PUEBLO LIBRARY Foundation

Board of Directors Meeting
Meeting: 11:30 a.m., February 12, 2025
Rawlings Bret Kelly A Room on the 1st Floor
Rawlings Library ★ 100 E. Abriendo Ave. ★ Pueblo, Co 81004
With Virtual Teleconference Option

MINUTES

A. Welcome and Call to Order .... Elizabeth Gallegos

Ms. Gallegos called the meeting to order at 11:30 a.m. and introduced Bri Reyes to the board. Ms. Reyes is the library's new CFO and has been with the district since November.

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

Board Members Present–Elizabeth Gallegos, Alex Romero, Abbey Hartless, Andrea Aragon, Brandice Eslinger, Bruce Johnson, Jessi Ones, Antoinette Ramos, Teresa Therriault, and Gala White

Board Members Not Present–Joe Arrigo, Sherri Baca and Iris Clark

Staff Present–Nick Potter, Bri Reyes, Maria Kropf and Gloria Madrill

Guests–

A quorum is met with 10 out of 12 (83%) members present.

C. Modifications to Agenda for February 12, 2025 Meeting .... All

No modifications were made to the agenda.

D. Approval of Minutes for November 13, 2024 Meeting .... All

Dr. Johnson made a motion to approve the November 13, 2024 meeting minutes. Ms. Ramos seconded the motion. All in favor. Motion passed.

E. Treasurer's Report .... Abbey Hartless

December 31, 2024 Financial Report

Ms. Reyes presented the preliminary Financial Report, reminding the board the financial statements are not final and will be final when the 2024 audit has concluded. Ms. Reyes reviewed current assets, liabilities and equity. The total assets, liabilities, and equity equaled $978,323.37. Next, Ms. Reyes reviewed the Statement of Revenues and Expenditures. Ms. Reyes noted a couple of items that went over budget, professional fees (which included Stifel fees) and office supplies and printing (which included a subscription to Otter AI). Mr. Potter added Stifel fees were higher because investments were higher and the management fee is a percentage of the investments. He also clarified Otter AI is what we use to record meetings and create our minutes and it is a subscription shared with district for board of trustee meetings. Total year-to-date revenue was $814,763 and year-to-date expenditures were $394,145. The year-to-date revenue over expenditures was $420,618. Next, Ms. Reyes talked about the Summary of Restrictions report. She noted the beginning balance for 2024 was $184,785.80, year-to-date additions were $603,489.31, and year-to-date released restrictions were $293,070.39 leaving us with an ending balance for 2024 of $495,204.72.

Ms. Aragon made a motion to accept the financial report for the period ending December 31, 2024. Ms. Ones seconded the motion. All in favor. Motion passes.

Q4 2024 Stifel Investment Report and Investment Report Year in Review

Mr. Potter provided a report from Mr. Kennedy about the Foundation's investment portfolio performance. The current value of our account, as of 2/3/2015, is $617,818. Interest income is $17,821 or 2.88% in annual dividends. We currently hold 66.26% in equities, after we take out our REIT/Real Estate exposure of 4.60%, we net 61.66% in stocks. The report also includes a 12-month dot-to-dot graph of our account value not including yearly additions. There is also a report breaking down our stocks totaling $409,333 by market sector. Our performance since inception is an increase of 11.83% in 2024, up $63,262.

Next, Mr. Potter shared some information about the Foundation's money market account. The current balance is $45,739 and the average yield is 4.28%. He also shared an article from economist Jeremy Siegel. Mr. Siegel has a positive but cautious outlook of the market for 2025. He anticipates there will be some market volatility and expects interest rates to be in the higher single digit numbers. Mr. Potter also shared he worked with Mr. Chad Heberly to review market performance with the benchmark designated in our investment policy statement (the Morningstar Moderate Allocation and AOR EFT) the foundation is at 11.83% compared to the benchmark of 13%. Although the percentage is lower, it is pretty good considering we have a 60/40 split between stocks and bonds.

Mr. Potter then talked about the growth in our investments from 2017 through 2024. The account started at $68,952.82 and has grown to $671,818.

Releasing Enterprise Zone Restricted Funds and Q4 2024 Gifts Received Report

Mr. Potter spoke about some transfers made at the last Finance and Investment Committee meeting. Mr. Potter said when we add our money market balance ($45,408.84) to our checking account balance ($346,889.17) the total is $392,298.01. With that total the Foundation is able to transfer $73,236 to the library district to cover enterprise zone restricted gifts, transfer $271,975.70 to the district for Q4 gifts received, and transfer $37,086.31 to our investments account at Stifel. After making the transfers, it will leave about $10,000 in the checking account for upcoming expenses including the Outstanding Women Awards. Moving forward we will be able to start building our investments again with past enterprise zone restrictions being taken care of.

