Pueblo Library Foundation

Board of Directors Meeting
Meeting: 11:30 a.m., October 11, 2017
Bret Kelly, Room A, 1st Floor
Rawlings Library ★ 100 E. Abriendo Ave. ★ Pueblo, Co 81004

M I N U T E S

A. Welcome and Call to Order.. Julie Rodriguez

Ms. Rodriguez called the meeting to order at 11:45 a.m.

B. Roll Call and Verification of Quorum .... Gloria Madrill

Board Members Present– Julie Rodriguez, President; Jim Stuart, Vice President; Michael Voute, Treasurer; Carol King, Secretary, Dustin Hodge, Lindsay Moore and Gala White

Absent–Lyndell Gairaud and Joyce Vigil

A quorum is met with 7 out of 9 (77%) members present.

Staff Present–Jon Walker, Midori Clark, Sherri Baca, Jeanette Cortez and Gloria Madrill

C. Modifications to Agenda for October 11, 2017 Meeting... All

Ms. Vigil's name was moved from anticipated attendees to excused section.

D. Approval of Minutes of July 12, 2017 Meeting... All

Ms. King made a motion to accept the minutes. Seconded by Ms. Moore. All in Favor. Motion passes.

E. Treasurer's Report .... Sherri Baca

Approve auditors letter of engagement for 2017 audit by Swanhorst & Co.

Mr. Voute presented the auditors letter of engagement, a proposal for Swanhorst & Co to be the Foundation's auditors for 2017. Mr. Voute said there are benefits of having the same auditors of the district do the audit for the Foundation. One benefit is they are familiar with the organization. Mr. Voute also noted the audit cost for 2017 has not increased. Ms. Clark asked if the 990 tax return will be prepared by the same organization and Ms. Baca said yes. Mr. Walker commented that the cost will not exceed $5,500. Mr. Walker also mentioned that the board of Trustees have approved the district to in-kind this amount to the Foundation and since the Foundation is a component unit of the district it is in the district's interest that this audit happen and it is important for the Foundation accept Swanhorst & Co as their auditor. Ms. Baca also noted the past three years the auditor and rates have been the same and the district is putting out a RFP and the auditors may change next year. Mr. Stuart commented that the change of auditor may occur not because we don't like them but because it is recommended that every five years there should be a change in auditors for an organization. Mr. Voute said the finance committee made a recommendation to accept the engagement letter from Swanhorst & Company to perform the 2017 audit. All in Favor. Motion passes. Ms. Rodriguez signed the engagement letter.

3rd Quarter 2017 Raymond James Investment Statement

Mr. Voute presented the third quarter investment report. Year to date investments have shown a positive change in value of more than $11,000 with 11.21%YTD earnings. Mr. Voute noted the investment earnings shows a benefit of having the Foundation. Mr. Voute also said Mr. Salardino will be asked to visit the next meeting to comment on the investments. He also reminded the board that at the July meeting Mr. Salardino had cautioned that this amount of return may not stick around and there may be a correction.

September 30, 2017 Financial Report

Ms. Baca reviewed the documents presented at the Finance Committee meeting held October 9. The Balance Sheet for the third quarter was reviewed including all assets and equity. Ms. Baca noted the column on the right shows a great comparison of this quarter to the prior year to date. She also mentioned an adjustment is done on the dividend and interest at the end of the year and pledges receivable are down which is good. As pledges are received the amount is being adjusted. Mr. Voute asked if any pledges have needed to be written off. Ms. Cortez and Ms. Clark answered no there have not. Ms. Baca noted currently there are no liabilities and total assets are $141,647.66 which is looking good compared to last year.

