

PUEBLO CITY-COUNTY LIBRARY DISTRICT BOARD OF TRUSTEES
REGULAR MEETING MINUTES
5:30pm, November 18, 2021

NOTICE REGARDING COVID-19: This meeting was conducted online only in order to adhere to COVID-19 social distancing precautions due to the current high spread of the disease locally at this time. An online link for the meeting was made available by contacting Rose Jubert at 719-562-5633 or rose.jubert@pueblolibrary.org

I. PUBLIC HEARING ON PROPOSED BUDGET FOR FISCAL YEAR 2022

Mr. Quintana opened the Public Hearing on the 2022 Pueblo City-County Library District budget.

Alexandria Romero (Director of Finance) provided a report on the proposed budget for fiscal year 2022. This was an opportunity for citizen comment on the budget proposal which had been made available for public inspection.

Ms. Romero stated that the full copy of the 2022 budget was made available to the Library's website.

She said that within the budget there are two funds the General Fund and the Capital Project Fund.

The General Fund revenues are made up of property tax – 83%, specific ownership tax – 7%, fines, fees and miscellaneous – 9%, and contracts, grants and gifts – 1%. Total revenues for 2021 were up by 12%.

- Property tax did increase by 11.6%.
- Specific ownership tax was down 3% from the estimated 2021 figures.
- Contracts, grants, donations increased from 2021 due to the American Rescue Plan grants.
- Interest earnings increased from the 2021 estimates.
- Fines remained flat compared to the 2021 budget.
- Photocopier revenue and miscellaneous revenue was 22% less than the 2021 budget.

General Fund expenditures included; personnel – 51%, materials & services – 22%, facilities – 18%, operating – 6%, and information technology – 3%.

Ms. Romero reported that total expenditures increased by 6%. This increase included a personnel increase of 5% which was comprised of a 4% salary increase. The salary increase was made of up the increase for Pay for Performance plan wage changes, a decrease in fulltime employees of .35, and a minimum wage increase.

Also included in the general fund expenditures was a decrease of 42% in worker's compensation due in large part to PCCLD's claim history and deductible costs in recent years. PERA, unemployment and Medicare costs increased at a set percentage and this was based on total wages. Health related benefits, employee relations and employee training would all be increased in 2022.

Materials and services would be increased by 12% a large portion of this increase was due to the Summer Reading Pays program and a Rawlings refresh of materials to coincide with the renovation, for a total of 24.3% of the total operational budget. Ms. Garcia asked if the library was going to be able to do the Summer Reading Pays program again in 2022? Ms. Romero answered that they had budgeted for this if the ARPA funding would come through again.

Facilities would remain flat for 2022 mainly due to the annual \$1.2 million Certificate of Participation payment. Utilities would be up by 2%, vehicle maintenance would be flat, building repair and maintenance would increase by 1%, lease purchase reflected the debt service on the 2020 COPs, insurance decreased by 17% over the estimate and the Friends of the Library expenditures are budgeted at a 34% increase.

Ms. Romero reported that operating expenses would be increased over all by 23%. This increase included an increase of 26% in contract services due to consulting projects and a new accounting software implementation. Also include in this overall increase was an increase in community relations due to a rebranding that would take place in 2022. Office supplies would increase by \$15,638, photocopier usage would increase by 50% to reflect typical operating costs, courier services would increase by \$1,208 due to interlibrary loan activity.

She shared that information technology would have an overall decrease of 3%. This percentage was due to a decrease in telecommunications of 1% and the E-rate reimbursement would be lower in 2022. Hardware repair and maintenance was reduced due to less repairs on the new patron copiers. Technology supplies, maintenance, licenses and support decreased by 4%.

She reported that overall the fund balance in 2022 would be approximated \$3.4 million, a decrease of \$966,000 in comparison with 2021. This decrease was due in large part to an internal transfer between the General Fund and the Capital Fund of approximately \$2.8 million. This would require the use of fund balance reserves for the General Fund budget in 2022. She said that most importantly at the end of the year it was anticipated that PCCLD would maintain an unrestricted fund balance of 31% of operating expenditures.

Ms. Romero reported on the Capital Project Funds. She listed the three purposed for the fund were; the Library Replacement Plan, the Master Facility Plan as well as the acquisition of other capital assets and improvements.

