

**PUEBLO CITY-COUNTY LIBRARY DISTRICT BOARD OF TRUSTEES
MINUTES FOR THE REGULAR MEETING**

June 23, 2016

I. CALL TO ORDER AND ROLL CALL

The regular session of the Pueblo City-County Library District Board of Trustees was called to order at the Pueblo West Library at 5:33 p.m. by President Fredrick Quintana.

Board Members Present: Fredrick Quintana, President; Donna Pickman, Vice President; Lyndell Gairaud; Philip Mancha; Doreen Martinez; Jim Stuart

Board Member Absent: Marlene Bregar

Staff Present: Jon Walker, Executive Director; Sara Rose, Chief Operating Officer; Sherri Baca, Chief Financial Officer; Susan Wolf, Pueblo West Manager; Todd Smith, AV Technician; others not recorded.

Attorney Present: Kate Shafer

II. CORRECTIONS AND MODIFICATIONS TO ADENDA

Mr. Walker suggested the Audit Report be moved immediately prior to Item IV. Reports, which was accepted.

III. APPROVAL OF THE MINUTES

Mr. Quintana said the Minutes of the Library Board Work Session held on May 17, 2016 and Minutes of the Regular Library Board meeting held on May 26, 2016 were provided to Board members prior to the meeting.

Mr. Stuart made a Motion, seconded by Dr. Mancha, to approve the Minutes of the Library Board Work Session held on May 17, 2016. The minutes were approved by unanimous consent.

Ms. Gairaud made a Motion, seconded by Ms. Pickman, to approve the Minutes of the Regular Library Board meeting held on May 26, 2016. The minutes were approved by unanimous consent.

(Item VIII.B.1. Audit Report discussed at this point)

VI. REPORTS

A. Executive Director Report

Mr. Walker said the Board is at the Pueblo West Library, and he commented on how far it had come from when it first opened. Mr. Walker said Susan Wolf is the Managing Librarian for the Pueblo West Library, recently replacing Steve Antonuccio.

Ms. Wolf welcomed Board members to the Pueblo West Library, and provided a presentation on events at the Pueblo West Library. Ms. Wolf discussed efforts to work as a team on customer service, and staff regularly share ideas on how to be even better.

Teens have been a big focus at Pueblo West. Ms. Wolf explained the library is next to the Swallows Charter Academy with a regular influx of teenagers, and she credited Rachel Salazar with implementing weekly and later daily programs for teenagers to provide appropriate ways for them to talk, play music, snack and explore new activities. Teen program participation is up 121 percent over last year as a result.

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Ms. Wolf said Elizabeth Flores is coordinating this year's Summer Reading program and she took kids on tours of the libraries and visited area schools to promote summer reading. Ms. Wolf showed a picture of the first Summer Reading program this year which had 180 attend.

Ms. Wolf said Heather Wilder is working on adult programming and maker-related knowledge, and she display several photos of recent adult programs. Pueblo West is focusing on multi-generational programs because people like to do things with their children and teens. Pueblo West received a grant from the Friends of the Library to support these efforts.

Pueblo West is working on a history wall which has community support and hopes to have it completed in 2017.

Board members made comments congratulating Pueblo West staff and expressing support for multi-generational programming.

Mr. Walker also congratulated both Ms. Wolf and Rachel Salazar for increasing teen program participation. He pointed out the philosophy being implemented makes a happier outcome for the library as well as teens.

B. Friends of the Library Report None. The Friends are on summer break.

C. Pueblo Library Foundation Report None. The Foundation will meet in July.

D. Attorney Report None

E. Employment Changes

Mr. Quintana said the Board is asked to ratify the May 2016 Employment Changes as presented by the Executive Director.

Ms. Pickman made a Motion, seconded by Mr. Stuart, to approve the Employment Changes contained in the June 23, 2016 Board materials.

Mr. Walker noted over the past couple of months there had been very few changes. In May, there was only one new hire of a seasonal worker to help keep the grounds up. There were four promotions, and Mr. Walker commented on career pathing as an important consideration for the library. There was one retirement and five voluntary terminations in May.

There being no further discussion, MOTION CARRIED 4-0.

F. Financial Report

Mr. Quintana said the Board is asked to ratify the May 2016 bills and accept the May 2016 Fund Statements.

