that can happen.

Ms. Baca distributed a fact sheet on the Gallagher Amendment and its Effects on Property Tax Revenue which she reviewed in detail. The good news is Pueblo County residential valuations are forecasted to increase 10%, but the forecasted effect on PCCLD’s budget will be a decrease in property tax collections.

Ms. Baca provided the DOLA Residential Assessment Rate Study preliminary findings and pointed out a chart on page 3 showing a recap of residential assessment rates since 1983. There was additional explanation of the calculations and ratios used, but it is sobering news. Budgets that are tight this year are expected to decrease further in 2018 which will also affect school districts and other taxing entities.

Ms. Baca attended a webinar from Special Districts Association (SDA), and she expects to learn more in the coming months. The final report from DOLA will be released on April 15, Pueblo County will send out property valuations to property owners in May, and on August 25 the Pueblo County Assessor will send PCCLD the preliminary assessed valuation to

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which the mill levy will be applied. Ms. Baca concluded that TABOR will factor in as well, and an article from *The Denver Post* was provided describing the issue in layman's terms.

Mr. Walker said there was discussion that rates have been going down but cannot increase because of TABOR and whether they can be legally enjoined from going down. Mr. Walker believes it is in library's interest and he would recommend asking legal counsel to provide a legal opinion.

Ms. Shafer has been looking into Gallagher which is very complex, and it will take some time to do research on case law.

Mr. Walker said the legislature is interested in doing what is politically expedient, and it may be that this has already been litigated.

The issue is so new, people are just starting to talk about it, and the discussion has just now begun.

Dr. Mancha noted the rates on the columns are different, and Ms. Baca explained the DOLA representative said the final rate calculated always differs from the preliminary.

TABOR provides for the rates to go down, but the rates cannot go up without a vote. One of the questions in a discussion Mr. Walker attended was how this may affect those that had "de-Bruced" and were told that it does not affect this because it is a State calculation. One of the other nuances of the Gallagher Amendment is because of Denver Metro, and Denver Metro property rates are becoming the rates for the entire State of Colorado. Valuations will continue to happen, and if valuations go up, rates will go down. That will impact the library's long-range financial projections.

Mr. Quintana agreed with Mr. Walker that it appears to be in our best interest to find out what our options are and to have a legal look at the options available. Mr. Walker said one of the questions is whether there is an appetite for litigation. Mr. Walker said the library is planning for a reduction based on this analysis and will try to strategize to get the best outcome.

Ms. Bregar thanked Ms. Baca for looking into this.

B. Friends of the Library Report

Ms. Martinez announced that Books Again December sales were over \$4,800 which ended the year just shy of the record by about \$500.

The Friends of the Library Board has two vacancies. The Vice President had to return home to care for her mother, and Jock Peters resigned due to health issues. They are working to fill the vacancies and expect to vote for the new Vice President at the next meeting.

The Friends now have 1,157 members, and Ms. Martinez recalled efforts to break the 1,000 mark, and she encouraged everyone to keep spreading the word. The membership committee is focused on keeping all members informed of their membership benefits. Now they will have to shoot for 1,200 members, and she will bring applications to the next meeting.

C. Pueblo Library Foundation Report

Mr. Stuart said the Pueblo Library Foundation Board met on January 11, and Mike Salardino presented an annual investment report. The stock market is strong at present, and the Foundation's portfolio is doing very well. The Foundation also received the financial report from Sherri Baca, and the projected budget will be very similar to last year. The Foundation approved the auditor engagement. The most exciting part of the meeting was the Black Tie Ball. The Leadership Institute is about to commence for this year. The Foundation is looking forward to greeting two new Board members. The Foundation re-

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elected the same officers as last year. The Foundation is not yet producing great amounts of money, but hopes to grow slowly and become a contributor to the health and welfare of PCCLD.

D. Attorney Report None

E. Employment Changes

Mr. Quintana said the Board is asked to ratify the December 2016 Employment Changes as presented by the Executive Director.

Mr. Walker referred to the Employment Changes in the Board packet noting there was only one new hire of a Materials Handling Technician at Barkman. There were two voluntary terminations including the Systems Administrator who accepted a position in Denver.

Ms. Bregar made a Motion, seconded by Mr. Stuart, to approve the Employment Changes contained in the January 26, 2017 Board materials.

There being no further discussion, MOTION CARRIED 6-0.

F. Financial Report

Mr. Quintana said the Board is asked to ratify the December 2016 bills and accept the December 2016 Fund Statements. Sherri Baca, Chief Financial Officer, would be available to answer any questions.

Mr. Stuart made a Motion, seconded by Ms. Bregar, that the Library Board approve the December 2016 bills and accept the December 2016 Fund Statement as contained in the January 26, 2017 Board materials.