Ms. Baca then reviewed the unrestricted and temporarily restricted gifts listed in the Statement of Revenues and Expenditures. She mentioned the category of bank charges now includes investment fees as well as credit card fees. She also said the in-kind expenditure should match the in-kind revenue total from the balance sheet presented earlier. Ms. Baca noted fundraising fees is a new line item and reflects Enterprise Zone administration fees. Ms. Rodriguez asked if that was new. Ms. Clark answered that the Enterprise Zone recently started charging the fee this year and they had the option to start charging the whole time. Ms. Baca said total expenditures equaled $12,167.00 and revenues are exceeding expenditures. She said the Foundation has done better in revenues than expected but even better on keeping expenditures down. Mr. Stuart asked why the bank charges appeared high. Ms. Baca said that item includes fees from Raymond James now and the bank charges line item was picking up both items. Mr. Stuart asked if it would be possible to add a new category for investment charges and Ms. Baca said yes.

Ms. Baca reviewed the Summary of Restrictions Report. If dollars are restricted they are categorized and tracked. Amounts that are shaded are in the investment account and not shaded amounts are in the checking account. Ms. Baca noted $1,200 in pledges receivable with some paid already. The Library Foundation has a total of $71,896.00 in restricted gifts ($64,476.00 in the investment account and $7,420.00 in the Wells Fargo checking account).

2018 Budget

A preliminary budget for 2018 was presented to the board. It is prepared with the idea that things will keep going the way they have. The 2017 budget was used as a guide and there may be a few updates to the 2018 budget prior to the next meeting. Ms. Baca said when budgeting we try to be conservative on the revenue but provide stretch goals. She also said with expenditures we try to be concise and know expenditures and try not to just use percentages. Ms. Baca noted there was an increase in investment earnings and revenues have come down a little from what was expected in 2017. Mr. Voute noted that the estimated investment earnings might be too conservative. Ms. Cortez said that it’s cash dividends that are earned not gains or losses. Mr. Voute said we can work gains and losses in the budget and Mr. Salardino could give us a ball park estimate. Mr. Stuart noted that it may not be as critical since we are not supporting an operational fund. Ms. Baca said that the budget is an operational tool that can help with stretch goals and the budget should be a communication tool of your mission (a numerical story). Mr. Walker added that the goal right now is to build investment account and assets and we should look for that positive number and growth is the idea. Ms. Baca noted budgeted expenditures for 2017 totaled $52,100.00. For 2018, budgeted expenditures are estimated at $40,850.00 as we are trying to sharpen our process now that Leadership Institute expenses are known. Mr. Voute said we are not asking to approve the budget at this time. In January the final budget will be presented and voted for approval.

Mr. Voute made a motion on recommendation of the finance committee to accept the September 30 financials for filing. All in Favor. Motion passes.

F. Director's Report... Midori Clark

Q3 Fundraising Report

Ms. Clark presented a Fundraising Report listing all gifts received in Q3. Total gifts received equaled $61,067.90 (with $10,080.08 coming in to the Foundation and $50,987.02 coming to the district). Ms. Clark highlighted some of the Foundation gifts including the first scholarship donation for the 2018 Leadership Institute program from Ms. Gairaud. Also included in the Foundation gift total are funds from the successful Heart Your Library fundraiser.

Ms. Clark noted new this year is the Kids Parade. The library assumed responsibility for the parade and it brought in a nice little bit of money. Prior to this year the Mesa Junction Merchants Association had organized and run the event but it had experienced a decline in volunteers. About four to five hundred children participated in this year's event with a large number of the participants from clubs and organizations. In 2018 the library is hoping to return to the grass roots of the event and involve more individuals and families. To help with this goal, staff is looking into changing the timing of the parade to occur during Summer Reading.

Ms. Clark also expressed her thanks to the Friends of the Library for their support of library programs. She invited Mr. Hodge to say a few words about funding this year. Mr. Hodge talked about a few changes to funding and how there was a switch this year from funding things to funding activities. This switch provided an opportunity to fund programs that can impact kids and other library audiences. Currently the Friends are on the second cycle of funding with the new change.

Ms. Clark also noted a few large gifts that came in through the library district. One from the Rawlings Foundation in support of the Pueblo Chieftain digitization project and the other from the Stanley and Lucy Lopata Charitable Foundation in support of the Greenhorn Valley Library. Ms. Clark also reviewed and wanted to thank all the sponsors of All Pueblo Reads for their support including a large sponsorship from Black Hills Energy.

