

**Minutes of the Special Meeting of the
JEFFERSON COUNTY PUBLIC LIBRARY
BOARD OF TRUSTEES**

March 11, 2021

CALL TO ORDER – REGULAR MEETING

The regular meeting of the Jefferson County Public Library Board of Trustees was held online via WebEx on March 11, 2021. Library Board of Trustees Chair, Charles Naumer, called the meeting to order at 5:30 p.m. Other Trustees present: Kim Johnson (Vice-Chair), Pam Anderson (Secretary) and Jill Fellman.

Trustees not present: John Bodnar, Jeanne Lomba and German Zarate-Bohorquez.

Staff present: Donna Walker, Executive Director; Julianne Rist, Director of Libraries; Rex Whisman, Director of Strategy, Engagement and Finance; Bernadette Berger, Director of Technology and Innovation; Steve Chestnut, Director of Facilities and Construction Projects; Barbara Long, Assistant Director of Finance and Budget; Lizzie Gall, Assistant Director of Library Experience; Padma Polepeddi, Assistant Director of Library Experience; Amber Fisher, Executive Assistant, Office of the Executive Director; and Katie O'Loughlin, Administrative Coordinator.

Guests: Mel and Pearl Shaw of Saad & Shaw (Consultants); Kurt Behn, County Attorney's Office.

There were additional Library staff members attending the online WebEx meeting.

APPROVAL OF AGENDA

MOTION: Jill Fellman moved that the Library Board of Trustees approve the agenda as presented. Seconded by Kim Johnson the motion passed by unanimous vote of all Trustees present.

PUBLIC COMMENT

Public comments are currently being submitted to the Board via a link on the Board of Trustee's webpage. Comments will be acknowledged in the minutes of the meeting. The Chair reported that an anonymous comment was submitted on February 25. Section 6 of the publicly posted Library Board Bylaws states that the Library Board does not respond to anonymous questions or comments." The Chair wanted to publicly acknowledge that the Library Board and staff greatly value patron feedback and hearing from the community is very important to us.

EXECUTIVE DIRECTOR REPORT

Philanthropy Development Project Progress

The Executive Director addressed the Board and provided an introduction to the topic. The library undertook an investigation and discovery project into philanthropy development in late 2020. As part of that investigation and discovery, the Library put out a request for bid for an outside party to support one of the initial phases of this project. The purpose of this initial phase was to provide investigative and discovery work to help JCPL understand best practices, risks and opportunities regarding the partnership between the Library and the Jefferson County Library Foundation (JCLF).

The scope of work for this phase was limited and intended to gain general information and insights into the following:

- JCPL vision for growth and fundraising
- JCPL/JCLF relationship history and potential for that partnership
- JCLF fundraising history and vision for fundraising
- Best practices of foundations and the libraries they support
- Recommendations for partnership development, grant writing and naming opportunities and capital fundraising
- Fundraising costs and returns for foundations that support public libraries

Mel and Pearl Shaw of Saad & Shaw were selected as the vendor. While they did not have experience with libraries and their foundations, they have many years of experience working with public institutions and their foundations with fundraising and fund development. Based on their experience and what they learned in their conversations with JCPL, JCLF and others, their report is intended to educate the Library and the Trustees about what is possible with our partnership and fundraising and not to provide recommendations for a course of action. Mel and Pearl Shaw were present to answer questions about their report and share general insights. Their final report was provided in the Board's information packet.

The Chair welcomed the Shaws and opened the meeting to questions from the Trustees.

In response to questions to Mel and Pearl Shaw about their report, the Board was advised that:

- Specific information regarding agreements for gift processing fees, common practice or industry standard was not shared by the people participating in the research. However, that is one of the ways organizations can work together. There may be different costs for processing. An organization could be reimbursed for the cost but should not have that fee associated with the gift the Library itself solicits.

- Regarding other findings related to an average percentage for fund raising costs, the cost to raise a dollar varies depending on the amount of money, fixed costs and the maturity of the fundraising program. You would try to keep it at 25% if you can. That 25% is at organizations with very large, heavily staffed operations that can return a larger dollar amount.
- It is correct that it is a different metric than what is provided in the report relative to the amount spent by a non-profit on overhead or infrastructure to support their mission.
- Regarding a feasibility study, the first step is in defining your case for support. Including things like the total anticipated cost for the project, what the funds would be used for, the anticipated impact on the community, talking about the library and what that building enables for the community. It's also a process of identifying stakeholders who you want to test this with; what would encourage them to give what amount. It's like a pre-campaigner and looking at stakeholder attitudes, buy-in, engagement and support. It would include what you are trying to raise money for; buildings, equipment or an endowment to increase funding for annual operations or programs. The type of feasibility study could depend on if it is for a long range plan or one event.
- The specific number of FTE and how many resources the Columbus Metropolitan Library dedicates to their foundation was not provided. However, Saad & Shaw can check and see if they will share that information.
- Many areas depend upon what the relationship is between the libraries and their foundations. That can also come into the feasibility study. The image and standing of the body doing the fundraising, accountability and where the money is going. The relationship is important to address having two entities that are independently governed and how they work together. That may determine if you build a fundraising infrastructure or develop another entity to raise funds for the library. Another consideration is if funds to meet library needs can be raised through board members or other leadership. Those funds could be parked with a foundation and be restricted in perpetuity for the library. For JCPL it seems right now that the capacity is not there within the foundation or the library to increase revenue from private sources or growing an endowment to secure enough funds for unmet needs of the library.
- To grow fundraising muscle boards may take on another level of responsibility. Being involved in fundraising is a different responsibility. With JCPL right now that responsibility rests with the foundation and the library board is not charged with fundraising. The question is where the board is willing to go or ask others to go. Determining if the fundraising efforts are volunteer driven or staff driven starts with the board and bringing in the skills and expertise to take you to the next level. The suggestion about starting a development committee that has a focus on this

