Pueblo Library Foundation

Board of Directors Meeting
Meeting: 11:30 a.m., January 11, 2017
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....................... Julie Rodriguez

Mr. Rodriguez called the meeting to order at 11:35 a.m.

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

Board Members Present –Julie Rodriguez, President; Jim Stuart, Vice President; Michael Voute, Treasurer; Carol King, Secretary; Lyndell Gairaud and Dustin Hodge

Absent – Joyce Vigil

A quorum is met with 6 out of 7 (86%) members present

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

Guests Present –Michael Salardino

C. Modifications to Agenda for January 11, 2017 Meeting....................... All

No modifications to agenda.

D. Approval of Minutes of October 12, 2016 Meeting....................... All

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

E. Treasurer's Report....................... Michael Voûte

Investments…………………………………Michael Salardino

Mr. Voute introduced Michael Salardino from Security Service Investment Group who distributed a Portfolio Review from Raymond James. Mr. Salardino presented an analysis of investments for the short and long term expressing the investment policy is solid, with the Pueblo Library Foundation not planning to tap into principal amounts and have been adding to investments. The Weighted Average Returns for the Portfolio is 7.17% for the past year which is lower than S&P 500 rates but expected in a less volatile portfolio.

Mr. Voute asked how adjusting the horizon for investments with enterprise zone funds from one year to five years changed the portfolio. Mr. Salardino explained all mutual funds listed now fall into the five year horizon goal with the change, no short term funds are in the portfolio.

Mr. Salardino spoke in general about what 2017 looks like (beyond the portfolio). American Funds are more selective on investments to avoid uncertainty. U.S. still has the best climate economically. The global economies discussed include Thailand, Europe, China and Japan. Mr. Salardino compared the U.S. with European companies. Similar industries outperformed the U.S. but are overvalued. The U.S. is experiencing better growth but lower dividends while Europe is experiencing better dividend income but no growth. In regards to interest rates, Mr. Salardino said we can expect gradual inflation of rates but the fed is not aggressive. Mr. Walker asked how it is decided which fund invested money is placed. Mr. Salardino explained that they follow an investment policy to ensure the funds are diversified.

Financials

Ms. Baca reviewed the Balance Sheet for the year to date. She also shared the PCCLD Finance team was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada for its comprehensive annual 2015 financial report.

The Finance team is in the process of preparing for the audit. Auditors arrived for a few days in December and will return in March. Ms. Baca noted the pledges receivable year end number is less than last year as multi-year capital campaign pledges are fulfilled. She also noted that at the end of the year some funds are in transit. Movement of funds will happen in January.

The Summary of Restrictions was reviewed showing where dollars are sitting. Most funds came in unrestricted. Leadership institute funds have restrictions. Chamberlain dollars are held in PCCLD until released. Mr. Stuart asked where the 2015 Chamberlain fund contributions are listed. Ms. Baca explained it is included in PCCLD contributions line item and listed as restricted funds. The Foundation recognized 86% of budget.

Mr. Stuart expressed some concern that the overhead to income ratio is too high. Best practices should have the ratio between 15-18% of operating revenue for administrative expenses. The Foundation percentage is at 23%. From the donor perspective, it’s not positive. The Foundation Board should be prepared to answer the question if it arises. Mr. Voute spoke about how the percentages look better now and administrative expenses aren’t expected to be greater. If additional funds are raised the percentage will lower. It is a little high, but at this point not in our control. Ms. Baca said the financial accounting standard recording in-kind is fairly recent. Mr. Voute on behalf of the Finance Committee made a motion to accept and approve unaudited version of financials. No Second required. All in Favor. Motion Passes.

2017 Budget

Ms. Baca reviewed the 2017 Budget. The projected figures closely follow 2016 and what occurred to predict what may occur in 2017. The revenue section of budget contains additional information on the various components. A conservative estimate of revenue expected from non-related entities is $27,500. Mr. Voute made motion on behalf of Finance Committee to accept budget. All in Favor. Motion Passes.

Auditor’s Letter of Engagement

Ms. Baca spoke about the Letter of Engagement from Swanhorst & Company LLC to audit records for 2016. Cost of audit is not to exceed $4,500. PCCLD has budgeted for in-kind expense for audit. Mr. Voute a motion to accept condition of Swanhorst & Company LLC to perform audit. Seconded by Mr. Hodge. All in favor. Motion passes. Ms. Rodriguez will sign the letter on behalf of the Foundation.

