

**PUEBLO CITY-COUNTY LIBRARY DISTRICT BOARD OF TRUSTEES  
WORK SESSION MINUTES  
2:00pm, Tuesday, June 13, 2023**

***This meeting was conducted inside the Kelly “A” Meeting Room  
at the Rawlings Library, 100 E. Abriendo, Pueblo CO. 81004***

**I. CALL TO ORDER AND ROLL CALL**

Mr. Quintana called the meeting to order at 2:01p.m Ms. Jubert conducted roll call.

Board Members Present:	Fredrick Quintana, President Jacquelyn Keith Iris Clark Trisha Macias Doreen Martinez
Board Members Not Present:	Dustin Hodge, Vice President Stephanie Garcia
Attorney Present:	Bart Miller – Collins, Cole, Flynn, Winn, & Ulmer
Staff & Guests Present:	Sherri Baca, Executive Director Nick Potter, Executive Director of the Pueblo Library Foundation & Strategic Initiatives Terri Daly, Director of Human Resources Amy Nelson, Associate Director of Public Services Jill Kleven, Director of Technical Services Thomas Defrates, Director of IT Alan Rocco, Facilities Superintendent Eric Tiffany, Jr. Systems Administrator Rose Jubert, Secretary to the Board of Trustees John Paul LeChevallier, Clifton Larson Allen

**I. CORRECTIONS OR MODIFICATIONS TO THE AGENDA**

Members of the Board of Trustees or the Executive Director may suggest corrections or modifications to the agenda at this time.

There were no corrections or modifications to the agenda.

**III. DISCUSSION ITEMS**

**1. 2022 Audit & Financial Report and Single Audit**

OVERVIEW: John Paul LeChevallier with Clifton Larson Allen reported on the 2022 PCCLD audit.

Mr. Quintana and Ms. Keith, Audit Committee members, as well as Ms. Baca, Executive Director and Maria Kopf, Senior Accountant met with Mr. LeChevallier prior to the Board meeting to review, in full, the 2022 PCCLD audit. He shared that overall the audit for the district was positive and CLA did give PCCLD an unmodified (clean) audit opinion. CLA did provide a few recommendations that will be review but the recommendations did not impact the decision to provide the unmodified audit opinion.

Mr. LeChevallier presented the Pueblo City-County Library District’s Annual Comprehensive Financial Report (ACFR) Audit and Single Audit. The auditor’s responsibilities were listed with no changes from previous years. The main responsibility of the auditor every year is to review and make sure that the financial information presented is fairly presented and materially correct. PCCLD is responsible for making sure that there are proper internal controls and that the amounts are properly presented within the financial statements. There are

procedures that review internal controls but CLA doesn't issue opinions over these controls. They are accessed but are not the focus of the report.

CLA is going through the final quality control review of the report for cosmetic purposes, the amounts and overall information will be the same in the final version.

There is a change in the scope of the audit this year. This year there is the Financial Statement audit as in previous years but also a single audit. The single audit is new for 2022 and is the audit for Federal awards. If the award amount is over \$750,000 in a calendar year, this would trigger the requirement for a single audit. The majority of the award total came from ARPA funds and was used for the Reading Pays Program.

Significant changes from the 2021 to the 2022 audits were reviewed, one was the single audit and the other changes involved the regular audit, one was a Colorado PERA net pension asset that totaled \$527,000. It showed that for the local governmental division of PERA, that the pension fund is slightly overfunded. However, if this amount goes back to a liability it might continue to decrease PCCLD's net position as it does in 2022 on a net basis.

The other significant item is capital spending, which totaled about \$8.8 million was due to the Rawlings renovation. The Library districts financial statement compared to the budget showed a decrease in the fund balance (the current resources the district could use to budget for future purposes) of about \$6.1 million overall. This was a planned spending down of funding specific to capital improvement that was received by PCCLD. This was intentional, it went from a liquid asset into a long term asset.

Audit recommendations were presented which included two audit adjustments. Both were related to timing. One item for \$538,635 should have been recorded in 2022 but it was recorded in 2023 and the other for a \$75,000 grant that was recorded in 2022 and should have been recorded in 2023. The \$538,635 was also included in the Single Audit. The Single Audit which was based on Federal awards did not have any audit recommendations for findings. Kudos were given to staff for the setup of the Reading Pays program, it was the focus of the Single Audit.

Required communications only had one required change that had to do with accounting policies that was related to governmental accounting standards specifically leases.

Kudos were given to Ms. Baca and the Finance Team, they were very cooperative and helpful.

Mr. Quintana, as also part of the audit committee, asked that this item be put onto the next meeting agenda and be accepted by the Board. It was asked to be noted that with regard to the discrepancies, both were booking errors and not fraudulent errors.

Ms. Baca thanked Mr. LeChevallier and Clifton Larson Allen for all of their work as well as the people who assisted with the audit.

## **2. Coffee Shop Equipment**

OVERVIEW: Sherri Baca, Executive Director, presented information on the coffee shop equipment.

Data for the presentation had been provided to the Trustees at a previous executive session. Items were added that Ms. Baca wanted to review. The capital investment in equipment was reviewed, previously purchased equipment totaled \$42,922. The equipment was purchased from the owners of PJ's Coffee. The range of the construction costs for the coffee shop and storage room was \$60,000 - \$70,000. This info was provided by Houston Construction.

Recommended additional coffee shop purchases totaled \$43,610, the majority of the items were newly purchased when the coffee shop opened last year. These items would be purchased from the previous coffee shop owners before they begin to vacated the space.

PCCLD is asking that the Board considered the purchase of the equipment. This item will be placed on the

next agenda for Board approval. The funds to purchase would come from the Capital fund and the Library Asset Replacement Plan.

### **3. Pueblo Library Foundation Board of Directors**

OVERVIEW: Nick Potter, Executive Director of the Pueblo Library Foundation & Strategic Initiatives presented on vacant positions on the Pueblo Library Foundation.

Three years ago the Foundation had a person, Jessi Ones, who sat on the Friends for the Library Board show interest in being a member on the Foundation Board. Part of the Foundation's by laws require that there be two members from the Friends of the Library Board and two members from the Board of Trustees who sit on the Foundation board as cross over members. Ms. Ones has served as the President of the Foundation for the past three years. She is term limited on the Friends of the Library Board and has requested to transition from a cross over Foundation Board member to a stand-alone member.

Two Friends of the Library Board members wanted to do more with the library and would like to become the next cross over members to sit on the Foundation Board. These two are Antoinette Ramos who is a Sergeant with the Pueblo Police and a grant writer and Theresa Therriault who was selected as the volunteer of the year by the Friends of the Library Board.

This item was added to the next Board agenda for approval.

### **4. Surplus Property**

OVERVIEW: A report and recommendation regarding disposition of surplus IT equipment was provided.

Thomas Debrates, Director of Information Technologies provided a report on the surplus equipment which included four old copiers. These items will not be needed within the foreseeable future and will be recycled with a certified e-waste recycler, 3R Technology Solutions, located in Pueblo, CO.

This item was added to the next Board agenda for approval.

## **IV. ADJOURNMENT**

The next regular meeting of the Pueblo City-County Library District Board of Trustees is scheduled to take place beginning at 5:30pm, Thursday, June 22, 2023, at the Rawlings Library, 100 E Abriendo Ave. Pueblo, CO.

Ms. Keith was thrilled to announce that the Governor of Illinois and the Illinois legislature have passed a law that makes book banning illegal. The measure will disallow state funding to libraries that ban books.

The meeting adjourned at 2:49pm

Respectfully submitted by,

Rose Jubert  
Secretary to the Board of Trustees