Ms. Baca said this is a preliminary unaudited report looking at year-end financial data. The numbers are subject to adjustment.

On the Combined Balance Sheet, Ms. Baca pointed out the dip into reserves to pay bills as the library continues to consume cash. March is when the property tax revenue starts to come in, and the money will be returned to reserves. Government Accounting standards require a receivable to be shown for property tax. Finance is preparing for the audit and is in the closing process, which will require further adjustments. The Combined Balance Sheet shows enough reserves until tax revenues start to come in.

In the General Fund, at year end the target is 100%. Revenues were at 100%. Personnel expenditures were 97% spent, and Ms. Baca expects further adjustments because the final payroll covered days in each year. Ms. Baca pointed out Employee Relations expenses were over slightly, and part of the overage was tuition reimbursement which is an investment in staff. Materials were 99% spent, compared with last year which was 92% spent. Facilities expenditures were 96% spent compared with 97% last year. Facilities includes Friends expenditures which are offset by grants received from the Friends in revenue. Operating was 86% spent compared with 100% last year. Information Technology was 100% spent compared with 98% last year. Total expenditures were 96% spent compared with 97% last year, so overall it is stable and within budget. The district is expected to end in the year in the black as they finish up financial reporting.

Dr. Mancha noticed the difference between Material expenditures for Books at 90% and Audio-Visual at 94%. Mr. Walker explained that one of the offsets in the cost of materials is processing costs. When the library purchases a book, it must also be processed which may include book jackets, RFID tags, etc. Also materials purchased at the end of 2016 may not be invoiced until 2017, so more adjustments may be made. The category as a whole is within budget.

There was little activity in the Capital Fund with expenditures for furniture, fixtures, and equipment with an auditory system and cabinet purchased for Special Collections with a

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grant from the Friends. Ms. Baca noted these are also unaudited and subject to adjustment. Ms. Baca pointed out the fire in IT resulted in insurance covering the cost of a replacement back-up power supply. Revenue was under expenditures in 2016.

In the Special Revenue Fund, the Board approved the transfer to the General Fund of \$5,500 of Chamberlain Funds received this year. In January, the library received a check from the Chamberlain fund of about \$800 for the 4th Quarter distribution.

The J.T. Nesbitt Fund is about the same.

Ms. Baca offered to respond to any questions in the Check Summary, noting most were typical and recurring with some Friends grant spending. Mr. Stuart asked about the Amazon payment of \$4,260.18 described as Friends, and Ms. Baca said it was for a purchase made with a Friends grant. There was also a question of the check for \$91,571.69 described as Workers Comp, and Ms. Baca said it was the payment made to Colorado Special Districts for Workers Compensation and Corporate insurance that had been reviewed and approved by the Board.

Ms. Baca concluded with the amounts presented for the Board's approval to include ACH payments of \$171,768.21, Payables of \$382,165.24, and Payroll of \$341,040.83 with three payroll periods in December, for a total of \$894,974.28.

There being no further discussion, MOTION CARRIED 6-0.

V. BOARD COMMENT

Mr. Stuart asked about the status of the wind damage at the Greenhorn Valley Library. Mr. Walker said the library incurred damages to the roof and siding estimated to be five to six thousand dollars. Facilities made some temporary patches. The library was closed for a day and had an electrical outage early the next day which was resolved in time to open.

Mr. Stuart asked if there was anything about the construction that contributed to the damage, and Mr. Walker said there was not. The library was not the only structure damaged that day with 100 mile per hour winds. Roofers in Colorado City are going to be busy for quite a while due to the unusual incident, but nothing was attributed to the construction.

VI. PUBLIC COMMENT None

VII. OLD BUSINESS None

VIII. NEW BUSINESS

A. Announcements

- The Library will be closed on Monday, February 20, 2017 for the Presidents' Day holiday. Staff will be attending an all-day staff development program on this date. Trustees are invited to a special staff recognition event to be held at 8:30 a.m. at the Rawlings Library in the Ryals Room. Mr. Quintana said several Board members have indicated plans to attend, and he encouraged any others to let the Board Secretary know if they can be there.
- The next regular Work Session is tentatively scheduled for Tuesday, February 14 at 3:00 p.m. in the Ryals Room at the Rawlings Library.
- The next regular Board meeting is tentatively scheduled on Thursday, February 23 at 5:30 p.m. at the Library @ the Y, 3200 Spaulding Avenue.
- There will be a book signing event for *Images of America: Pueblo* at Barnes & Noble on Saturday, January 28 from 2:00-4:00 p.m., and Board members were encouraged to drop by to lend their support.

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- Ms. Pickman presented a plaque to Mr. Quintana in recognition of his service as President of the Library Board over the past two years.

