

**PUEBLO CITY-COUNTY LIBRARY DISTRICT BOARD OF TRUSTEES
WORK SESSION MINUTES
2:00pm, Tuesday, November 9, 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. An online link for the meeting was made available by contacting Rose Jubert at 719-562-5633 or rose.jubert@pueblolibrary.org

I. CALL TO ORDER AND ROLL CALL

Mr. Quintana called the meeting to order at 2:00 p.m. and conducted roll call.

Board Members Present: Fredrick Quintana, President
Stephanie Garcia
Lyndell Gairaud
Doreen Martinez
Phil Mancha

Board Members Not Present: Marlene Bregar
Dustin Hodge, Vice President

Attorney Present: Bart Miller

Staff & Guests Present: Jon Walker, Executive Director
Sherri Baca, Associate Executive Director
Amy Nelson, Director of Rawlings Library
Alexandria Romero, Director of Finance
Terri Daly, Director of Human Resources
Nick Potter, Director of Community Relations and Development
Eric Tiffany, IT
Rose Jubert, Secretary to the Board
Mark Carlson, T.C. Wilson
Christie Kersnick, T.C. Wilson
John Boerner, T.C. Wilson

II. 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. PCCLD Workers' Compensation, Property/Casualty, Liability, and Cyber Insurance

OVERVIEW: Alexandria Romero (Director of Finance) reviewed for Trustee discussion PCCLD workers' compensation, property/casualty and liability insurance coverage recommendations for 2022. The costs of coverages are included in the budget and required PCCLD Board of Trustees' approval since it exceeded \$25,000.

Alexandria Romero shared the process that was used to acquire a broker to go to market to get bids for PCCLD's corporate insurance. T. Charles Wilson Insurance Service was selected.

Mark Carlson, President of TC Wilson, provided a back ground on TC Wilson brokerage. They are brokers

who specialize in special entity insurance and work with over 1000 special districts. They were established in 1965 are from Denver with 80% of their business in the public entity area.

John Boerner shared the premium summary. He stated that they took the 2021 expiring values and replaced the numbers with their proposed 2022 values. The biggest change in premium would be in property. The 2022 CSD Pool number was \$84,653 and the 2022 TCW proposed number would be \$39,391 brokered with One Beacon. The deductible was the biggest factor, the pool had a \$1000 deductible with a 2% wind/hail, \$5K min and \$50K max. One Beacon's deductible was \$5000 and would be that amount in the event of a wind/hail claim.

He reported that there was no schedule for inland marine (things that can be moved or relocated, ex. fine art, tractors etc.) from the pool for the past year or the current quote. One Beacon's quote was \$2500. The pool's liability deductible was \$500 and One Beacon's was zero. The automobile deductible for both the pool and One Beacon was \$1000. Terrorism with One Beacon was included in their package and it totaled \$1,800 and the crime deductible was \$1,000. They were proud to say that One Beacon's EPL (employee practices liability, ex. sexual harassment, wrongful termination etc.) was at \$2500 compared to the pool's EPL which was \$10,000.

The package total for the CSD Pool was \$110,489 which might increase if inland marine were to be added, compared to the package total for One Beacon which was \$81,505.

Volunteer accident, worker's compensation and cyber were included to give a grand total for services of: CSD Pool - \$130,625.37 and TCW's brokered proposal at \$102,505.91.

Ms. Romero shared that PCCLD had not worked with a broker but had worked directly with the pool on claims. By going with One Beacon/TC Wilson they would act as PCCLD's broker and their fee would be included in the total.

Sherri Baca gave an insurance analysis summary that covered years 2017-2022. She shared a schedule that mirrored what was reviewed last year. She reminded the board that last year it was a little tough because premiums were high due to a wind and hail damage claim in 2017. The recommendation by staff was to go with One Beacon/TCW. She said that it was wise to go to market every 3-5 years and that was reflected in the numbers provided by One Beacon/TCW.