Mr. Potter provided an update on fundraising activities and gifts received in the fourth quarter. In Q4, PCCLD and the Foundation combined brought in $484,126.21. The majority of revenue received was from E-rate disbursements and reimbursements and also a gift from the Rawlings Foundation in support of the Building Community Together Capital Campaign. There was some activity related to the Booklovers Ball including: sponsorships, ticket sales, silent auction item purchases, text-to-give donations, purchases of umbrella decorations, and other donations. There was some activity related to the capital campaigns (Building Community Together Capital Campaign, Lucero Library Capital Campaign, and pledge payments from the Your Future Library Capital Campaign), the Lucero Library for programming, Lamb Library, Giodone Library, the Summer Reading program, unrestricted gifts and other miscellaneous contributions.

Ms. Hartless made a motion to approve the release of enterprise zone restricted funds ($73,236) and acknowledge the transfers approved at the Finance Committee meeting (mentioned above) and Ms. Aragon seconded the motion. All in favor. Motion passes.

Add Bri Reyes as signer, allowing online transfer and access to all Pueblo Library Foundation Bank of the San Juans and Stifel accounts

Mr. Potter reported we would like to add Bri Reyes as a signer to the Foundation accounts allowing her to make online transfers and access all Pueblo Library Foundation Bank of the San Juans and Stifel accounts. Ms. Therriault made a motion to approve adding Ms. Reyes to the accounts and Dr. Johnson seconded the motion. All in favor. Motion passes.

F. New business……………………………………………………………………Elizabeth Gallegos

Lucero Library Construction Update

Mr. Potter provided an update on the Lucero Library construction project. The project will total $4.22 million. We are anticipating completion of the project in October of 2025. To prevent vandalism and theft at the site, we have additional fencing and security for the building. Site security has been an additional expense. Mr. Potter shared some current pictures of the exterior and interior of the building.

Intellectual Freedom Discussion, Library Funding at the National Level, and Importance of State Library and IMLS

Mr. Potter talked about intellectual freedom. He spoke briefly about possible changes proposed by the current administration. He discussed the importance of the IMLS and Colorado State Library. He also discussed how libraries and specifically how PCCLD is funded. If funding cuts occur, we may have less grant opportunities at the federal level including support for technology and internet connectivity initiatives.

Ms. Aragon asked if there was a timeline on when some decisions may be made on the federal level about renewing this funding. Mr. Potter said probably around June there might be some decisions made on if funding will be renewed for the Museum and Libraries Act which funds the IMLS, NEH and NEA.

Board member application

Mr. Potter spoke about a candidate that could fill one of the board member openings on the foundation. Mr. Chad Heberly currently serves on the Finance and Investment Committee and has great investment experience. The board thinks he would be an excellent addition to the board. Dr. Johnson made a motion to approve Chad Heberly's board member application to bring to the Trustees and Ms. Hartless seconded the motion. All in favor. Motion passes.

G. Director's Report...Nick Potter

Fundraising Year in Review and End of Year Fundraising

Mr. Potter provided a more in depth analysis of our fundraising. He talked about individual gifts, the largest gift, the smallest gift and the average gift for each quarter. The fourth quarter saw the most giving with about 226 individual gifts with Colorado Gives Day and other end of year fundraising activities. Overall, in 2024 we had a total of $1,200,731.42 in gifts with a total of 479 gifts received and the average gift size of $2,506.74.

Next he spoke about the direct mail appeals and how much they brought in. On the report, Mr. Potter included for each quarter the total raised, total gifts and average gift amount. Our goal with sending out mailers is to keep donors educated and informed. Third quarter was the strongest quarter. In 2024 we received a total of $15,944.06 from direct annual appeals. With 87 gifts received and the average gift size of $183.27.

Mr. Potter talked about fourth quarter fundraising activities. Highlighting how much was raised in Q4 through the Booklovers Ball ($14,804.48), Capital Campaign individual gifts ($32,488.20), Colorado Gives donations ($2,469.90), through grants ($214,639.97), and online gifts ($2,504.69). Total amount raised was $484,126.21 which was a total of 225 gifts.

Capital Campaign Update

Mr. Potter talked briefly about the Building Community Together Capital Campaign progress. We have raised a total of $683,418.81. We have received 111 gifts and the average gift amount is $6,047.95. We also have $1,225,000 in pending requests.

Outstanding Women Awards

Mr. Potter reminded the board that the Outstanding Women Awards is coming up. We wanted to propose honoring a donor this year, Mary Jo Ryals. We were surprised that she hadn't been honored already and we think she would be an excellent person to honor. The board was in favor.

H. Announcements .... Nick Potter

It was announced the Outstanding Women Awards will be at the Rawlings Library from 11:30 a.m.-1 p.m. on Thursday, March 20. Nominations for the Outstanding Women Award are due on Friday, February 14.

Next Meeting: Wednesday, May 14, 2025

Meeting adjourned at 12:41 p.m.

Respectfully submitted,

Gloria Madrill
Recording Secretary