PUEBLO LIBRARY Foundation

Board of Directors Meeting
Meeting: 11:30 a.m., February 14, 2024
Rawlings Executive Conference Room on 4th Floor
Rawlings Library ★ 100 E. Abriendo Ave. ★ Pueblo, Co 81004
With Virtual Teleconference Option

MINUTES

A. Welcome and Call to Order .... Jessi Ones

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

B. Old Business .... Jessi Ones

2024 Officer Elections

First item on the agenda was officer elections for the 2024 year. The slate presented was Ms. Elizabeth Gallegos as President, Ms. Alexandria Romero as Vice President and Mr. Tim Krebs as Treasurer. Ms. Clark made a motion to approve the slate as presented. Ms. Eslinger seconded the motion. All in favor. Motion passes.

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

Board Members Present–Jessi Ones, Elizabeth Gallegos, Tim Krebs, Andrea Aragon, Iris Clark, Brandice Eslinger, Bruce Johnson, Alexandria Romero and Teresa Therriault

Board Members Not Present–Joe Arrigo, Abbey Hartless, Dustin Hodge, Antoinette Ramos and Gala White

Staff Present–Sherri Baca, Nick Potter, Ashley Huggins, Maria Kropf and Gloria Madrill

Guests–Mark Kennedy

A quorum is met with 9 out of 14 (64%) members present.

C. Modifications to Agenda for February 14, 2023 Meeting .... All

No modifications were made to the agenda.

D. Approval of Minutes of November 9, 2023 Meeting .... All

There was a small correction on the minutes from November 9, 2023. Ms. Huggins noted the audit will not exceed $6,600 not $66,000. Ms. Clark made a motion to approve the November 9, 2023 meeting minutes. Ms. Romero seconded the motion. All in favor. Motion passed.

E. Treasurer's Report .... Tim Krebs

4th Quarter 2023 Investment Report

Mr. Kennedy provided an overview of the report given at the Foundation's Finance Committee Meeting. The total value of the account is $548,581. He noted that we are bringing in an estimated annual income of $15,909 or 2.9%. There were poor market conditions in October. The Federal Reserve Chairman came out towards the end of October at a public meeting saying he thought inflation was moving towards where they would like and they are close to being done with interest rate hikes. They scheduled three interest rate decreases in 2024 and the market saw that as a positive sign. Our investments have about 65.26% in equities including real estate holdings. Without real estate holdings it brings our equities closer to 60% of the investments. He then reviewed our holdings by market sector compared to the S&P 500. We are overweight in financials and underweight in information technology. He also reviewed our portfolio's performance from June 2022 through February 2024. Year-to-date we are up about $9,515 (a 1.85% return).

At the Finance and Investment Committee meeting, Mr. Kennedy recommended adding some funds to some new positions in the account. He recommended adding $30,000 to mid cap value (Diamond Hill) and adding $10,000 to small cap value (Aventis Account). Most of the purchase came from the recent transfer of $30,500 to the investment fund with a small amount of investments being sold.

Mr. Kennedy talked about 2024 market forecasts. He included a 2024 commentary from Professor Jeremy Siegel. Dr. Siegel's forecast for this year predicts 8-10% price gain in markets, with rotation from growth stocks to value stocks. He suggests the mid cap and small cap value space could potentially bring 15% returns this year. If that happens we would like to add more funds to those spaces and fill in any gaps in our portfolio. Dr. Siegel also believes there won't be many drops in interest rates this year. Mr. Kennedy then shared a story about stock intersection and diversification. The top 10 holdings in the portfolio are similar to the S&P 500, with crossover.

December 31, 2023 Financial Report

Ms. Huggins reviewed the balance sheet as of December 31, 2023. She noted that she is reviewing preliminary statements. The cash balance was $63,210.55 which is in increase of about $33,000 compared to the previous quarter (mostly event income from the Booklovers Ball). The Raymond James investment balance was $507,566.49. There was a recent transfer made to Stifel after the Finance Committee Meeting so the cash account balance is lower than the amount listed on the balance sheet and the investment balance will be greater than what is listed. There is an accounts receivable amount ($6,365) of items are related to 2023 that we haven't received by the end of the year. We also have a small accounts payable balance of $84.62 that relates to the library staff payroll donation option. One payroll donation accidently got transferred twice from the district to the Foundation and we will need to transfer it back to the district. The total assets, liabilities and equity equal $577,142.04.