B. Action/Discussion Items

1. Election of Officers

Mr. Quintana said the Bylaws provide “The annual meeting shall be held at the time of the regular meeting in January. Officers shall be elected at the annual meeting.”

Mr. Quintana opened the floor for nominations. There being none, Mr. Quintana offered to serve as Vice President for a gap period to allow for other Board members who have current commitments preventing them from being able to step up into role of Vice President at this time. Mr. Quintana is certain the Board can establish leadership that is ready to step up into the role.

Ms. Bregar nominated Ms. Pickman as President, and nominated Mr. Quintana for Vice President, knowing at some point the Board may elect another Vice President. Ms. Gairaud seconded the nomination. Ms. Pickman accepted the nomination, and Mr. Quintana indicated his willingness to serve as Vice President.

Dr. Mancha asked if there is a time limit, and Mr. Quintana declined to set a time limit; however, he does not foresee again stepping up into the role of President. Mr. Quintana noted that the Bylaws commit the Board to elect officers at this time, but Board members who are constrained by other commitments are not available to serve as Vice President at this time, and he does not want those commitments to keep them from stepping up into a leadership role on the Board.

Dr. Mancha offered to lend any assistance necessary to Mr. Quintana. Mr. Stuart made a recommendation that potential candidates be polled every six months so they continue to be asked to serve. Ms. Martinez wanted to make sure that Mr. Quintana and Ms. Pickman still foresee an overlap between the President and next Vice President, and Ms. Pickman said if the next Vice President has less than a full two years, she does not anticipate serving three years.

There being no further discussion, there were no further nominations. The election resulted in unanimous votes for Ms. Pickman as President and Mr. Quintana as Vice President.

Mr. Quintana then turned the meeting over to the new President, Ms. Pickman, to preside over the remainder of the agenda.

2. Selection of 2017 Board Meeting Dates, Times and Locations

Ms. Pickman said the Bylaws provide that “The date, hour, and location of the meetings shall be set by the Board at its annual meeting.” Recommendations had been discussed at the prior Trustee Work Session.

Mr. Quintana made a Motion, seconded by Mr. Stuart, that the Board of Trustees approve the dates, times and locations for the 2017 regular meetings and work sessions as presented at the January 17 Work Session.

There being no further discussion, MOTION CARRIED 6-0.

3. Posting 2017 PCCLD Board of Trustees Meetings Notice

Ms. Pickman said the Trustees adopted a resolution in 2013 establishing the Rawlings Library community bulletin board as the location for posting all public meeting notices of the PCCLD Board of Trustees.

Mr. Walker said he overlooked including this at the Work Session, and it has been a regular Board action on the advice of legal counsel. The Board has been advised to

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designate a place where Board meetings are regularly announced, even though Board meetings are more broadly posted.

Mr. Stuart made a Motion, seconded by Ms. Bregar, that the Board of Trustees take action to designate the community bulletin board at the Rawlings Library as the official location for posting all public meeting notices for the PCCLD Board of Trustees for calendar year 2017, that all regular and special meeting notices will be posted at least 24 hours prior to scheduled meetings, and designate the Executive Director as the Board's representative to answer all questions about all postings.

There being no further discussion, MOTION CARRIED 6-0.

4. Committee Appointments

Ms. Pickman said Trustees have discussed in prior work sessions the addition of committee appointments as an annual meeting agenda item. Current trustee committees are Audit, Board Development, and Legislative & Government. Trustees reviewed current committee assignments and considered upcoming appointments at their January 17, 2017 Work Session.

Ms. Pickman said current appointments to the Legislative & Government Committee are Dr. Mancha, Ms. Pickman, and Mr. Stuart. The Audit Committee includes Dr. Mancha, Ms. Pickman, and Mr. Stuart. Mr. Quintana offered to replace Ms. Pickman on the Board Development Committee which will now include Ms. Gairaud, Ms. Martinez, and Mr. Quintana. Ms. Bregar's participation on the Pueblo Urban Renewal Authority is sufficient to preclude additional committee work.

Committees are appointed by the Board President and require no formal action.

5. AMH Maintenance and Support

Ms. Pickman said the library district has budgeted maintenance costs for automated materials handling equipment operating at the Rawlings, Pueblo West, Lamb and Barkman Libraries. Annual maintenance costs for this equipment is \$58,770, which is the contracted annual amount with the support company RFID Library Solutions. Board approval is required since the invoice exceeds \$25,000. The Board discussed this agreement at the January 17 Work Session.

Mr. Walker noted that the date errors had been corrected to the invoice in the Board packet, and he reaffirmed that the amount is included in the 2017 budget.

Ms. Bregar made a Motion, seconded by Dr. Mancha, that the Board approve the payment of the RFID Library Solutions, Inc. invoice in the amount of \$58,770.

There being no further discussion, MOTION CARRIED 6-0.

