

**PUEBLO CITY-COUNTY LIBRARY DISTRICT BOARD OF TRUSTEES
MAY 19, 2020 WORK SESSION MINUTES**

I. CALL TO ORDER AND ROLL CALL

Due to PCCLD facility closures with the government recommendations regarding COVID-19, the Pueblo City-County Library District Board of Trustees work session meeting was held via teleconference. Sean Miller, I.T. hosted a public session on-site in the Ryals Room at the Rawlings Library. Jon Walker, Executive Director; Sherri Baca, Associate Executive Director and Gloria Madrill, Interim Board Secretary, attended via teleconference. Other directors and staff were invited to attend via teleconference.

Doreen Martinez, President, called the meeting to order at 2:00 p.m. Trustees in attendance via teleconference include Doreen Martinez, Marlene Bregar, Lyndell Gairaud, Stephanie Garcia and Dustin Hodge. Phil Mancha and Fredrick Quintana were not able to attend.

II. CORRECTIONS OR MODIFICATIONS TO THE AGENDA

Mr. Walker asked for the addition of Item H. to the agenda, an update on legal issues.

III. WORK SESSION DISCUSSION ITEMS

A. Secretary to the Board of Trustees

The Trustees will discuss an interim appointment to Secretary to the Board of Trustees

Mr. Walker welcomed Ms. Madrill to the meeting. Due to a vacancy in the Executive Assistant position, Ms. Madrill has been assisting as Secretary in Directors Office in addition to her other duties. Mr. Walker made a recommendation for the Trustees to appoint Ms. Madrill as interim Secretary to the Board of Trustees. There was no opposition. Ms. Martinez set it as an action item for next meeting.

B. PCCLD Status

A report on the status of PCCLD operations during the COVID-19 public health emergency will be provided.

Mr. Walker reported the impact of COVID-19 has been significant. Library buildings have been closed to the public since March 14. Although the buildings have been closed, Library staff has not been idle. Librarians have been creating virtual learning programs in addition to electronic resources. They have held live streamed programs and it is not uncommon for a storytime to receive thousands of views in a few days. Website and social media views have hit all-time highs. More recently, with health restrictions relaxing in early May, the library began offering patrons the opportunity to pick-up materials curbside or have materials mailed to them.

Ms. Jill Kleven provided a brief report on checkouts via curbside. There have been 7,890 checkouts since May 4 and 14,372 returns since May 7. Mr. Walker noted that although checkouts have been down, the new system is more labor intensive than the previous self-help system. Patrons have also been utilizing the home delivery service. We have received recent encouraging news, if spread of the virus continues to subside, PCCLD may be able to open soon. PCCLD is preparing the buildings for opening when allowed, with limited metered access including limited access for computer use. This may occur as early as June 1. Libraries in the state are currently not open with an exception of a few libraries given special permission from the Governor to offer limited access.

Ms. Baca spoke about the costs occurred due to COVID-19. During the first six weeks, about one-third of the staff continued working. We had about \$180,000 in expenses for staff that continued working (Security, Facilities, Admin Staff and others) and \$299,000 was paid out in Administrative Pay to staff who did not work. A little over \$500,000 in total payroll cost occurred. Other costs that occurred included: PPE \$7,541, Safety Equipment and Supplies \$9,039 (which includes an air sanitizer machine), I.T. \$7,036 (which includes wireless phones for the curbside pick-up service and silicone keyboards for easy cleaning), Virtual Programming \$9,016 (which includes equipment to live stream programming), and Security \$1,250. Total costs were \$33,882 not including \$200 cost for mail delivery of library materials to patrons. There are some opportunities to help us recoup the costs. Since PCCLD insures with

the Colorado Special Districts Pool we have access to safety grants and may be able to receive around \$11,000 in grants. There is also a disbursement of CARES money and we may apply for some of this funding.

Ms. Bregar commented she appreciated the information and extra precautions taken to keep staff and patrons safe. Ms. Bregar also asked, when will we have staff fully back in the building and what is being done for those who don't feel comfortable coming back to work yet. Ms. Baca answered about 95% of employees are back to work with only a small cross section still on Administrative Pay. Those staff members have unique situations or are in a high risk group. Mr. Walker added it is a priority to reduce risk. As we prepare for opening there is an internal participatory process to address concerns and help people feel comfortable. We may not be able to make 100% of the population comfortable but the goal is to make a vast majority as comfortable as we can. We also may not be able to make it no risk but we can make it low risk. Mr. Walker mentioned PCCLD is also continuing to allow telework and there is still a mix of onsite and telework staff.