could be done, but it does not shift that fundraising responsibility to that committee.

- Regarding legal agreements, what it boils down to is the trust and collaboration. Crafting legal agreements without shared common goals and accountability to each other is very challenging. Those agreements are not cookie cutter; there are many ways libraries craft agreements. Determine if that relationship between those two entities is more financial support or in-kind resources than what the foundation is securing and re-granting to the library.
- It is unusual for a foundation to unilaterally reject library needs and requests. How the two entities are communicating, negotiating and setting goals addresses issues if there are conflicts. The library can want to increase fundraising and communicate with the foundation to see if they want to participate.

Trustee Statements/Comments:

- Trustee Fellman noted that feasibility studies are valuable but expressed concern that they can go on forever. A prudent approach to a feasibility study may be a good idea to look at what kind of appetite we see from potential donors and if the board is committed to the work involved. The Board needs to have that that conversation – are we individually and collectively as a board ready to make a meaningful gift? There is an opportunity to build awareness and engage our potential donors. There are questions to answer like will it or will it not impact the mil levy, what does this mean for donors and patrons, what would they get out of it, naming rights, etc. The consultant's report was thorough and easy to read.
- The Chair noted that he imagines in our situation we're not looking at one project. The goal is more long term. Peer libraries have been at this for much longer and we're starting at ground zero. How to build up over time and a different type of feasibility study for a long range plan rather than one event. Potentially it would be for all facilities in the master facility plan. The new building in South County and the structural remodeling needs for all existing buildings will not go away. It is an unusual opportunity for us to build a new library like we are undertaking now. In some areas the foundation does a good job, like book sales. We should look at partnering with different organizations, look internally and look at the foundation. Look at cultivating donors, capital fundraising, book sales and all the different components to figure out the best way for us – there are lots of options. We are two separate entities; the library can't tell the foundation that we want them to do certain things – the foundation has the freedom to say no. On the flip side the library can choose who to work with. We don't have to work with the foundation for capital fundraising if that is not where their strength lies. We have options and what is the best mix of those options for our community. Over the long term, the next 10-20 years, get to the place some of our peers are at and then decide if that feasibility study is different to determine the

infrastructure you need to have in place. We have identified that our legal agreements and structure of our relationship is not well defined. If we don't have that codified it creates opportunities for misunderstandings and not being aligned.

- Trustee Anderson noted that in talking about a long term approach to capital funding and campaigns, she found more immediate relevance around how do we structure this given our relationships internally and collaboratively and is it the foundation's role. Figuring out what that looks like given the cost of a capital campaign. Here are the questions we need to think about and discuss if we're talking about much larger numbers private or public. I see we have governance conflicts not mission conflicts. I have more questions around the willingness to collaborate that way and around the foundation's interest to grow in their goals. Saying these are going to be our needs and asking them what their interest is in growing their capacity; do they feel like they have a role here and how do they envision that. It is a shared governance and decision structure there that pivots to our internal structure. Here are the library's goals and does the foundation see that as a different mission. Is there a willingness to have shared goals toward serving the library and having a discussion on whether or not those shared goals are possible? Do you have to give up some independence in order to meet the goal? In a campaign of that size (South County) you can't as two independent entities. It has been a difficult relationship for a while and a struggle to get to having real clear agreements built on trust, shared vision and strategy.
- Trustee Johnson noted that she has worked on capital campaigns and it's not just about the money. It's about accessing all of the financial support available. The foundation is perhaps not in a position to do that. They spend a lot of their time and energy on grant writing and it would probably be better to outsource it. It is hard to figure out the direction with so many what ifs and questions. Do we take advantage of the new building and do a capital campaign but there are also issues around regular and ongoing support. Whether it is one building, an endowment or ongoing capital campaigns we don't have experience raising money in our community. We might need a feasibility study to know what Jefferson County has available.