6. 2017 Property Disposal Request

Ms. Pickman said according to policy, "In January of every year, a disposal of property request form will be submitted to the Board of Trustees so that a broad determination can be made to donate or discard weeded collection materials, which are considered to be fixed assets in the aggregate, as well as to dispose of miscellaneous surplus furniture and equipment." The Board of Trustees discussed the recommended 2017 Disposal of Property Request at the January 17 Work Session.

Mr. Walker pointed out that this Property Disposal Request only covers discarded books and materials. Any discarded furniture would be handled separately in the future as needed.

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Mr. Quintana made a Motion, seconded by Ms. Bregar, that the Trustees approve the 2017 Property Disposal Request of PCCLD discarded collection materials to the Friends of the Library, charitable organizations or recycling.

There being no further discussion, MOTION CARRIED 6-0.

7. Pueblo Library Foundation

Ms. Pickman said Gala White and Lindsay Moore, respectively, have been recommended by the Pueblo Library Foundation to three-year terms as members of the Pueblo Library Foundation Board of Directors. All appointments to the Pueblo Library Foundation Board of Directors require approval by the PCCLD Board of Trustees. The Trustees reviewed this recommendation at their January 17 Work Session.

Mr. Gairaud asked how Gala White and Lindsay Moore would be notified of their appointment. Mr. Walker said Midori Clark will be happy to do that, and there had been discussion of a lunch with the new Foundation members and Julie Rodriguez, Foundation President, to discuss activities of the Foundation.

Mr. Stuart made a Motion, seconded by Ms. Gairaud, that the Board of Trustees approve the appointment of Gala White and Lindsay Moore to three-year terms, respectively, as members of the Pueblo Library Foundation Board of Directors.

There being no further discussion, MOTION CARRIED 6-0.

8. Pueblo Urban Renewal Authority (PURA)

Ms. Pickman turned this discussion over to Mr. Walker. Mr. Walker distributed an email he received from Andrea DelaGarza from PURA with a proposed Cooperation Agreement regarding HB 15-1348 requesting a meeting to review the Cooperation Agreement with Jerry Pacheco. Mr. Walker said he received the information earlier today and wanted to get it into the Board's hands. Mr. Walker suggested a full discussion be planned for the February Work Session agenda in preparation for the meeting with PURA in March.

Ms. Shafer will get the information to Mr. Gradisar. Ms. Bregar indicated a preference for the Wednesday, March 8 meeting date when she would be available to participate.

Dr. Mancha indicated that we should be talking to the other groups included with Special Districts, and he felt it would be important to get them involved prior to that meeting. Mr. Walker said he could work to host a meeting, but it was agreed it would be best to hold that after the February Work Session.

There was discussion on whether points in the proposed Cooperation Agreement could be resolved or whether the Special Districts could opt not to operate under that agreement. Ms. Bregar said there is nothing in the law that requires this, but they are trying to lay out what is happening with each of the projects and notifying each of the taxing entities if there is a substantial change. Ms. Bregar agreed that the Work Session would be the appropriate place to discuss this, but we are under no obligation to the Cooperation Agreement. Mr. Stuart said the added benefit of discussing it at the Work Session is to give legal counsel time to prepare.

Mr. Walker will work to arrange a meeting with the other taxing districts.

9. Executive Session

Ms. Pickman said the Trustees will enter into Executive Session for the purpose of discussing a personnel matter with respect to the annual performance review of the Executive Director pursuant to C.R.S. 24-6-402(4)(f)(I). The involved employee has been notified of this Executive Session and given the opportunity to have the matter discussed in open session. The Board may return to open session for any action the Board desires to take as a result of the Executive Session discussion.

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Mr. Quintana made a Motion, seconded by Ms. Bregar, to move into Executive Session. MOTION CARRIED 6-0. The public was excused at 7:48 p.m.

The Board reconvened in public upon Motion made by Ms. Gairaud, seconded by Ms. Martinez, and MOTION CARRIED 6-0, at 8:26 p.m.

Ms. Pickman then called for any action the Board would like to take.

Mr. Stuart made a Motion, seconded by Dr. Mancha, that the Board award a pay increase of 2.5%.

There being no further discussion, MOTION CARRIED 6-0.

Mr. Quintana then made a Motion, seconded by Dr. Mancha, to award the maximum contribution into the deferred incentive plan of \$10,000 in acknowledgement of Mr. Walker's achievements.

There being no further discussion, MOTION CARRIED 6-0.

Mr. Walker thanked the Trustees and commented that it is an honor and a privilege to serve in this capacity, and Ms. Pickman responded that he makes it easy for the Board.

IX. ADJOURNMENT

The meeting was adjourned at 8:29 p.m. upon Motion made by Mr. Quintana.

Respectfully submitted,

Jane Carlsen
Secretary