Ms. Garcia had a follow up question regarding policy for patrons being masked and following safety protocols. Mr. Walker said we can make it a condition of service and it can be a condition of employment for staff. Our current practice for staff is when in an isolated environment, they do not need to wear a mask but otherwise it is required. All employees are also required to complete a health check self-assessment when they come in each day. We also will continue to monitor the Governor's orders and as they are released we will study them and how they apply to us. If he changes his order (regarding face masks) it may affect how we act. We will continue to follow public health guidance and adhere to them.

Ms. Baca reported on property tax collection. We are not currently seeing any negative impact in property taxes although we are seeing a drop in the specific ownership tax collected. Mr. Del Olivas, Pueblo County Treasurer, was contacted and asked if there are any plans on deferring taxes or moving out the deadline for taxes, which could impact the library. Currently property tax can be paid in two installments (one in February and the other in June). By the end of August 90% of property tax is collected. PCCLD has a two month unrestricted fund balance that could be gone through quickly if used. Mr. Olivas said property tax should look pretty normal but there may be an impact next year if businesses declare bankruptcy. Also personal property tax may take a hit as well and specific ownership tax revenue may not be there. He also thinks there may be a 50% drop sales tax revenue (although that category does not affect us). There may also be a drop in property valuations in Pueblo County. The library's ten-year projections are being refreshed. Gallagher is also rearing its head with RAR possibly dropping 15%. We are hoping we are insulated from Gallagher because of 6B but we are not insulated from a change in commercial or residential valuation. Ms. Baca is working on an updated projection showing how the property drop may impact the district and how it could impact the Rawlings renovation and Master Facility Plan. She will be sharing this in future meetings.

Mr. Walker summarized in the short term our finances remain strong but there are clouds on the horizon and we are monitoring the situation closely. He also mentioned the Governor's office has contacted us regarding the impact of delaying property tax collections on the library. Also the Annual Plan, created by administrators in 2019, is being updated. Mr. Walker also said the Trustees approved the signing of a property tax increment revenue agreement regarding Thunder Village if a MOU is put in place. We got the MOU from Urban Renewal Authority signed by both sides. Ms. Bregar added it was approved at the Urban Renewal meeting last week.

C. Updated Accounting Report Standards

Changes to accounting standards for PCCLD financial reporting will be presented.

Ms. Baca foreshadowed some changes coming up. The CAFR is being finalized for next month's meetings and will show some changes. The first is a change regarding GASB 84 which has to do with the classification of Fiduciary activities. The change in GASB, causes the Nesbitt Employee Fund to no longer be classified a Fiduciary Fund and we can no longer report it as a fund on the financial statement. It will not be shown on a separate schedule in the CAFR and instead be rolled in the General Fund. We can still report to Nesbitt about financial activities but it will be rolled in the General Fund. The second change is in regards to a Special Revenue Funds (specifically the Lenore Chamberlain Fund from the Southern Colorado Community Foundation). Because it is smaller we are also rolling that into the General Fund instead of culling it out. Clifton, Larson, Allen (CLA) suggested since we are making the

fiduciary change we should make the special revenue change. There will be two funds after the changes are made, leaving the General Fund and Capital Project Fund, making things more streamlined.

D. Master Facilities Plan Fund Commitments

Recommendations will be presented regarding PCCLD Master Facilities Plan fund commitment.

Ms. Baca continued the report and talked about committed fund balances. In the CAFR for 2018 there is a General Fund and Capital Fund and specific categories the funds are separated into. Back in the 90's the Library Board of Trustees committed money for the purpose of the Library Replacement Plan. Currently anything not already committed is unassigned. Staff saw an opportunity (regarding GASB 54 fund balance definitions) and is recommending a resolution that would allow the Board to do the same thing with the Master Facilities Plan Fund as they did with Library Replacement Plan Fund. A fund balance would be culled out and committed to a Master Facilities Plan. It would have to be used purpose unless the board changes their mind and lifts the commitment. Should the resolution be put in place, an account with Colorado Trust would start with the committed amount. Pueblo Library Foundation money raised for that purpose would also go there under the commitment. In 2020 we budgeted one million dollars for the Master Facilities Plan. With no construction anticipated this year, the money could go into that account. Ms. Bregar asked if there would need to be board action to move it to the account. Ms. Baca answered no, she does not believe so. It would commit this money and any additional money dedicated to Master Facilities Plan.

Ms. Bregar expressed concerns that if things looked bad at the end of the year and we needed to redirect any portion of the million dollars it could be difficult. She also commented that Pueblo Library Foundation money given with intent of going to the renovation should go to that account. Ms. Baca added we budget \$489,000 each year for the Library Replacement Plan. In an unsure year we would hold off on moving transfers from property tax. She also said even if the commitment happens it is reversible and flexible. The resolution is more about bigger long term plan. This resolution would help it have more of formal structure. Ms. Bregar commented the commitment is good, but if something goes wrong can the amount transferred be changed. Ms. Baca answered barring any thoughts from Mr. Gradisar it should. She said the budget commits us, not necessarily the resolution. She can research if money from tax receipts from 6B is not enough to fund the commitment, if a budget amendment may be needed to change it.

