Pueblo Library Foundation

Board of Directors Meeting
Meeting: 11:30 a.m., April 10, 2019
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; Michael Voute, Treasurer; Carol King, Secretary; Dustin Hodge, Jessi Ones and Gala White

Absent–Jim Stuart, Vice President (Mr. Stuart sent resignation letter in January)

Guests-Michael Salardino and Jennelle Chorak

A quorum is met with 6 out of 7 (85%) members present.

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

C. Modifications to Agenda for April 10, 2019 Meeting .... All

No modifications to the agenda.

D. Approval of Minutes of Jan. 9, 2019 Meeting.. All

Ms. King made a motion to accept the minutes. Seconded by Mr. Voute. All in favor. Motion passes.

E. Secretary's Report……………………………………………………………………Carol King

Ms. King shared a thank you note from Mrs. Mary Jo Ryals. Mrs. Ryals sent a note of appreciation for being nominated by the Pueblo Library Foundation for an Outstanding Woman Award.

F. Treasurer's Report ....Michael Voute

1st Quarter 2019 Raymond James Investment Statement

Mr. Voute welcomed and introduced Mr. Salardino and Ms. Chorak from Security Service Investment Group. Mr. Salardino said he and Ms. Chorak wished to observe the meeting and are currently not planning on any changes as the $50,000 mentioned previously was available in cash and not needed from investments. Mr. Salardino reviewed the Executive Overview which covers gains and losses. There were some gains. Mr. Salardino noted page three shows an annualized return (at 15 year outlook) of 7.61%, despite the portfolio being 1/3 fixed income. The S&P 500 is at 8%, our rate is only trailing by 0.4% with less risk. Ms. Chorak commented she and Mr. Salardino want to listen and figure out a plan for the next 5-10 years, look at high end growth and possibly rebalance. Mr. Voute read the two objectives from the Investment Statement. The primary objective is growth, with a medium risk tolerance and a time horizon exceeding 10 years. The secondary objective is income, with a medium risk tolerance and a time horizon exceeding 10 years. Mr. Voute said he would agree with the first objective and that we are still on track with the second objective. We will have specific requests on certain time frame and may have money needs that may be more conservative, but we are not aware of any needs or requests to move money to more conservative funds right now. Mr. Voute said we have $65,000 to $66,000 in the checking account, including the $50,000 we intend to spend. The remaining amounts we have on hand for various purposes. Mr. Voute said we plan on inviting Mr. Salardino and Ms. Chorak again to another meeting later in the year.

March 31, 2019 Financial Report

Ms. Baca began the financial review by going over the Balance Sheet. She reminded the board the Balance Sheet is a snap shot of what we have. We have no debts and payment to vendors to take care of. The Balance Sheet compares the current year to the prior year to date. As mentioned earlier, the good news is we have funds in the checking account and don't have to pull from investments. The $66,000 in the account will cover the $50,000 request, the Leadership Institute needs and other balances we hold. There is also some positive news to share with the quarter end investments. The market value is higher than listed on the Balance Sheet and we have an unrealized gain. We made up almost $17,000. The market has returned but needs to go up a little more but we have recouped a little bit. Total current assets are $245,812.81. Ms. Baca noted there has been a change in reporting, we no longer have to categorize the gift as unrestricted, permanently restricted or temporarily restricted we can just classify the gift as donor restriction or not restricted.

Ms. Baca continued the review going over the Statement of Revenues and Expenditures. She reviewed unrestricted and restricted revenues and the three categories of expenditures. Restricted revenue include enterprise zone contributions. We also had a small expense this quarter in donor recognition. She noted year to date revenues total $17,979 and year to date expenditures total $7,609. We are in the black and have $10,370 in revenue over expenditures. We are on track and have no budget concerns. Mr. Voute noted the Annual Budget includes the $50,000 request to the library under the Contributions to PCCLD section which is good activity because it shows we are contributing to the district.

Ms. Baca then reviewed the Summary of Restrictions. The total restrictions are $137,131.12, with $118,766 in the Raymond James investment account and $18,365.12 in the Bank of the San Juans checking account. The $50,000 request will come from the Capital Campaign Restrictions and the remaining balance from Enterprise Zone Restrictions and will be reflected on the next Summary of Restrictions Report. Mr. Voute made motion to accept the first quarter financial statements. Seconded by Ms. White. All in Favor. Motion passes.