She shared the breakdown of the numbers for auto, general liability & umbrella, property coverage, and the public official's liability. She also included the corporate insurance total, the % change over the prior year, worker's compensation, and cyber liability. One Beacon's insurance total, without worker's compensation, was \$82,257 a decrease of 19.3% from 2021 costs. In comparison the CSD pool total was \$110,489, an 8.4% increase. Ms. Baca shared a graph of the numbers that were provided to show visually why staff recommended One Beacon.

She provided a few details that she shared with the Board.

- TCW insurance was working to acquire builder's risk coverage for the Rawlings Library renovation for 2022.
- PCCLD was waiting for the renewal quote for current cyber liability cover with Coalition.
- The worker compensation for 2022 had not been released so PCCLD was waiting for renewal information and a quote from Am Trust.
- PCCLD would apply for the Premium Cost Containment Program through the Colorado Division of Workers Compensation to qualify for up to a 10% reduction in worker compensation premiums. The umbrella will have an additional amount added per Mr. Boerner. Ms. Baca reiterated that the biggest savings will come from the reduction in the property coverage. The One Beacon's rating was an A+ and the company was highly regarded. TCW shared that One Beacon was the paper behind the County pools at one time.

Mr. Walker shared that the Board didn't have all of the information in place but hoped there was a comfort level with One Beacon. He felt confident in recommending them. He shared that PCCLD would also see savings in worker compensation rates which was a win. He shared with the Board that at the next meeting they will be

presented with numbers similar to what was shared today. Mr. Quintana said it was good to see the cost savings without losing out on anything. This was set for the regular agenda.

2. 2022 Preliminary Budget Update

OVERVIEW: Alexandria Romero (Director of Finance) provided an update report for Trustee discussion on the preliminary 2022 PCCLD Annual Budget. A public hearing on the proposed budget would follow at the November Regular Trustees' meeting and the Trustees will be asked to adopt a 2022 budget, set the mill levy, and appropriate sums of money for the 2022 budget in December.

Ms. Romero gave an update from the October Board meeting on the changes to the budget. She shared the changes were made, the amount of the change and the revenue over expenditure result.

-Increase Rawlings budget for a motion picture licensing renewal.	(\$350)
-Increase to Director's budget for tickets to events, lunches etc.	(\$1000)
-Increase Community Relations budget for sponsorships.	(\$2500)
-Increase Lamb Library's contract services for consultant and team workshop.	(\$2500)
-Add amount for single audit.	(\$8000)
-Increase Rawlings budget for Starlight awards (was mistakenly put at \$0 last year)	(\$3000)
-Move \$1000 audit reading from Comm. Relations to RRA	\$0
-Update insurance premium to TC Wilson proposal	\$29,409
-Update worker compensation insurance premium to TC Wilson	\$14,559
Total Net Change	<u>\$25, 618.28</u>

Mr. Quintana shared that it was always interesting to see how the budget progressed but ultimately we were able to budget things conservatively and see a positive change.

3. Audit Engagement

OVERVIEW: Alexandria Romero (Director of Finance) presented for Trustee discussion the Clifton Larson Allen audit engagement letter for PCCLD's 2021 financial records.

Ms. Romero presented the engagement letter to the Board and reviewed the document. She said that there was inclusion about the budget for a single audit which added an entire set of procedures that had to be gone through and added to the engagement letter.

Mr. Quintana referenced a name change that needed to be completed. Ms. Martinez answered and said that it was something that had previously happened during the last process. It was the name change for the auditor.

Ms. Romero spoke more about the single audit, she said that there was an additional fee of \$8000 for the audit. She explained that what triggered a single audit was if you had over \$750,000 in federal expenditures in a year. The Reading Pays program and other federal awards/expenditures brought the amount to over \$750,000 in federal expenditures for PCCLD. Ms. Romero said that she would find out how the single audit would work.