Mr. Walker added it is a long term strategy that creates a fiscal and legal structure. It creates a cultural attitude that we will continue to invest in our facilities on a long-term basis. Also, the ballot issue provides great latitude in the proceeds from 6B. During the campaign we consistently talked out our Master Facilities plan and the desire to invest in facilities and the current recommendation in part is to fulfill this commitment. If there is a crisis, he hopes that staff and the Trustees would work in collaboration and the staff would let the board know in advance if we need to reconsider anything due to a particular crisis we are in. Mr. Walker said this a suggestion you may want to consider moving this to resolution some point in the future since it creates a long term strategy for our institution. Ms. Martinez suggest we set it as an action item but be open to the possibility that we may not be prepared to act on it in the next meeting and we can continue discussion when we have additional board members available.

E. E-Rate

An update report on the recent PCCLD E-Rate filing will be provided.

Mr. Walker had good news to report. We received a funding commitment decision letter from USAC, which does legwork for E-Rate funding, for \$132,643.20. This funding will help offset costs incurred in 2020 for regular telecommunications expenses. Mr. Walker thanked Sherri Baca, Alexandria Romero and Robert Childress for their work to help us get this fund commitment. Mr. Walker then spoke about the E-Rate RFP for capital costs including wireless access points, firewalls, equipment, software licensing, and power supplies. Total amount reported was \$240,000 to procure the equipment and software licensing. We hoped when we applied to buy this equipment we would receive funding for a subsequent USAC Grant. Mr. Walker wanted to bring to the Board's attention to one item (wireless access points) were quoted to you at an incorrect amount. The correct amount was about \$8,000 more at \$55,090. Administration approved this correction as to not put the grant money at risk and applied to E-Rate but we wanted to inform the board about this difference. It was an oversight as we processed the documents back in March. Ms. Bregar asked if the Board needs to ratify that change. Mr. Walker answered no, we are allowed

to make the change but needed to bring it to the attention of the Board. We will get about 90% of that back through USAC Grant.

F. Pueblo Library Foundation Board of Directors

A nomination to the Pueblo Library Foundation Board of Directors will be presented for discussion.

and

G. Amendments to Pueblo Library Foundation Bylaws

The Pueblo Library Foundation Board of Directors is submitting Foundation bylaws changes for Library Trustee ratification.

Ms. Gairaud reported at the last Foundation meeting, with the plans of a capital campaign still in place, Mr. Nick Potter suggested we consider expanding the number of Directors on the Pueblo Library Foundation Board. Currently the bylaws state that we can have a minimum of seven and no more than nine directors. At the meeting there was a vote to increase the number of directors to at least seven but no more than fifteen. Also at the meeting, the Foundation Board reviewed an application from Abbey Hartless, a CPA at McPherson, Goodrich, Paolucci & Mehlich. If accepted this would bring the total directors to nine. Ms. Gairaud would like to add this as an action item for the next meeting. Mr. Walker added that her talent and skill as a CPA would be helpful and we are hopeful Ms. Hartless will participate on the Finance Committee. He also said the Library Foundation is passing this nomination unanimously to the Board of Trustees. Ms. Martinez commented the Foundation is capable of choosing someone to serve on the board and feels confident with Foundation's recommendation and set it as an action item. Ms. Martinez also suggested we set the amendments to Pueblo Library Foundation bylaws as an action item as there were no other questions or comments.

H. Update on Legal Issues

Mr. Gradisar and Mr. Walker attended a restraining order hearing against a former library patron. The library was seeking a restraining order against the person after a temporary one had been issued. The person failed to appear to the hearing and the courts granted the library a permanent restraining order which is also reciprocal. The order will remain in place until modified. It will most likely remain for 1-2 years until considered again. We have not heard from the person since. Before the order, the person was harassing library staffed with dozens of threatening phone calls and emails but that has ceased. Ms. Martinez asked Mr. Walker if he feels all safety concerns have been addressed and if there is a plan in place should something else happen. Mr. Walker said yes. If that person approaches the library they will be breaking a law, the library also have a civil no trespass against them. We have legal measures in place if they were to violate it they would be arrested.

IV. ADJOURNMENT

Reminder: The Regular Board Meeting will be held on Thursday, May 28, 2020 at 5:30 p.m. via teleconference with an interactive public session abiding by social distancing guidelines hosted in the Ryals Room at the Rawlings Library.

Mr. Walker noted the meeting was originally scheduled at Barkman but suggested moving it to teleconference. All were in agreement.

Total meeting time: 1 hour, 45 minutes