Next, the preliminary Statement of Revenue and Expenditures was reviewed. We experienced a year-to-date unrealized gain of $44,114 for investments. Ms. Huggins reviewed all three categories of expenditures. We came in under budget for all three. Total expenditures for the year was $96,941. Year-to-date revenue over expenditures of $121,356. Ms. Huggins then reviewed the Summary of Restrictions report. We have a total of $225,035.34 in restrictions.

Ms. Eslinger made a motion to accept the preliminary financial report for the period ending December 31, 2023. Dr. Johnson seconded the motion. All in favor. Motion passes.

Q4 2023 Gifts Received Report

Next, Mr. Potter provided an update on fundraising activities and gifts received in the fourth quarter. In Q4, PCCLD and the Foundation combined brought in $321,764.97. The majority of gift revenue received were in support of the ECF Grant and CDBG Grant. There was also some activity related to Booklovers Ball (sponsorships, ticket sales and silent auction), 2024 Summer Reading sponsorships, Lucero Library contributions, a gift in support of Lamb Library, a gift for the Local History and Genealogy Department, some unrestricted gifts and other miscellaneous contributions. We closed the year out at $966,692.48 which was really well compared to previous years. The Foundation Finance Committee approved the recommended transfer $18,734.42 from the Foundation to the district. The committee also approved the recommended transfer of $31,500 from the checking account to the Stifel investment account.

F. New business…………………………………………………………………………Jessi Ones

Barkman Library Construction Update

Ms. Baca provided an update on the Barkman Library renovation. She shared some images of what the additions will look like. The construction is on track and we hope to move in by the end of August. We have so far not run into any construction issues. We are still on track with our budget. The project will cost $4.4 million and next week we will be looking at the budget to start the Lucero Library renovation project.

G. Director's Report..Nick Potter

Fundraising Review, End of Year Fundraising, Barkman and Lucero Fundraising Timeline

Mr. Potter started his presentation by showing how the investment account has grown over the last seven years. In 2019, the investment account was around $200,000. Currently, the investment account balance is around $548,000. We have been working to have multiple streams of revenue. We were very successful this year with end of year fundraising. We try to space mailings throughout the year and some funds come in the third and fourth quarters. We want to communicate often with donors. Mailings donations have brought in about $8,400. End-of-year giving this year also included Colorado Gives Day and gifts coming in through payroll contributions through staff members (that come directly through their checks).

Mr. Potter said we are starting to gear up the Building Community Together campaign and speaking with donors. He shared some history about a donor who made a significant contribution to help build the Barkman and Lamb Libraries (both libraries are named after her husbands). We are reaching out to foundations and donors connected with the current building names regarding the naming rights. We will do an announcement to the community about the project this summer would like to have 50% of our fundraising goal raised by August of 2024.

Outstanding Women Awards

Mr. Potter shared last year we moved the Outstanding Women Awards from the district side to a Foundation event. It is an event that we have been hosting for over 30 years. We want to grow the program into a fundraising event. We offered sponsorships but are doing it a little differently. We are offering a Corporate Table option that will allow attendees to reserve a table at the event.

H. Announcements..Nick Potter

Mr. Potter announced that the book selection committee has been meeting for the All Pueblo Reads program. We have an author that has accepted our proposal. The book is *The Henna Artist* by Alka Joshi. We will be working on selecting companion books for the youth titles. Ms. Eslinger added she has a group of people who attended the event last year already looking forward to attending the Booklovers Ball again this year.

Next, Ms. Gallegos spoke about the Outstanding Women Awards. Historically, the Pueblo Library Foundation has nominated a community member for this honor. This year the Foundation would like to nominate Ms. Antoinette Ramos. Ms. Ramos has been with the police department for over 15 years and is active in the community, volunteering with many nonprofit organizations.

Next Meeting: Wednesday, May 8, 2024

Meeting adjourned at 12:30 p.m.

Respectfully submitted,

Gloria Madrill
Recording Secretary