Mr. Quintana said that as long as the it fell in line with the 5-year outlook, he was ok with the letter. He asked to have it added to the next agenda for final approval.

4. Rawlings Library Furniture Procurement

OVERVIEW: A report was provided to the Trustees for discussion regarding competitive proposal process for procurement and installation of furnishings for the renovated Rawlings Library with the total project budget set at \$675,000. The project cost exceeds \$25,000 and requires Board of Trustee approval.

Mr. Walker displayed a call for qualified vendors to propose to the library district on furnishings for the renovated Rawlings project. The document was posted on the PCCLD website and was prepared by subcontractor HBM Architects and it was sent to vendors who they felt might be more interested in bidding.

He said that the cost was approximately \$675,000 and PCCLD had budgeted a slightly higher to accommodate

the cost. He said that the timeline was critical, it was out for bid now and proposals would be received in the coming few weeks. As they are evaluated they would be provided to the Board for approval. He shared that there may be delivery issues due to the national supply chain issues that had been publicized.

He shared that the Trustees had two meetings that were scheduled for December 7th and 9th and he may ask for a special meeting on December 7th if PCCLD was prepared to have this acted upon. An update would be given at the next meeting. The Board needed to take the time necessary to do it appropriately but needed to turn it around quickly to get the furniture ordered. Due date was November 26th at 5pm.

Mr. Walker said that this was not all of the furniture, but a portion. The total furniture budget was \$950,000.

Mr. Mancha asked what would happen to the existing furniture? Mr. Walker said that some of it would be surplus and some would be repurposed within the district.

5. 2022 Holiday Dates

OVERVIEW: The Trustees reviewed the proposed 2021 holiday closures. The Trustees were asked to approve 2022 scheduled closures in December.

Mr. Walker pointed out that there was an additional day that was requested to be added to the calendar, the Juneteenth Holiday. Mr. Walker shared that some libraries were closing on this date and others were giving their staff another floating holiday and remaining open. His recommendation was to recognize the federal holiday and for PCCLD to fall in line with what the federal government had adopted earlier this year. The remaining holidays were the same. The last change was about 15 years ago for Martin Luther King Day.

Ms. Garcia said that her place of business, the ARC, would be recognizing the Juneteenth holiday. She verified that the date was June 19th, not the 20th as shown on the calendar.

***The date was changed on the calendar and reposted to the Board Packet. ***

Mr. Walker said that PCCLD would be closed on June 19th and it would be handled the same as other Sunday closures, that would be up to the Board to decide.

Ms. Martinez shared that Federal and State holidays don't always align. She said that she did not believe the state recognized Juneteenth as a state holiday. She shared that with the controversy that surrounded Columbus Day and it is not recognized as a State holiday. Would approval of this holiday cause concern? Ms. Garcia said that she did not see any correlation between Columbus Day and Juneteenth. She said that several other states had adopted Juneteenth as a holiday and she was certain Colorado would follow. Mr. Walker said that PCCLD had adopted Martin Luther King day early in the process, he recommended that PCCLD recognize the Juneteenth holiday. Ms. Gairaud did not see any harm in recognizing the holiday on June 19th. Mr. Quintana agreed with Ms. Gairaud. He confirmed that the consensus was that they Board was in favor of the holiday.

6. Trustee 2022 Meeting Dates

OVERVIEW: The Trustees reviewed proposed 2022 Trustee meeting dates. The Trustees will be asked to approve their 2022 meeting dates in January 2022.

Mr. Walker shared that the only change was the December meeting dates. He said that the regular meeting would be held on Tuesday, December 13th since that meeting date would still fall prior to the December 15th budget approval date. Mr. Quintana encouraged Board members to look at their calendars prior to approval in January 2022.

IV. ADJOURNMENT

The meeting was adjourned at 3:18pm.

Respectfully Submitted by

Rose Jubert – Secretary to the Board of Trustees.