She said that for the budget year 2022 Capital Project Fund Revenues it was expected that contributions, gifts and grants would be \$1,172,500 this would be the continuation of the capital fundraising campaign for the Master Facility Plan and the Rawlings renovation. E-Rate was budgeted at just over \$100,000 and interest earnings at \$15,000. Total revenue was \$1,288,628.

Capital Project Fund expenditures included capital asset spending of; asset repair and maintenance at \$10,000, Info Technology at \$233,137 which included the replacement plan equipment upgrades. Furniture, fixtures and equipment expenses were budgeted at \$44,000. The Master Facility Plan project was budgeted at \$9,852,511, would include the completion of the Rawlings renovation and the start of the next project on the plan. In totals the expenditures are budgeted at \$9,869,648. The ending fund balance would be \$2,038,839 which included the transfer in from the General Fund of \$2,825,510. This would cause a decrease in the fund balance overall of \$5,755,511.

Ms. Romero shared that the revenue was budgeted conservatively based on assessed valuation and current economic conditions. Expenditures were budgeted in anticipation of all known impact and would reflect annual plan initiatives and the 2021-20256 strategic plan areas. The combined unrestricted fund balance would be \$5,043,208 which was 43% of the total combined annual expenditures. She said that the policy for PCCLD was 20% and it was adopted in 2009 so PCCLD was above that amount by 23%.

She shared that between now and December 9, 2021 there would be additional 2021 expenditure

activity, end of year issues, assessed valuation changes, renewal costs for employee benefits and insurance, as well as other wage adjustments.

Mr. Quintana asked if there were any more questions. Hearing none. He closed the public hearing

II. CALL TO ORDER AND ROLL CALL:

The regular session of the Pueblo City-County Library District Board of Trustees was called to order at by Fredrick Quintana, President. Mr. Quintana conducted the roll call.

Board Members Present: Fredrick Quintana, President
Dustin Hodge, Vice President
Doreen Martinez
Lyndell Gairaud
Stephanie Garcia

Board Members Not Present Marlene Bregar
Phil Mancha

Attorney Present: Bart Miller, Collins Cockrel & Cole

Staff & Guests Present: Jon Walker, Executive Director
Sherri Baca, Associate Executive Director
Amy Nelson, Director of Rawlings Library
Jill Kleven, Director of User Services
Terri Daly, Director of Human Resources
Alexandria Romero, Director of Finance
Nick Potter, Director of Community Relations and Development
Robert Childress, Director of Information Technology
Regina Renee Ward, Manager RRA
Missy Mantelli, Accountant
Eric Tiffany, Help Desk

III. 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 modification the agenda.

IV. APPROVAL OF MINUTES

OVERVIEW: Minutes of the Library Board of Trustee regular meeting held on October 28, 2021, and the Library Board of Trustee work session held on October 19, 2021, were published and provided to Board members prior to the meeting.

RECOMMENDED ACTION: That the Library Board of Trustees approve the minutes of meetings held on October 19, 2021, and October 28, 2021, respectively.

Mr. Garcia made a Motion, seconded by Mr. Hodge to approve the minutes of the October Board Meetings. The minutes were approved.

V. REPORTS

A. Executive Director Report

Mr. Walker shared information about the 2021 Annual Plan that was adopted in January of 2021. Mr. Walker shared that he would update the board on the plan through the third quarter. He gave an example of how the plan read by reading Sherri Baca's task to, "adjust library service in Beulah to improve access to PCCLD materials, services and programs." The action steps were listed and progress for each quarter were reported by Ms. Baca. Currently in quarter 3 Ms. Baca reported that there was a community engagement plan for Beulah that launched to gather stakeholder input and assess the needs. The feedback would inform improvements to the Beulah satellite's service model. Beulah on a per capita basis have twice the number of people in the community who hold library cards. Beulah does have a library satellite service out of the Beulah school, Ms. Lewis, Branch Manager for the Greenhorn Valley branch oversees this location.

Mr. Walker said that there were about 30 objectives and scanned through the report. He did make note of a few of the objectives, one was the program activities. He reported that the library had gone to a lot of virtual programming due to the pandemic. He said that in quarter three data had been pulled about the attendance at PCCLD virtual programs and a draft programming policy had been written. They found that there was some redundancy in the district. He gave the example of story times at various branch locations, if they were live that would be fine, it would attract patrons in that branches area. But, if you do more than one virtual story hour it could become redundant.