In response to a question to the Executive Director the Board was advised that:

- Early on we drafted several phases to the philanthropy project because it is a big learning curve for most of us. For the questions about the feasibility study, the board could have discussions about if that is the next step you want to take and how much should we aim for. What is our capital buildout for the facility master plan and how much of that would we want to raise. Whether or not we would pursue a feasibility study may depend on how much we want to raise and that may inform the other options available to consider. Thinking about this in terms of setting a goal and then talking to people about the likelihood of meeting that goal and how to structure that longer term strategy.

The Board expressed appreciation to Mel and Pearl Shaw for their report and time. The Shaw's expressed appreciation for the opportunity to work with JCPL.

EXECUTIVE TEAM OPERATIONAL UPDATES

Facilities and Construction Projects

The Board was provided with information on the landscape management contract and advised that the item would be placed on the consent agenda for the March 18, 2021 Board meeting. There were no questions from the Board.

EMERGING ISSUES

There were no emerging issues.

BOARD SCHEDULE – NEXT MEETINGS –

In response to COVID-19, protecting the health and safety of our staff, patrons and community is our number one priority. Board of Trustees meetings will be conducted online, until further notice.

2021 Board Meeting Schedule

- March 18, 2021 – Board Meeting – 5:30 pm – WebEx
- March 25, 2021 – Joint Meeting – Board of County Commissioners – 12:30-1:30pm - WebEx
- April 8, 2021 – Study Session – 5:30 pm – WebEx
- April 15, 2021 – Board Meeting – 5:30 pm – WebEx

ANNOUNCEMENTS/GENERAL INFORMATION SHARING

The Chair advised the Board that he responded to an email correspondence from Mr. Fisk expressing appreciation for his feedback. Staff will be responding to the correspondence as well with more information.

EXECUTIVE SESSION:

The Chair called for a motion to adjourn the special meeting and reconvene in Executive Session. He further noted that the Board requests the attendance of Kurt Behn, County Attorney's Office, Donna Walker, Executive Director, Barbara Long, Assistant Director of Finance & Budget; Rex Whisman, Director of Strategy, Engagement & Finance and Amber Fisher, Executive Assistant in the executive session.

MOTION: At 6:20 pm Pam Anderson moved to adjourn the special meeting of the Library Board of Trustees and reconvene in Executive Session.

- Pursuant to 24-6-402(4)(b) Conferences with an attorney for the local public body for the purposes of receiving legal advice on specific legal questions regarding the existing Memorandum of Understanding (MOU) between the

Jefferson County Public Library and Jefferson County Library Foundation, and options for establishing a new MOU, **and**

- Pursuant to 24-6-402(4)(e)(I) for discussion of strategy and instructions to negotiators with respect to re-negotiating the Jefferson County Public Library's agreement with the Jefferson County Library Foundation

Seconded by Jill Fellman the motion passed by unanimous vote of all Trustees present.

The Chair announced a 5 minute break to allow the Board time to leave the existing WebEx meeting and then join the Executive Session using the information provided in the separate invitation.

The Chair called the Executive Session to order at 6:29 p.m. with the following Trustees present: Kim Johnson, Jill Fellman and Pam Anderson. Also, present were Donna Walker, Executive Director; Kurt Behn, County Attorney's Office; Rex Whisman, Director of Strategy, Engagement and Finance; Barbara Long, Assistant Director of Finance and Budget; and Amber Fisher, Executive Assistant. The Chair noted that the session would be recorded and that the recording would be retained for the required 90 days.

CALL FOR ADJOURNMENT OF EXECUTIVE SESSION AND TO RECONVENE THE SPECIAL MEETING

MOTION: At 7:46 pm Kim Johnson moved to adjourn the Executive Session and reconvene the special meeting in five minutes. Seconded by Pam Anderson the motion passed by unanimous vote of all Trustees present.

At 7:51 p.m. the Chair reconvened the special meeting with the following Trustees present: Kim Johnson, Jill Fellman, Pam Anderson. Also present were Kurt Behn, County Attorney's Office; Donna Walker, Executive Director; Barbara Long, Assistant Director of Finance & Budget; Rex Whisman, Director of Strategy, Engagement & Finance and Amber Fisher, Executive Assistant.

The Chair provided the following Executive Session Summary:

The Library Board of Trustees met in Executive Session to receive legal advice on specific legal questions regarding the existing Memorandum of Understanding (MOU) between the Jefferson County Public Library and Jefferson County Library Foundation, and options for establishing a new MOU and to discuss positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators with respect to re-negotiating the Jefferson County Public Library's agreement with the

Jefferson County Library Foundation. The Trustees held those discussions and this summary is provided as required by Colorado Statute.

ADJOURNMENT

The Special Board meeting was adjourned at 7:52 pm.

A handwritten signature in black ink, appearing to read "Pam Anderson", written on a light gray rectangular background.

Pam Anderson, Secretary