Pueblo Library Foundation

Board of Directors Meeting
Meeting: 11:30 a.m., April 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 11:37 a.m. and welcomed Jessi Ones to the board. She also invited board members to go around the room and introduce themselves.

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; Dustin Hodge, Lindsay Moore, Jessi Ones and Gala White

Absent– Julie Rodriguez

A quorum is met with 8 out of 9 (88%) members present.

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

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

Secretary's Report moved to after the Treasurer's Report to allow Mr. Salardino an opportunity to leave earlier and attend a Rotary meeting following his report. Ms. Moore made a motion to accept the change. Seconded by Mr. Voute. All in Favor. Motion passes.

D. Approval of Minutes of January 10, 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

Investments Review and 1st Quarter 2018 Raymond James Investment Statement

Mr. Salardino presented the Holdings with Annualized Returns and Investment Overview reports. He said all investments adhere to the Foundation Investment Policy Statement and recommended focusing on the long term goals (15 years). He reported currently conservative investments that tend to have lower volatility have been more volatile and investments that tend to have more volatility have been less volatile but it the long run they will do what they are meant to do. The net result over a 15 year period should be an annualized return of 9.69%. The YTD the rate of return is 7.38% and our investments are performing better than the S&P 500 with less volatility and risk. Mr. Salardino noted volatility is a gage of how much it can swing but is not the same as risk.

Mr. Salardino would like to study one of the funds listed further and confirm it is as conservative as he believes and fits the Foundation's investment policies. He will let us know about the fund. Ms. White asked if he was referring to the Franklin Fund and Mr. Salardino answered yes. Mr. Walker joined the meeting at this time.

Mr. Salardino reported March was not great but we are doing well considering the market we are in. Ms. Baca asked if Mr. Salardino can speak more on rebalancing. Mr. Salardino said we rebalance when we see it is necessary, keeping it diversified. Mr. Voute noted some rebalancing is good but hopes they don't follow mechanical rebalancing and put in bad returning stocks just to balance. Mr. Salardino said there will be a reversion to the mean and rebalancing is not done on a computer model but just to meet the criteria agreed to in the beginning. Mr. Salardino also commented based on the time the Foundation has held investments we made $14,793.90 which is a nice figure.

Mr. Walker asked if Mr. Salardino anticipates any impact from the tax law changes. Mr. Salardino said there are no changes he is aware of but mentioned a benefit of Franklin managing the funds is they have people monitoring it that can adjust accordingly if needed. Mr. Voute said he would like to invite Mr. Salardino back for the January meeting unless there are any changes.

March 31, 2018 Financial Report

Ms. Baca started reviewing the financials beginning with the Balance Sheet noting the column on the right shows where we were a year ago. She also noted the Cash Operating line items shows a zero from the closing of the Wells Fargo account and opening of the new account at Bank of the San Juans. Ms. Baca also said the investment fund has nearly $100,000 more in the account compared to last year.

Moving on to the Statement of Revenues and Expenditures, Ms. Baca reminded the board the report has gifts listed in one of two categories, Unrestricted and Temporarily Restricted. In the first quarter most gifts came in as temporarily restricted. The temporarily restricted gifts represent a majority of enterprise zone gifts, investment earnings and inkind (which includes salary for staff). When we look at the expenditures section of the report there is an offsetting expenditure in those categories. The budget is shown on a quarterly basis instead of full budget so the variance tracks better. The expenditures listed include funds chosen for release back to the library at the last quarterly meeting as pass throughs. Total expenditures are $12,764 which is tracking a little more than last year but not a concern. Mr. Stuart reminded the board although the column is titled Annual Budget it reflects a quarterly budget.

Mr. Stuart asked there was a timing issue since revenues and expenditures weren't matching and Ms. Baca said it was a reclassification issue as lunch expense was accidently classified as inkind. Mr. Voute noted what appears as a loss for the quarter is not a loss but almost exactly matches the pass through transfers to PCCLD that were moved to the district or in retained earnings. Having statements like these help donors understand we are good stewards. For the most part the Foundation's YTD report is good, ending in the black.

Ms. Baca continued the report reviewing the Summary of Restrictions. She reminded the board vertical columns show the categories of restrictions and totals are cumulative. She noted there were no additions to capital campaign category but we are maintaining dollars in the category. Included in the categories is Chamberlain Fund gifts which are taken in via the Southern Colorado Community Foundation. Dollars are earmarked for library purchases and must be spent on library materials. Mr. Stuart shared Chamberlain funds go to PCCLD directly and trustees determine if it's best to go to the Foundation until it is needed and the act of a moving the funds temporarily to the Foundation is not a given. Mr. Stuart asked if a legend could be added on the Summary of Restrictions report for easy access to a list of restrictions on certain funds. Ms. Baca said yes we could do that. Ms. Baca shared total restrictions are $102,976 with $88,266 in the Raymond James account and $14,710 in the Bank of the San Juans account. She also reported auditors were on site this quarter and it went well. She looks forward to seeing their report. Mr. Voute made a motion to accept the financials for filing. All in Favor. Motion passes

Signatures Needed for Bank of San Juans Corporate Authorization Resolution

Mr. Voute shared signatures are needed with the move to the Bank of the San Juans from Wells Fargo. He reminded the board PCCLD moved to the new bank and the Foundation followed. Mr. Voute made a motion to allow signers on the account and Corporate Authorization Resolution to be himself, Mr. Stuart, Ms. Gairaud, Ms. Baca and Ms. Clark. Seconded by Ms. Moore. All in Favor. Motion passes.