Dr. Mancha made a Motion, seconded by Ms. Pickman, that the Library Board approve the May 2016 bills and accept the May 2016 Fund Statement as contained in the June 23, 2016 Board materials.

Ms. Baca commented on the outcome of the audit report, and said the credit truly goes to the three employees in the Finance Department. To have a stellar audit report really speaks to the skill and dedication of the Finance staff, and she was pleased the Board Audit Committee is suggesting a commendation for them.

Ms. Baca reviewed the Combined Balance Sheet, which was still considered preliminary in May with one journal entry to be made. Ms. Baca pointed out a new line where the library established a reserve account with Colorado Trust. She explained that this was opened to place some property tax receipts into savings with slightly better interest earnings than CSIP.

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Mr. Quintana asked about the benefit of setting up another account and whether it would replace the CSIP account. There was discussion of the limited amount available for investment and potential, and more evaluation is needed before eliminating CSIP. Ms. Baca emphasized all the accounts are safe and stable.

Ms. Baca continued the review of the Combined Balance Sheet and concluded that the cash holdings in May were strong due to property tax received. The transfer transactions will not appear in the June report. Ms. Baca offered to respond to any questions about the Combined Balance Sheet. *(Ms. Martinez arrived at this point)*

In the General Fund, the target percentage for the end of May is 42%, and revenues were 51% collected, ahead of variances within each revenue line due to timing. Expenses for personnel were 38% spent, and Workers Compensation will be above 100% spent each month and anything above that is paying for deductibles which may continue to climb. Overall, Personnel is tracking according to budget. Materials were 41% spent which was exactly the same in 2015. Facilities were 30% spent compared with 33% last year. Operating was 41% spent compared with 47% last year. Information Technology was 64% compared with 60% last year. Total expenditures were within budget at 39% spent, compared with 40% last year. This year's budget is not showing any drastically different results. It was noted that Photocopier expenses were only 1%, and Ms. Baca discovered that should include Community Relations printing which was misclassified so that will be adjusted on the June report and should put that line item back on track.

In the Capital Projects Fund, revenue was 25% collected with very little activity. The expenditures were for remodeling the Call Center. Overall, expenditures were \$59,006 over revenue for the year at 41% within the target of 42%.

The Special Revenue Fund had only interest income in May. The J.T. Nesbitt Employee Fund had very little activity except for some fundraising.

In the Check Summary Report, Ms. Baca said most were budgeted and recurring items and offered to respond to any questions.

Mr. Stuart asked about the \$2,500 payment to Anthony Nunez. Ms. Baca said the library purchased some catering items the library could use on a regular basis at a deeply discounted price.

Ms. Baca pointed out an expense for preventative maintenance on the elevators and tuition reimbursement payments

Mr. Quintana understands the library had to fix an exterior copper panel, and Ms. Baca said insurance paid for that so it was a budget-neutral expense. Ms. Baca said the library received the insurance payment in February.

Ms. Baca pointed out the payment to UMB-COP Trustee which is a semi-annual payment on the COPs. Amounts presented for the Board's approval include: ACH payments of \$295,009.88, Payables of \$300,384.90, and Payroll of \$234,093.34, for a total of \$829,488.12.

There being no further discussion, MOTION CARRIED 5-0 *(included Ms. Martinez)*.

V. **BOARD COMMENT** None

VI. **PUBLIC COMMENT** None

VII. **OLD BUSINESS** None

VIII. **NEW BUSINESS**

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A. Announcements

- ❑ *On Your Mark, Get Set...READ!* Summer Reading Program runs from June 1-August 12 for children ages 5-12. There is an activity game board for prereaders (birth-4), and programs for tweens (ages 8-12), teens (age 13-up) called *Get in the Game...READ*, and for adults, *Exercise Your Mind...READ!*
- ❑ All libraries will be closed on Monday, July 4, for the Independence Day holiday.
- ❑ The next regular Work Session is scheduled for Tuesday, July 19, at 3:00 p.m. in the Ryals Room at the Rawlings Library.
- ❑ The next regular Board meeting is scheduled on Thursday, July 28, at 5:30 p.m. at the Rawlings Library. There will be a staff recognition event at 5:00 p.m. immediately prior to the meeting.
- ❑ The Annual Planning Retreat has been scheduled for Wednesday, August 24, 9:00 a.m. to 4:30 p.m., at Penrose House in Colorado Springs. RSVP to Jane Carlsen 562-5633.
- ❑ MPLA/CALCON16 is scheduled October 20-22 at the Embassy Suites in Loveland. Contact the Board Secretary to make plans to attend.