The other objective Mr. Walker talked about was the implementation of the "fine free" program. He said that the final update report would be presented to the Trustees the first quarter of 2022.

He reported on the increase in IT expenditures in 2021 was due to hardware updates, the change of PCCLD's primary internet service provider and the cost of new copy machines. He said that there would be IT spending in 2022 but it would mainly fall under the Rawling's renovation budget.

He shared that there would be savings in corporate insurance in 2022.

The assistant branch manager for each library was implemented in 2021 and was headed by Ms. Baca. The outcome had been very good and it added more resilience to the branches.

Mr. Walker shared that Nick Potter, Director of Community Relations and Development worked on the launch of a new PCCLD Smartphone application to better engage the public with library services.

The Pueblo Library Foundations Leadership Academy there had been big ideas to make it bigger! In the past there were about 10-15 participants in 2021 there were 119 students.

The next objective Mr. Walker touched on was the Rawlings Renovation. He shared that the construction team was a full stride and a lot of progress had been done on the lower and first levels as well as the exterior where the new book drop would be located. He received a fundraising report today, Mr. Potter reported that \$2.5 million had been raised.

The pandemic was also an objective. He felt PCCLD had done a good job as an institution. He felt we were at the hardest part of the pandemic. He felt it was due to fatigue, everyone was tired of dealing with it. Overall, PCCLD continues to operate with restrictions in place.

Mr. Walker felt that overall 2021 had been a good year for PCCLD. Financially it was solid, there were some frayed edges from the pandemic but he hoped we can move past it at some point.

He shared that he had received notice that PCCLD had been recognized as a star library. This was based on performance on key measures that happened a year ago. This award puts PCCLD in the top 200 libraries in the nation among more than 6,000. This award speaks to the ongoing positive engagement the library has had with the community.

Ms. Gairaud commented on how impressed she was on how the PCCLD staff gathers data and responds. The report showed what a good job they were doing.

B. Friends of the Library Report

There was nothing to report.

C. Pueblo Library Foundation Report

Ms. Gairaud shared a summary of the Foundation meeting report.

The meeting started with the Treasurer's Report and a review of the 2020 Form 990 for the Foundation, due on November 15th. Ms. Romero then reviewed the balance sheet as of June 30, 2021. Cash balance was almost \$38,000 and the Raymond James investment balance was a little more than \$360,000. There are currently no liabilities. The total assets and liabilities is \$398,050.16. Next we reviewed the Statement of Revenue and Expenditures. Total year-to-date revenue is \$93,928 and total year-to-date expenditures is \$39,504 with a year-to-date revenue over expenditures of \$54,423. Ms. Romero noted there will be more activity in the fourth quarter with event revenue and expenses for the Booklovers Brunch occurring in the fourth quarter. The Foundation board also voted on the 2021 audit engagement and 990 engagements with Clifton Larson Allen and voted to approve the 2022 Foundation budget. The only anticipated change in the budget will be the estimated revenue and expenses for the Booklovers Black-tie Ball as we are anticipating hosting the event in person next year. Total amount in restrictions was \$157,686.12.

Mr. Walker provided an update on the Rawlings Renovation project and the project timeline. Mr. Potter provided a report on the Reading Pays program. Next we spoke about board member terms, voted on 2022 chair positions and the reviewed suggested meeting dates.

Mr. Potter reviewed a report on gifts received in the third quarter for the Foundation and the district. Foundation gifts totaled \$19,058.67 and district gifts totaled \$397,525.96. The total amount of gifts received was a little more than \$416,000. Mr. Potter also spoke about some of the grants we applied for this quarter. He also spoke about the Your Future Library Fundraising. We have raised \$2,358,232.42 of the \$ 2.7-million-dollar project (which includes the Rawlings renovation and Info Zone).

Mr. Potter spoke about the Leadership Academy. The program had almost 50 teens registered a few months ago. We recently partnered with a teacher at East High School who encouraged her student to register for the program as part of her class and we now have 118 total students registered. Mr. Potter then provided a wrap up on the two featured speaker events held this fall, Community Voices featuring Martin Luther King III and the Booklovers Brunch featuring chef Yotam Ottolenghi. Summer Reading sponsorship revenue was \$12,675 and ticket sales for Community Voices were \$605. All Pueblo Reads sponsorship revenue was \$20,775 and ticket revenue for the Booklovers Brunch was \$4,310.

