Pueblo Library Foundation

Board of Directors Meeting
Meeting: 11:30 a.m., July 11, 2018
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 ....Lyndell Gairaud

Ms. Gairaud called the meeting to order at 11:30 a.m.

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

Board Members Present– Lyndell Gairaud, President; Jim Stuart, Vice President; Michael Voute, Treasurer; Carol King, Secretary; Jessi Ones and Gala White

Absent– Dustin Hodge, Lindsay Moore and Julie Rodriguez

A quorum is met with 6 out of 9 (67%) members present.

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

Guests-Wendy Swanhorst (via phone)

C. Modifications to Agenda for July 11, 2018 Meeting .... All

No modifications were made to the agenda.

D. Approval of Minutes of April 11, 2018 Meeting .... All

Mr. Stuart made a motion to accept the minutes. Seconded by Mr. Voute. All in Favor. Motion passes.

E. Treasurer's Report ....Michael Voute

2017 Audit Report

Ms. Baca shared the results of the audit report, starting her review with the management letter from Hinkle and Company. The management letter is a direct communication to the board from the auditors and is meant to impart information about audit findings. Overall it is a really good management letter. Ms. Baca reminded the board the audit is not designed to detect immaterial misstatements or violations of laws or regulations that do not have a direct and material effect on the financial statements. They are responsible for communicating significant matters. They also consider the organizations internal controls. Internal control procedures allow the finance team to find errors before the audit team does. The auditors identified one misstatement which did not represent a material misstatement. Mr. Voute commented it is a standard boilerplate and a good letter in the respect that it shows the staff did a good job preparing statements and working with the auditors.

Ms. Baca proceeded to review the Audit Report. It was a clean audit and not modified. The first report reviewed was the Statement of Financial Position. Ms. Baca noted a 68% increase in our assets on the bottom line compared to the prior year bringing total assets to $199,420 as of the end of 2017. She then proceeded to review the Statement of Activities. Total support and revenue was $123,098 which was an increase over the prior year. Ms. Baca noted the blue sheet included in the packet includes Statement of Activities data from the 2016 report for comparison and commented we are growing our cash and revenue as well as decreasing our expenses. We saw an overall increase in net assets of $79,694. Ms. Baca then moved on to the Statement of Cash Flows. This statement shows how the cash came in with net cash totaling $88,028. The statement follows other reports showing a cash flow basis. Upon the review of the Statement of Functional Expenses, Mr. Voute commented the general and administrative expenses are still a little high but will drop as we grow.

Ms. White asked if there was information about how much was in the investment fund in 2011. Ms. Clark said the investment fund is new but over a million was raised for the capital campaign project. Most of the money raised was passed through for the new libraries. The investment fund was started in the past two years. Ms. Baca reminded the board this audit is the last year in a five year contract with Hinkle and Company. An RFP was released in June for audit services with proposals due at the end of July. It was asked what the expected timeline may be for the Trustees to make a decision about auditors. We may be able to vote about the new auditors at the October meeting. Mr. Voute mentioned the Foundation is able to choose our own auditor but it is very likely we will chose the same firm as the district since it would be more cost effective and less of a burden for staff. Also Ms. Baca reminded the board the district is putting the audit in the budget. The quality and experience of the audit firm will be an important consideration in the bid process followed by audit price.

Ms. Swanhorst joined the meeting at this time by phone. Mr. Voute said the Foundation appreciates work they have done and was glad the audit went smoothly. He asked if she would like to comment on the audit. Ms. Swanhorst said since the foundation started its taken time to get accounting records the way we want them but has made easy with Sherri tracking restricted money. Ms. Swanhorst opened it to questions. Ms. Baca asked if she could comment a little more on the management letter. She said it was designed to share results of the audit with the board and our audit has unmodified opinion. The responsibility of auditor is to share if there are any weakness in internal control and let us know. We didn't have significant issues and had a clean letter. It was noted Hinkle and Company is also helping us prepare tax return for filing with a deadline of November 15.

Mr. Walker made a few comments following the call saying from the library and district perspective it's the cleanest audit we have received as a foundation with only one minimal journal change. He wanted to commend to entire library staff and especially Sherri and her team. Mr. Voute made motion to accept audit report. Seconded by Ms. White. All in Favor. Motion passes.

2nd Quarter 2018 Raymond James Investment Statement

Mr. Voute shared the second quarter statement from Raymond James. YTD shows we lost a little bit of money in the second quarter. The First page of the report is key as it shows the Time-Weighted Performance of 6.94% which is good but lower than S&P 500. Our investment policy is conservative in some respects. We are going for optimum return and optimum security keeping in mind donor restrictions. Ms. Baca shared Mr. Salardino doesn't recommend any changes at this time.

June 30, 2018 Financial Report

Ms. Baca began the financial review by going over the Balance Sheet. There was nothing out of the ordinary. She reminded the committee the Cash-Operating line items shows a $0 balance because of the move of checking accounts to Bank of the San Juans. The Foundation booked dividends with an unrealized loss. It was noted that pledges receivable are decreasing. Ms. Baca then reviewed the Statement of Revenues and Expenditures for the second quarter of 2018. Ms. Baca reported total Year to Date Revenues of $32,846. Ms. Baca also shared the new policy for the Directors and Officers insurance is $665 which cost less than the previous policy and has more coverage. The new policy includes practices and liability coverage. YTD revenues over expenditures is $9,197.