F. Director’s Report .... Midori Clark

Q4 Fundraising Report

Ms. Clark presented to the board a Fundraising Report with list of all gifts received in Q4. Recommended transfers for board approval highlighted, recommending $20,271.11 to be transferred to the Investment account and $350 be transferred to the district for funds that came in with restrictions. The transfer to the investment account leaves in checking account: $5,000 minimum requirement, $6,200 for the Leadership Institute, $2,500 gift in support of 2017 Leadership Institute and funds for payable invoices. Mr. Stuart made a motion to approve transfer. Seconded by Mr. Voute. All in Favor. Motion Passes.

Booklovers Blacktie Ball Results

In 2016, the Booklovers Blacktie Ball had one of its most successful years. Reservations and ticket sales were handled differently. Advance ticket purchasing was available and additional seating opportunities (author's table seating, preferred seating) were offered. Premium seating opportunities helped bring in the second highest year for ticket sales and attendance. The 2016 event was the biggest year in Blacktie Ball history for silent auction revenue and saw an increase in number of sponsors with Ms. Madrill's assistance.

The book for 2017's All Pueblo Reads has been chosen, "Station 11" by Emily St. John Mandel. The book was selected in part because of the national endowment big read grant opportunity. "Station 11, a finalist for the national book award takes place in post-apocalyptic environment. The characters explore what is important and what parts of our culture should be preserved in a post-apocalyptic environment. The book leads to many programming opportunities: exploring the performing arts, survival courses and public health. Colorado State University Pueblo's Center for Teaching and Learning is partnering with library this year. A third author event is planned for the CSU-Pueblo students on Friday afternoon with the gala held in the evening.

Leadership Institute

Ms. Clark reported on Leadership Institute. The application deadline is Friday, January 13. In addition to information in the Pueblo Chieftain and library newsletter, new venues for recruiting were tried this year. Ms. Clark met with teams of high school counselors and spoke about the program. School counselors provided lists of students (with 3.0 GPA or higher) they felt may be interested in the program. Through the lists provided addresses were looked up and invitations mailed to the students. Ms. Clark also met with parents of potential students. The date of the 2017 Le Bal de Bibliotheque is July 15.

G. Board Business.. Julie Rodriguez

New Prospects for Board Vacancy

Mr. Anthony Nunez has decided not to renew his term as a board member and the board accepts his resignation. Mr. Nunez is very supportive but knew others would like to participate on the board. Including his vacancy, two board positions are open. Mrs. Gala White and Mrs. Lindsey Moore have both submitted applications for review.

Mrs. Gala White is a former teacher who taught for 30 years. She has a strong interest in literacy and has been a supporter of Le Bal de Bibliotheque and Booklovers Blacktie Ball. Mrs. White also served on the library board in Cloves, NM and worked with the Pueblo Committee on Colorado Women's Foundation. Mr. Stuart made a motion to recommend Trustees appointment of Mrs. White to the Foundation Board. Seconded by Mr. Hodge. All in Favor. Motion Passes.

Mrs. Lindsay Moore is a former pastor and stay at home mother. She serves on the Pueblo Zoo Board and is a library user at Giodone Library. She has good connections, great energy and is very involved. Ms. Rodriguez supports this nomination. Ms. Rodriguez made a motion to recommend Trustees appointment of Mrs. Moore to the Foundation Board. Seconded by Mr. Hodge. All in Favor. Motion Passes. Foundation Board Member will be notified if approved by trustees.

Officer Elections

Ms. Julie Rodriguez (President), Mr. Jim Stuart (Vice President), Mr. Michael Voute (Treasurer), and Ms. Carol King (Secretary), were nominated and accepted nomination for positions. Mr. Hodge made a motion to approve slate of officers presented. Seconded by Ms. Gairaud. All in Favor. Motion Passes.

Committee Assignments

Ms. Madrill will e-mail a signup sheet for available committees.

2017 & 2018 Board meeting dates

Suggested meeting dates of April 12, 2017; July 12, 2017; Oct. 11, 2017; Jan. 10, 2018 confirmed. Ms. Madrill will send Google invite.

H. Old Business .... Jim Stuart

Following last meeting Ms. Jane Carlsen helped incorporate the Gift Acceptance Policies and Procedures into one document with the By Laws and Investment Policy. The new format gives uniformity and consistency (matching format of Library District Policies and Procedures). Dollar amount required to track restricted gifts was removed to allow greater flexibility in gift acceptance. After reviewing the document, board will approve final version. Having complete set of policies and procedures will help with audit. Mr. Stuart made a motion on behalf of the Governance Committee asking the board to provisionally accept the gift acceptance and procedures policy. Seconded not needed. All in Favor. Motion Passes.

Next Meeting: Wednesday, April 12, 2017

Adjourned 1:15 p.m.

Respectfully submitted,

Gloria Madrill
Recording Secretary