Pueblo Library Foundation

Board of Directors Meeting
Meeting: 11:30 a.m., Jan. 7, 2015
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 11:43 a.m.

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

Amber Pepin

Board Members Present: Julie Rodriguez, Lyndell Gairaud, Carol King, Jim Stuart and Michael Voûte

A quorum is met with 5 of 8 (62.5%) members present.

Staff Present: Chris Brogan, Midori Clark, Amber Pepin and Jon Walker.

Absent: Anthony Nunez and R.J. Black Schultz

C. Modifications to Agenda for Jan. 7, 2015 Meeting .... All

No modifications requested. Michael Voûte – notes in last meeting referring to Conflict of Interest. Not on agenda? Midori Clark said it will be prepared and addressed at April meeting.

D. Approval of Minutes of Oct. 8, 2014 Meeting... All

Jim Stuart made a motion to accept the minutes as presented. Seconded by Michael Voûte. All in favor. Motion passes.

E. Treasurer's Report .... Michael Voûte

Michael Voûte reports that the audit letter of engagement with Swanhorst & Co. has been distributed. They have proposed a cost of $4,500 for the audit and $1,000 for the preparation of the IRS990. Michael Voûte made a motion to accept the audit engagement letter. Jim Stuart seconded. All in favor. Motion passes.

The draft budget was distributed at the Oct. 8, 2014 meeting. Mr. Voûte says this budget very likely will need to be amended later in 2015 to more accurately represent actual data. Mr. Stuart asked if the Foundation budget is driven by the PCCLD budget and budget requirements – Mr. Voûte said it was not. Michael Voûte made a motion to accept the 2015 budget as presented. Seconded by Carol King. All in favor. Motion passes.

Financials for December 31, 2014 were presented by Mr. Voûte. Mr. Walker is reminds the Board that some donations come directly to the Foundation, others are directed to PCCLD, but through the same fundraising effort.

The Finance & Investment committee met Tuesday afternoon (Jan. 6, 2015) to discuss financials. Mr. Voûte asks the President to encourage new appointments to the committee. New investment strategy will need to be put into place requiring an update to the Investment Policy with the assistance of an investment advisor. Mr. Voûte would like to ask the Board to engage an advisor to be on the F&I committee.

F. Director's Report.. Midori Clark

Capital campaign update 2014

Ms. Pepin reports we finished the campaign with total fundraising pledges of $1,136,848 – 106% of our goal.

Next steps in fundraising - Endowment

Ms. Clark reports that as we close the hugely successful capital campaign, we are prepared to move to fund an endowment which is a long-term strategy to support the library in perpetuity. Ms. Clark distributed an Assoc. of Fundraising Professionals document on endowments. Ron Goodrich, CPA in nonprofit accounting met with a group on Jan. 6 to assist in determining the best approach to managing the endowment. Mr. Voûte reports that we reviewed how to go about – permanently restricted fund – can spend the corpus if needed and temporarily restricted fund – idea is to spend only the earnings, not the corpus. Mr. Voûte feels we should approach with the restricted option; however, Ms. Clark says Mr. Goodrich suggested you should provide yourself with more flexibility. Mr. Walker suggests that end the end, both will have a place in the Foundation; but the Board will need to adopt a template that will support both in order to encourage giving from different types of donors.

Ms. Clark spoke to Mr. Stuart's earlier suggestion of going through the Southern Colorado Community Foundation. Mr. Goodrich did cover all options and what the paths were. Cost analysis is important. As a Foundation doing it on your own is much more costly initially. Mr. Stuart said with a smaller amount of money, the economies of scale would factor in significantly. Mr. Stuart wants to caution that permanently restricted would prohibit assisting the Library in an emergency. Mr. Voûte said that SCCF would not fully protect the money because their board can override the donor designation. Mr. Walker does say that it is a risk and they have final authority control. Mr. Walker recommends that a work group does a study with an analysis of the options, costs and what is the most appropriate for a certain term or dollar amount. Interview other Foundation and those with funds at SCCF

Mr. Voûte reports that costs of setting it up and managing it overtime are very different. Authority and control gained/lost. Mr. Stuart asks that consideration be given to potential donors and how they will feel about our choice. Mr. Walker gave an example that initially costs are lower with SCCF due to the small amount of money considered and later when the amount has developed over years, and then it would be prudent to resume control of the fund. A review and decision needs to be made this quarter. Mr. Walker offered to be a part of the work group. Ms. Rodriguez asked Mr. Voûte to lead. Volunteers for work group are Jim Stuart, Michael Voûte, Jon Walker, Chris Brogan and Midori Clark.

Ms. Clark reports that Mr. Gary Parks left nearly $10,000 to start the endowment, others are interested in moving forward with endowment investment which provides an urgency to move along.

Ms. Rodriguez spoke with Paula Dunn at Evraz yesterday and their donation dollars are specifically directed to Early Literacy (K-3) and their 2015 dollars are not promised yet. Evraz wants to give money for "things" but Ms. Clark thinks we should pitch the endowment as well.

Next steps in fundraising – Leadership Institute 2015

Ms. Clark reports that the Foundation is creating a leadership institute Apr – Jun to high school girls with leadership classes culminating with a debutante ball. While the initial plan was to begin in January, we will proceed by updating the timeline. Ms. Gairaud is interested in participating and involving Dillard's. Group should meet to get the timeline updated.

Booklovers Blacktie Ball

Ms. Pepin 194 attended the event on Oct. 25. 20 students from CSU-Pueblo attended the event through Friends of the Library scholarships. Has become a prestigious community fundraiser we wanted it to be. Have a really great core group of people who attend.

G. Board vacancies and recognitions

Ms. Joyce Vigil's term ended last month and we did extended an invitation for her to continue for another term, but haven't heard back from her. Ms. Lucero was acknowledged at the last meeting.

New Prospects – Jennelle Chorak, Bernie Zercher, Paula Dunn have been approached, but declined. We have yet to find a replacement for the one empty seat. Ms. Rodriguez hopes to get someone from Evraz.

Mr. Voûte asked about Jim Stuart. Mr. Stuart and Ms. Gairaud have been appointed by the Board of Trustees.

Elections

Carol King (Secretary), nominated by Julie Rodriguez — Ms. King accepts. Michael Voute (Treasurer), nominated by Julie Rodriguez — Mr. Voute accepts. Jim Stuart (Vice President), nominated by Julie Rodriguez — Mr. Stuart accepts; Julie Rodriguez (President), nominated by Jim Stuart — Ms. Rodriguez accepts. All in favor of slate as presented. Slate of officers passes.

Committee assignments

Ms. Rodriguez would like to add a Governance Committee in order to review and update the Bylaws which has not been reviewed or updated since implementation.

H. 2015 Board meeting dates .... Midori Clark

April 8, 2015; July 8, 2015; Oct. 14, 2015; Jan. 13, 2016

Next Meeting: Wednesday, April 8, 2015

Adjourned 12:56 p.m.

Respectfully submitted,

Amber Pepin
Recording Secretary