Ms. Baca then reviewed the Summary of Restrictions. Per a request from the last meeting, a key was added listing the category and the type of restriction. The total restrictions are $104,540.50, with $98,516 in the Raymond James investment account and $6,024.50 in the Bank of the San Juans checking account. Mr. Voute made motion to accept the financial report. Seconded by Ms. King. All in Favor. Motion passes.

Ratify the renewal of the directors & officers insurance policy

Ms. Baca shared the Foundation previously has had a policy with Philadelphia Insurance. It was put out to market and HUB Insurance found a policy with Great American Insurance Group that had a lower cost and more coverage. The additional coverage is employment liability practices which covers interactions with vendors and volunteers. Mr. Voute made a motion to ratify the directors and officers insurance policy with Great American Insurance Group. Seconded by Mr. Stuart. All in Favor. Motion passes.

F. Director's Report .... Midori Clark

Q2 Fundraising Report

Ms. Clark presented the Q2 Fundraising Report sharing a list of gifts received for both entities. In Q2 a combined total of $48,605.22 came in. A total of $46,241.43 was received by the district and $2,363.79 came in through the Foundation. The total amounts approved for transfer at the Finance Committee meeting on July 9 include $409.29 to the investment fund (highlighted in orange on the report) and $1,375 in gifts (highlighted in purple) and included a completed pledge from William Lucero in support of the Lucero Library.

Leadership Institute and Le Bal de Bibliotheque Update

Ms. Clark shared the 2018 Leadership Institute is coming to a close with Le Bal de Bibliotheque on Sat. July 14. The young ladies completed the last workshop in June focusing on Communication and will be joining us for a dress rehearsal on July 13. The guest list for Le Bal de Bibliotheque is currently around 70 guests. Ms. Gairaud asked if there was any suggestions or ideas on what can be done to get more ladies participating in the program. Ms. Clark said the best approach has been referrals and cultivating relationships with counselors who could connect us to ladies interested in the program. Ms. Ones asked if the program offered scholarships for college and Ms. Clark said no it offers scholarships for the program but not college scholarships. The program is a great opportunity to help ladies develop leadership skills, softer skills and looks good on a resume. Although the cohort was smaller this year it is a great program and the impact is huge for many of these ladies. It is always great to see the changes occurring as the ladies go through the program.

All Pueblo Reads Book Selection

Ms. Clark shared we have a book for All Pueblo Reads. The book is *The Cold Dish* by Craig Johnson. *The Cold Dish* is the first book of the Longmire series (which is also a hit tv show). It is a departure from books usually selected for the project and is the first of its genre selected for All Pueblo Reads. The book is a western mystery about a sheriff investigating a murder. There are many great opportunities for programming including Native American culture, the west and western history and may bring in more interest in men for the project. The first meeting for All Pueblo Reads also occurred. Ms. Clark asked everyone to please mark your calendars for Friday, October 26 and hopes you may join us for the Booklovers Blacktie Ball. Ms. White suggested Cavender's western store may be interested in donating an item since they fit with the books setting. Also Mr. Stuart suggested possible contact for PBR. It was also suggested that with the genre maybe there could be a tie in with promoting at the Colorado State Fair.

Awards Update

Ms. Clark thanked the board for their support, for voting and being part of the library family. With the help of the public we won the ELGL Leslie Knope Award and we won a very important award, the ILMS National Medal. Mr. Walker and a community advocate travelled to Washington D.C. to accept the ILMS National Medal. Ms. Clark was also excited to share the Colorado Association of Libraries awarded

Pueblo City-County Library District as the Library of the Year. Ms. Clark invited to board to watch a video featuring Mandy Brown, our community advocate for ILMS she speaks about how the library changed her life.

Colorado Gives Day

Ms. Clark shared this year the Foundation will be participating in Colorado Gives Day. Colorado Gives occurs December and donors are encouraged throughout the state to support their favorite charities this day. This year Colorado Gives Day will be December 4.

Adult Literacy Fundraiser Cancelled

Ms. Clark said the Adult Literacy Fundraiser mentioned at the last meeting is cancelled since a grant was received in support of this important program. Mr. Walker shared some background on the program. The library received a grant through the State of Colorado that allowed us to help five students graduate from the Colorado Online High School program and earn their diploma. A second grant was received from the state and 25 additional scholarships will be available, bringing the total to 30 scholarships. With the new grant helping support this self-paced online program, a fundraiser is unnecessary at this time.

Library Board Mixer

Ms. Clark said the annual library board mixer is coming up again. The mixer is an opportunity for board members to network with all three boards. Each year the board take turns planning and hosting the mixer, this year is the Foundation's turn. She asked if there was any members interested in helping with the planning. Ms. Ones and Ms. Gairaud said they would like to help with the planning.

G. Announcements ....Lyndell Gairaud

Ms. Gairaud spoke about the announcements listed in the agenda including inviting the board to join us at Summer Reading Sponsor appreciation event July 27 and reminding the board of deadlines for sponsors to be included in All Pueblo Reads marketing material. She also mentioned the deadline for advance price reservations for the Booklovers Blacktie Ball is Friday, September 28.

Mr. Walker invited the Foundation Board members to participate in the Rawlings redesign project and meetings (with more information to follow). Mr. Walker spoke a little bit about this ambitious but important process evaluating how the area can be better used with changes in the way people access information and material. The district has engaged with architect firm Humphries Poli to start the process.

H. New Business ....Lyndell Gairaud

Updated Roster

Ms. Gairaud shared an updated roster will be emailed.

I. Old Business ....Lyndell Gairaud

No old business to report.

Next Meeting: Wednesday, October 10, 2018

Adjourned 1:25 p.m.

Respectfully submitted,

Gloria Madrill
Recording Secretary