Ms. Clark also said the finance committee was asked to approve two recommended transfers. The first transfer, from the Foundation to the district for a $200.00 gift given in support of the Pueblo West Celtic & Medieval Fair. The second transfer was $5,500.00 in restricted funds (Enterprise Zone gifts) from the Heart Your Library fundraiser. The amount was recommended in order to maintain a certain balance in the checking account. Mr. Voute reported that the finance committees approved both these recommended transfers. $5,500.00 will be transferred to the Investment account and $200.00 will be transferred to PCCLD.

Leadership Institute and Heart Your Library Reports

Ms. Clark presented a financial report on the 2017 Leadership Institute. Ms. Clark also said staff will be asking for board support and participant applications for the 2018 program. The goal of the program is to get 25 participants. There have been 10 participants in each of the previous two classes. Ms. Clark reported there were more expenses in 2017 than the inaugural year with dress purchase scholarships representing the biggest portion of the increase. New expenses also included a composite photo of the ladies to hang in the library as well as invitations to apply. The invitations to apply were sent to students that fit within the GPA range that were recommended by high school counselors. Ms. Moore offered to attend any other counselor meetings that may come up. Ms. White asked for a reminder about the grades the program targets. Ms. Clark said the girls in program are in grades 10, 11 and 12.

Ms. Clark then presented a financial report on Heart Your Library fundraiser. With the fundraiser, board members were asked to help host tables and invite guests to a luncheon held August 31 from noon to one. A total of $7,386 was raised from an audience of 41 guests. Some of the table guests included families that hosted the Loseling Monks in July. The event had low expenses of $441.78 with light lunch and cake provided. Ms. Clark talked about how this type of event provides a great opportunity to introduce the foundation to new people. Ms. Moore said that some of the guests she invited could not make this event but wanted them to be kept in mind for the next one. Ms. Clark reported that at the fundraiser donors gave at various levels and the *Images of America Pueblo* book was for sale with the proceeds going towards the Foundation. Also, following the luncheon two attendees submitted applications to join the Friends of the Library board. Ms. White made a suggestion at the next fundraiser maybe there could be a door prize for the *Images of America Pueblo* book (or something under the guest's chair). Ms. Clark thought that was a great suggestion.

2017 Upcoming Fundraisers- Blacktie Ball, End of Year Campaign and Thanks for the Library

Ms. Clark provided a brief update on reservations for the Booklovers Blacktie Ball. Reservations for the ball are at more than 200 guest with many of the board member planning to attend. The event will also include a performance from the Sangre de Cristo School of Dance doing a ballet dance interpreting the book. Ms. Clark also extended an invitation to the visit the many programs going on during the month and recommended that if you can attend only one, check out the William Shakespeare Chautauqua.

Ms. Clark also mentioned the end of year mailing campaign will be occurring in November as well as the Thanks for the Library fundraising event (on November 18). The fundraiser will have a similar format to Heart Your Library. Anna Marie and Tom Giodone have generously offered to help host fundraiser inviting many of their friends to attend. Ms. Clark will be sending out an email with additional details if any of the board would like to invite guests to this event. The goal is to have 50 guests and we welcome any help.

G. Announcements .... Julie Rodriguez

H. New Business .... Julie Rodriguez

Board Member Terms

Ms. Rodriguez mentioned three Foundation Board members have their terms ending and asked for them to start thinking about if they are wishing to extend their turns. Two appointees are seats from the Trustees and Ms. Vigil's position would be at large. Mr. Walker said he would add this to the work session at the next Trustee meeting to see if other Trustees wish to be involved. Mr. Walker also asked that Ms. Vigil be asked about her level of interest for another term. Trustees will want a recommendation in terms of positons. Friends of the Library have the option of having two representatives on the Pueblo Library Foundation board but currently have one seat and Trustees need to have a minimum of one. Available seats may be referred to the Friends of the Library as the first option.

I. Old Business .... Julie Rodriguez

No old business to report.

Next Meeting: Wednesday, January 10, 2018

Adjourned 1:04 p.m.

Respectfully submitted,

Gloria Madrill
Recording Secretary