D. Attorney Report

Mr. Miller reported on the reorganization that was going on with his law firm. The firm is currently named Collins Cockrel and Cole. This firm would cease to exist on January 1, 2022 and a new firm would be created and called Collins Cole Flynn Wynn and Almer. He shared that it would be a smooth transition for the district in terms of services. All the players that had provided services in the past would still be with the firm. A letter had been sent to Mr. Walker asking him to authorize PCCLD's file be transferred to the new firm. He said that the Board could authorize a quick motion to authorize Jon to sign the file transfer form. Mr. Miller would bring the Trustees a new letter of engagement.

Mr. Quintana asked in the interim would PCCLD be acting under their current letter of engagement until they receive the new letter? Mr. Miller said that the new letter would take effect on January 1st and until then the current letter would stay in place.

Mr. Quintana shared that this would be place as Action Item 1 on the agenda for today. Ms. Garcia supported this decision.

E. Employment Changes

OVERVIEW: The Board of Trustees was asked to ratify the October 2021 Employment Changes as presented by the Executive Director and published.

RECOMMENDED ACTION: That the Library Board of Trustees ratify the October 2021 Employment Changes as contained in the Board materials.

Ms. Gairaud made a Motion, seconded by Ms. Garcia to ratify the October 2021 Employment Changes as contained in the Board materials. The motion was approved.

Mr. Walker reported that the turnover rate for the district had increased, the month of October had seven separations. He felt that PCCLD had received good applicants and Human Resources was working hard to fill the vacancies.

F. Financial Report

OVERVIEW: Alexandria Romero, Director of Finance, reviewed a report on the October 2021 bills and fund statements.

RECOMMENDED ACTION: That the Library Board of Trustees ratify the September 2021 bills and accept the October 2021 fund statement as contained in the Board materials and published.

Mr. Quintana made a Motion, seconded by Ms. Garcia to ratify the September 2021 bills and accept the October 2021 fund statement as contained in the Board materials and published. The motion was approved.

Ms. Romero presented the financials for October 31, 2021. She shared that the cash investments were just over \$7.6 million and in the capital projects fund the total as \$9.7 million. She shared that prepaid services had increased as we moved closer to the end of the year. She shared as typical in most months there were a few liabilities in benefits and accounts payable of approximately \$4800. There was nothing unusual or out of the ordinary to report for the month.

She reported on the statement of revenues and expenditures for the period ending October 31, 2021. She shared that we were 83% through the year so that was where the percentages for each line item should fall.

She highlighted a few revenue items.

Property taxes were at 99%

Specific Ownership tax was at 84% in 2020 it was only at 72%. Ms. Romero said that she had already received the numbers for the November specific ownership tax and it was higher so she anticipated going over budget in this line item. Contracts and grants were at 146%, that was due to the Reading Pays program. Total revenue was at 98%.

She reported on the expenditures and noted that Library Programs were over budget at 230% this was due to the Reading Pays program. Facilities vehicle maintenance was over budget at 112%. The total facilities were at 47% spent.

Total operating and total IT expenditures were in line at 82% and 72% spent.

Total expenditures were just over \$9 million and were at 77% spent.

Revenues/ Expenditures was at \$3.2million.

Total Expenditures was \$24,710 for building construction, IT and furniture, fixtures and equipment. The first HW Houston bill had been received in this month so larger expenses are expected in coming months.

She reported on the payment history for October and said that everything looked similar to previous months, nothing out of the ordinary. There was one item of note and it was the payment for the Book Lovers Brunch that totaled \$25,000. Total was \$384,404.63

Expenditures

Total Payables - \$384,404.63

Total Payroll - \$418,611.27

Grand Total - \$803,015.90

P-card Transaction Detail

Ms. Romero said that there was nothing unusual or of note to report.

VI. BOARD COMMENT

Ms. Martinez asked if Ms. Baca and Ms. Romero would stay in the meeting, she wanted to find out about a grant that PCCLD had applied for previously.

VII. PUBLIC COMMENT

There was no public comment.

VIII. OLD BUSINESS

There was no old business.

IX. NEW BUSINESS

A. Announcements

1. The next work session of the PCCLD Board of Trustees is scheduled for 2:00 p.m., Tuesday, December 7, 2021, in the Executive Conference Room at the Rawlings Library, 100 E. Abriendo, Pueblo CO. The next regular meeting of the PCCLD Board of Trustees is scheduled for 5:30 p.m., Thursday, December 9, 2021, at the Rawlings Library, 100 E. Abriendo Ave., Pueblo, CO.