Discussion of Finance Committee membership

Mr. Voute reported the Finance and Investment Committee met informally this week. It was more of a meeting between the Treasurer and the management of library, not an official committee meeting. With Mr. Stuart retiring from the Pueblo Library Foundation Board, the committee is in need of more than one member to continue. Mr. Voute shared there is a way of reforming the committee with action from Ms. Gairaud. The Foundation Bylaws include information saying ex officio directors can be considered non-voting members. Ex officio directors include the CEO, CFO and the library attorney. Also, another area of the Bylaws says the Finance and Investment Committee members should be designated by the Foundation Board President and need not be members of the Foundation Board. Only the chair of the committee must be on the board and appointed by the President. Mr. Voute can fill that requirement as he is a member and is willing to serve as chair. Mr. Walker and Ms. Baca can also act as members, although they would be non-voting and ex officio. Mr. Voute said we can email a copy of the By Laws for anybody who would like to review this information. Ms. Gairaud said she would like to do as suggested and appoint Mr. Voute as Chair of the Finance and Investment Committee and appoint Mr. Walker and Ms. Baca as members of the committee. As chair Mr. Voute would like voting matters for Mr. Walker and Ms. Baca on the committee. Mr. Voute asked if there were any comments and Ms. Ones said she appreciated Mr. Voute managing the committee.

G. Director's Report.. Midori Clark

Q1 Fundraising Report (Approval of Recommended Transfer to PCCLD)

Ms. Clark presented the Q1 Fundraising Report highlighting gifts received for both entities. In Q1 the Foundation received a very generous gift from Mr. Voute. Ms. Clark thanked him for his continued support. Mr. Voute said he was happy to contribute and plans on contributing the same amount each year of his life. Ms. Clark also mentioned some Leadership Institute gifts that came in and noted the Amazon Smile Foundation contribution has been growing and the library shops through Amazon as well helping with the contribution. The total amount received for the Foundation was $11,466.07.

Ms. Clark then spoke briefly about gifts that came in from the district side including a generous gift from the Friends of the Library for the spring grant cycle. The staff submits grant applications to the Friends of the Library and they review what programs they are able to support. The grant in support of programs is not typically this large. Ms. Clark thanked the Friends of the Library for their generosity. Ms. Clark the Friends of the Library gave another gift this quarter in support of legal services. Ms. Clark then spoke about Summer Reading contributions. Four of the gifts received were from new Summer Reading sponsors. This year sponsors were given the opportunity of sponsoring the Kids Parade for an additional $50 and many took us up on the offer. A grant from Gilder Lehrman Institute for a September Benjamin Franklin Chautauqua was also received. The total amount of district gifts equaled $33,328.19.

Ms. Clark said usually we have the Finance Committee transfer funds but this time we did not as there was more research being done on committee membership guidelines. This quarter we are recommending a transfer of $475 to go back to the library. These gifts were given in support of the Lucero Library and are pass throughs. Mr. Voute made a motion to approve the recommended transfers of $475 from the Foundation to Pueblo City-County Library District. Seconded by Ms. King. All in Favor. Motion passes.

Leadership Institute Update

Ms. Clark presented an update on the Leadership Institute. This year we have nine ladies in the program. In February we completed the first workshop which included a Strengths Finder assessment. The Strengths Finder book teaches we can do better by focusing on strengths rather than weaknesses. The two facilitators we worked with in the past were not available. One facilitator had passed away from cancer and the other facilitator hired last year was not available. Since a facilitator was not available, and because Ms. Raeder had provided such a good blue print, Ms. Clark and Ms. Madrill took on the workshop this year with Ms. Clark facilitating. During the workshop the ladies came up with a set of group values for the year. The values were: creativity, trust, honesty/integrity, respect, open mindedness and communication. At the end of each workshop the participants are asked to share with the group their main take away. One of the ladies said her main takeaway was regarding self-talk and she learned that she shouldn't talk to herself in a negative manner. The next workshop is scheduled for Friday, April 26 and will focus on etiquette and will be the first planning meeting for the Le Bal de Bibliotheque. Ms. Clark invited the Foundation Board members to join us for the next session and also asked the board to please save the date for Saturday, July 13 and join us for Le Bal de Bibliotheque.

H. Announcements... Lyndell Gairaud

Ms. Gairaud shared information about two upcoming events. The first, on April 11, is the Chamber of Commerce Business Award Luncheon where Mr. Walker will be honored with the Charles W. Crews Business Leader Award. The second event, on April 19, is the Friends of the Library Annual Meeting and Luncheon. If you are able to attend either of these events please RSVP to Ms. Sonya West.