B. Action/Discussion Items

1. Audit Report

Mr. Quintana said Wendy Swanhorst from the Library's auditing firm, Swanhorst & Co., LLC, will present the 2015 Audit Report to the Trustees.

Dr. Mancha made a Motion, seconded by Ms. Pickman, that the Board of Trustees accept the 2015 Audit Report.

Ms. Swanhorst distributed the audited financial statements and management letter noting that the auditors had completed the 2015 audit. Ms. Swanhorst had met with the Board Audit Committee to discuss the audit in detail. The management letter is the auditor's communication with the Board and although the financial statements are marked "Draft," these are the final numbers. Some additional statistics will be included to prepare the Comprehensive Annual Financial Report (CAFR) which should be available next month.

Ms. Swanhorst said the goal of the auditors is to issue an opinion and determine whether the financial statements are fairly stated. The auditors have made an unmodified opinion that the library's financial statements are fairly stated. The auditors are also tasked with identifying any weakness in the library's controls, and the auditors are required to notify the Board of those. The auditors did not find any weaknesses that rise to that level. There was some turnover in the Finance office, but there were no significant adjustments required.

One significant accounting change was the library is now required to report its share of the PERA unfunded liability which was \$5.5 million. This is something that had not been reported in the past but is now required for every government agency.

Ms. Swanhorst commented on the audit recommendations. In Capital Assets, Buildings & Equipment, the library's system has some glitches, and it is not something employees do throughout the year. The auditors recommended updating capital asset records throughout the year and work out system glitches with the vendor. Because the Finance office was without full staff, there were some P-card transactions that did not have documentation.

Mr. Quintana thanked Ms. Swanhorst for the auditor's work and for coming out to present the audit report to the Board.

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Dr. Mancha reviewed some of the discussions held during the Board Audit Committee and noted that Ms. Baca is to be congratulated along with the Finance office staff for how they handled the audit.

Dr. Mancha said they were impressed to learn Ms. Baca had already taken steps to address the auditor's recommendations.

Mr. Stuart said the Board Audit Committee would like the Board to make an official commendation to the Finance Department for their hard work and accuracy, in spite of not being fully staffed. Only one journal entry adjustment was required.

Mr. Quintana said he was glad to see the Finance Department came out of an audit with such high remarks. That speaks a lot to our accounting staff, and he would like the Board to formally recognize that accomplishment.

There being no further discussion, MOTION CARRIED 4-0 (*Ms. Martinez had not yet arrived*).

2. Board Development Committee Update

Mr. Quintana said the Board Development Committee met on June 14 and will provide a brief update.

Ms. Pickman said the committee, which includes Ms. Martinez and Ms. Gairaud, reviewed the activities of the previous Board Development Committee and discussed expanding the assessment from a 3-point to a 5-point rating scale. The committee discussed the importance of communicating to the public that we are Board members; although some did not want to brag, and the committee felt this should be discussed with the entire Board at the July Work Session. The committee also discussed sharing communication received from CAL and other professional organizations.

The committee will be taking a closer look at the Board Assessment tool to see if there are any redundancies or clarification as well as the range of responses.

Ms. Martinez also offered to take on organizing a mixer between the Library Board, Foundation Board, Friends Board and library management staff in the August or September time frame.

Mr. Quintana commented on the importance of the mixer to enable the Boards to get to know one another without having to discuss business. Mr. Quintana thanked the Board Development Committee members for what they had accomplished so far.

IX. ADJOURNMENT

Prior to adjourning, Ms. Gairaud asked whether there was a delay in the implementation of the 3M Cloud Library. Mr. Walker responded that it is fully implemented now, and what she had seen in the newsletter referred to the overlap period when both OverDrive and The Cloud will be available.

The meeting was adjourned at 6:24 p.m. upon Motion made by Ms. Gairaud.

Respectfully submitted,

Jane Carlsen
Secretary