B. Action/Discussion Items

- 1. To allow the Executive Director to initiate and sign a letter allowing the transfer of PCCLD's legal file to remain with the law firm of Collins Cole Flynn Wynn and Almer.**

Mr. Quintana made a motion seconded by Ms. Garcia to empower the Executive Director to sign a letter allowing the transfer of Pueblo City County Library's file to the law firm of Collins Cole Flynn Wynn and Almer. The motion was approved.

- 2. PCCLD 2022 Workers Compensation and Corporate Insurance**

OVERVIEW: The PCCLD Board of Trustees reviewed the proposed 2022 workers' compensation, property/casualty and liability insurance coverage recommendations at their work session on November 9. An update report will be provided. The costs of coverages are included in the budget and require PCCLD Board of Trustees' approval since these exceed \$25,000.

RECOMMENDED ACTION: That the Board of Trustees take action on the employee 2022 recommended workers' compensation and corporate insurance package as presented at a specified not-to-exceed cost.

Ms. Gairaud made a Motion, seconded by Mr. Quintana to take action on the employee 2022 recommended workers' compensation and corporate insurance package as presented at a specified not-to-exceed cost. The motion was approved. The amount was amended to \$99,154.

Mr. Walker said that there were some changes to the not-to-exceed cost that Ms. Baca and Ms. Romero would explain. The reason the exact number was not included was they did not know the number when the agenda was posted.

Ms. Romero showed on the screen the updated premium summary from T Charles Wilson. There were small increases to the proposal on property, automobile, and excess liability that increased the package total by \$950.

The volunteer accident stayed the same, the workers' compensation was \$100 less, cyber had a 5.6% increase instead of an anticipated 139% increase. This brought the grand total to \$99,153.98 and the last report was at \$102,005.91.

Ms. Baca's microphone was not working so Mr. Walker reported for her. He said that the grand total column increased over the years due to a wind/hail claim. CSD's proposal for 2022 was \$126,585, a 1% decrease from 2021. T Charles Wilson was able to go to market and get a better deal at \$95,831 with One Beacon which was a 25% decrease from 2021. One Beacon was A+ rated. PCCLD's workers' comp rating has improved over the years so that helped with the lower rates. The workers' compensation was with Pinnacle.

Total savings for 2022 over the prior year was \$31,379.

- 3. Audit Engagement and Tax Form 990 Preparation**

OVERVIEW: There was a recommended audit engagement and Form 990 preparation agreement with CLA.

RECOMMENDED ACTION: That the Trustees take action to engage CLA for

designated services, as presented.

Ms. Garcia made a motion seconded by Ms. Gairaud to engage CLA for designated services, as presented. The motion was approved

4. Facemask Policy

OVERVIEW: The Trustees reviewed PCCLD's temporary COVID-19 masking policy.

Mr. Quintana reminded the Board that they allowed the PCCLD executive team to implement a temporary masking policy with the provision that it would be presented for regular review.

Mr. Walker stated that PCCLD would be well served if they maintained the current policy. He shared that the Pueblo hospitals were overflowing with Covid patients. The federal government had assigned FEMA workers to local hospitals to increase and sustain their ability to operate.

Ms. Garcia said that there were several places where you could get a booster shot. She asked if PCCLD had discussed hosting booster clinics at their branches? Mr. Walker said that PCCLD had partnered with CDPHE to do vaccination clinics and that included the booster shot.

Mr. Quintana agreed with Mr. Walker and felt that PCCLD had been well served and agreed to keep the masking policy in place.

5. Executive Session

OVERVIEW: The Board of Trustees entered into Executive Session for the purpose of developing strategy for negotiations, instructing negotiators, and determining positions relative to matters that may be subject to negotiations pursuant to C.R.S. 24- 6-402(4)(e).

Mr. Quintana made a motion seconded by Ms. Garcia to enter into Executive Session at approximately 7:00pm. The motion was approved.

Ms. Gairaud made a motion seconded by Mr. Quintana to exit the Executive Session at approximately 7:39pm.

X. ADJOURNMENT

Mr. Quintana adjourned the meeting and wished everyone a very Happy Holiday.

Respectfully submitted by,

Rose Jubert
Secretary to the Board