I. New Business... Lyndell Gairaud

Future of the Library

Mr. Walker spoke about the future of the library. The library is facing challenges and financial considerations. Ninety percent of revenue comes from property taxes. With property values and short falls due to the Gallagher Amendment, we will lose $806,000 in revenue. Our physical assets amount to 45 million in capital assets and operationally about 5 million is spent on staff and employment benefits. Another 1.2 million is spent on material and books. There is a cost to operate and maintain our assets. The public library is about the people and about physical spaces including spaces where patrons can engage in study and research. We want to have space available to support access. To have these public places, we need to maintain assets. With a decline in revenue we have might have trouble doing it.

The library's Trustees are considering possible actions. One possible action the Trustees are considering is asking the public to renew a tax that will expire this year as a bond issue or mill levy to go to general fund. With a positive vote from the public for a referred measure we can continue operating in a positive way. If it wouldn't pass, our current funding is not sustainable. The cost is about $450,000 to operate a library branch (with exception of Rawlings and Pueblo West). Closing two branches would more than make up for the deficit. A referred measure or reduction is services has not been decided but possible actions are being discussed.

As the Trustees are considering the options, they wanted to see what the public thought and what potential voters in an election would think. A poll was prepared in February by Fredrick Polls Company and they asked people how they felt about the library. The poll showed high levels of support and people love the library. The library rated very positively, responses were 81% positive and 64% were very positive. The tax mood is also overall very positive and the issue to support extending the tax was positive. Professionals suggest an organization should poll at least at 60% when considering an election.

Through the process library staff members are looking at the future and also how we could use that tax. The library has started working with designers on reimagining the Rawlings Library and the master plan on other branches and facilities. The study for other six branches is currently going on and hopefully will be done by July of 2019. If the tax was extended, we could continue operating our libraries in a wonderful way and continue creating wonderful facilities where people can engage. We feel very confident that we have a great opportunity for bright future for our library. We know that people love their library from the results in the poll and they have a lot of pride. The results of the poll also showed a high number of participants think that Pueblo has a lack of pride but one thing they do have pride in is in the library.

Mr. Walker asked, as you are all interacting with the public please share on social media using the hashtag #PuebloLibraryProud. We are trying to get everyone involved with getting the message out about the challenges and possible actions. Mr. Voute asked if there was plans to distribute this information in *The Pueblo Chieftain*. Mr. Walker said the distribution will be broad but was not sure. We might have some version of it as part of the Summer Reading insert available at the end of May or first week of June. Mr. Walker said his goal is to start share this information throughout the community. We should expect a decision this summer from the Trustees whether they will refer a measure to the public for a vote. If we do move forward with a vote, the Pueblo Library Foundation will be an important part of the process. Colorado Law has restrictions on using public funds and resources for campaigning but the Pueblo Library Foundation and the Friends of the Library have different restrictions. Their roles will be even more critical if there is an election campaign. The library can provide information, but not tell someone how they should vote. Mr. Voute asked if the Foundation would be less restricted in this regard. Mr. Walker said yes there are IRS codes that all institutes have to respect but those will be more liberal for the Pueblo Library Foundation than the district.

Ms. Ones asked for some guidelines regarding sharing this information. Mr. Walker said there is no referred measure at this time we are just sharing the information. If the Trustees decide they want to do a referred measure than it will be a different campaign. Right now we are spreading the word and want to get information out about our challenges and options. Mr. Walker is accepting talks at local groups to share information. We have a lot of support from elected officials. Right now we are just getting the word out and would love it you can share information from the one sheet handout.

Ms. Gairaud commented the Trustees do not want to close libraries or reduce services if we can explore other options. The proposed tax continuation would not be an increase just a continuation of what everyone has already been paying. Mr. Ones asked how long it would last. Mr. Walker said they are looking into the terms, one of them being the mil going to the general fund at six tenths of one mill in perpetuity. From the library perspective it would give us the most opportunity and the bond and mill polled about the same. Mr. Walker said it is a challenging time but a great opportunity.

Board resignation (Jim Stuart)

Ms. Gairaud shared Mr. Stuart has resigned from the board. We have three vacant board positions. Two of the three positions are at large and one is a Trustee appointment that would cross over. We currently have a list of about 25 possible candidates we are looking into but also accepting suggestions. Ms. Ones suggested April Elkins as someone who may be interested. Ms. King moved to accept the resignation with regrets. Mr. Hodge seconded. All in favor. Motion passed. Mr. Voute also commented that he hopes we can get more interest in the Finance and Investment Committee from new additions.

Updated Roster with Committee Assignments

An updated roster was passed out which includes updated committee assignments for the year.

J. Old Business .... Lyndell Gairaud

Next Meeting: Wednesday, July 10, 2019

Adjourned 1:04 p.m.

Respectfully submitted,

Gloria Madrill
Recording Secretary