Update authorized signers on Raymond James investment account

Mr. Voute asked Ms. Baca to share the updates needed for the Raymond James investment account. Ms. Baca said that due to change in President and the addition of Mr. Stuart to the account there were a few housekeeping updates needed. Mr. Voute made a motion to update authorized signers on the Raymond James investment account to include himself, Mr. Stuart, Ms. Gairaud and Mr. Walker. Seconded by Ms. White. All in Favor. Motion passes.

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

Ms. King read a correspondence to the Foundation board from Ms. Baca. She read a note expressing Ms. Baca's gratitude for being nominated by the Foundation Board for a 2018 Outstanding Woman Award.

G. Director's Report.. Gloria Madrill

Q1 Fundraising Report

Ms. Madrill presented the Q1 Fundraising Report. In Q1 a combined total of $75,870.93 came in making it one of the largest quarters to date. A total of $65,531.39 was received by the district and $12,339.54 came in through the Foundation. The total amounts approved for transfer at the Finance Committee meeting on April 10 include $10,964.54 to the investment fund (highlighted in orange on the report) and $75 in gifts (highlighted in purple) to the district received for Books in the Park.

Leadership Institute Update

Ms. Madrill provided an update on the 2018 class of the Leadership Institute. The cohort this year is six ladies (two from East High School, one from Centennial and three from South). The Leadership Assessment class was hosted this February and Dr. Regina Lewis was invited to speak with the cohort. She reviewed different leadership styles and helped the ladies discover their leadership strengths and areas of improvement.

In March the second workshop was held and focused on etiquette. For the March workshop we were pleased to have Lindsay Pachek return for her third year as our etiquette instructor. She taught the cohort etiquette skills and helped with Le Bal de Bibliotheque Planning. She also helped lead the group through a discussion on themes and colors and the cohort chose Starry Night as the theme for this year's Bal. Ms. Madrill also invited the board to the event scheduled on Saturday July 14 and hopes the board members will be able to make it.

Upcoming adult literacy fundraiser

The final item Ms. Madrill spoke briefly on is an upcoming fundraiser. On July 26 the Foundation will host a fundraiser in support of adult literacy. An email with additional information will be sent in June with details about the event and how the Foundation Board can help out. The format will be similar to heart your library with the funds supporting adult literacy. The funds will help people earn their high school diploma through a program offered by the library.

Following the report, Ms. Moore asked if there was any additional news on the author selected for All Pueblo Reads. Mr. Walker said that there was negotiations going on with an author and there would be more to come.

Ms. Moore asked if there are any capital campaign projects coming up. Mr. Walker shared there is a project on the horizon. Since the expansion of three new library branches and expansion of Pueblo West Library are complete we are hoping to come back full circle and update Rawlings Library (which was opened in 2003). External changes are not anticipated but with changes in information delivery, the library was conceived in a different era. We would like to take a holistic view and are in the process of engaging with a design firm. Rawlings would not be alone in the transformation. Libraries are transforming everywhere.

At this point in the conversation, Ms. Ones excused herself. Mr. Walker said some areas of Rawlings are constrained and some have additional space. We would like to go through a facilitated process of engaging stakeholder in late 2018 (or 2019) to come up with a plan on changes for the building and plans for the cost of the project. Mr. Walker said the Foundation will be a part of it. The redesign will need to be for what library science will be in the future. We would like to engage with a firm that does a lot of public library designs and will have some recommendations for Trustees in a matter of months.

H. Announcements .... Lyndell Gairaud

Ms. Gairaud reminded the Foundation Board members the Friends of the Library Annual Meeting and Luncheon will be held Friday, April 20 and the library will pay for anyone who wants to attend. Reservations are due to Jane Carlsen by April 13.

I. New Business .... Lyndell Gairaud

Updated Roster

Ms. Gairaud shared with the board an updated roster was included in the board packets and has contact information for the Pueblo Library Foundation's newest board member Jessi Ones.

J. Old Business .... Lyndell Gairaud

No old business to report.

Next Meeting: Wednesday, July 11, 2018

Adjourned 12:51 p.m.

Respectfully submitted,

Gloria Madrill
Recording Secretary