

## Official Minutes

Regular Meeting September 15, 2020  
Board of Trustees, Cascade Public Library

**Last Board Meeting:** August 18, 2020

**In attendance:** Vernie Kushlan, Chair; Jonne Hower; Rich Butterfield,

**Also in attendance:** Amelia Valasek, Library Manager; Kris Kamann, ICF Presenter; Denise Tangen, City Council

**Absent:** Patty Giardina

**Call to Order:** 5:31pm

### Open Discussion

Kris Kamann from the Idaho Community Foundation presented to the group regarding options for creating a fund with the ICF. A full set of notes from that discussion is included as an attachment to the meeting minutes. Jonne forwarded Kris's PowerPoint slides to the group.

### Approval of Minutes

Discussion: Vernie noted the following correction: change "Joni Peterson" to "Joni Stevenson."

**MOTION:** Vernie moved to approve the August 18 2020 minutes with corrections as noted. Rich seconded. All in favor. Motion passed.

**Assignment:** Amelia will update and post the official minutes.

### Financials

Discussion: Rich asked for clarification about the delinquent taxes. Amelia explained to the group that she had identified a few minor corrections that needed to be made to the August financials/ledger and that the Treasurer had been informed of these changes. These changes were highlighted on August ledger summer.

**MOTION (Financials):** Vernie moved to approve the July financials as presented and the August financials with the corrections noted in the board packet. Jonne seconded. All in favor. Motion passed.

**MOTION (Ledger):** Vernie moved to approve the July ledger as presented and the August ledger with the corrections as noted in the board packet. Jonne seconded. All in favor. Motion passed.

**MOTION: (Payroll):** Vernie moved to approve both the July and August payroll as presented. Rich seconded. All in favor. Motion passed.

**Assignment:** Amelia will ensure the corrections from the August ledger are reflected in the September documents provided by the Treasurer.

### Library Manager's Report

Discussion: There was some discussion about the Long Valley Advocate and whether the library had a duty to preserve the physical copies now that staff had ensured the paper was properly preserved and archived by the Idaho Historical Society on microfilm. However, none of the board members had any knowledge or memory as to the origin of the papers currently stored at the library. There was a suggestion that Amelia reach out to the local LDS church and maybe Carol Arnold as well, in addition to the communication she had sent out to other stakeholders (Long Valley Preservation Society, Star News, and McCall library).

Amelia suggested that the library could also include something in the next water bill blurb about to see if anyone in Cascade might have more information. The general consensus is that library staff need to conduct full due diligence prior to disposing of paper to ensure good community relations.

### **Subcommittee Reports**

Discussion: This conversation was moved to the end of the agenda in case Patty was able to join. As she was not, Jonne presented instead.

The primary question the subcommittee needed to address was whether subcommittees are governed by open meeting laws. The answer is yes if they are collecting information for the purpose of advising the full board in making a decision. The answer is no if the subcommittee is simply implementing a decision already made by the board. If it was not clear which role the subcommittee is playing, they should err on the side of adhering to open meeting laws.

Jonne informed the board that she talked at length with the mayor and that it may be cumbersome to share a space with city hall, at least initially. Jonne and the mayor also discussed the need for a long-term master plan that would allow both entities to respond to their unique needs and timelines, but with a goal of connecting in the future. For example, they may build spaces at different times that are later connected. Jonne also expressed a question about the legal ramifications of sharing a space with a non-city entity, or using tax dollars to build a shared space that includes an entity that was not tax-funded (such as the Cultural Arts Center). As such, there are still some important questions to be answered before the board can decide on which building option they want to pursue. As such, the subcommittee is primarily conducting research that will inform a board decision, and is subject to open meeting laws.

Jonne will work with Amelia on administrative process for the subcommittee. Jonne and Patty will forge ahead with planning and research while adhering to open meeting laws.

### **Old Business**

#### *Fundraising*

Discussion: There was discussion about whether the library wants to approach the Friends of the Library (FotL) about developing a fund with ICF, as the FotL is the entity with the 501c3 status. Jonne suggested that we may need additional time to digest the information provided by Kris during open discussion. There was clarification that if the Board were to approach the FotL about opening an ICF Fund it would just be a request or suggestion to consider this option, as the Board does not have authority to direct the FotL in financial matters.

There was consensus that the Board should approach the FotL regarding this matter. However, the Board did not feel that a motion was necessary at this time in order to move forward. As Vernie is also a member of the FotL, she said she would broach the subject with them.

**Assignment:** Vernie will reach out to the FotL board to provide information about starting an ICF fund for their consideration.

## **New Business**

### *Staff Bonuses*

Discussion: The library manager explained to the board her reasoning for wanting to award bonuses. There was discussion as to whether issuing bonuses was something the board needed to approve via Board action, and whether awarding bonuses would be allowable under the City's personnel policies. Amelia said that in general the city treasurer has allowed the library to make independent personnel decisions so long as they are approved by the Board. In general, board members were in favor of awarding bonuses as long as the manager worked with the city treasurer to follow the appropriate process and policies of the City.

Vernie suggested that the library should also consider opening the discussion with the city regarding the compensation levels of library staff to make them more equitable with the rest of the city departments. The board agreed that this should be added to the agenda for October.

**MOTION:** Jonne moved that the board authorizes \$600 in staff bonuses to be issued for the pay period beginning September 13, 2020 and the library manager will designate how the funds are distributed among staff. Vernie seconded. All in favor. Motion passed.

**Assignment:** Amelia will work with the city treasurer (Heather) to follow through.

## **LGIP Annual Transfer Request**

Discussion: There was discussion about the updated guidance provided by the manager/city treasurer. Vernie noted the rough balances in the library fund, which still needed to be verified. She cited that the library had roughly \$98,000 in reserve in the library fund. Of this, \$61,762.23 was our current LGIP balance. The remainder is set aside as an operating reserve in case of unexpected revenue shortfalls.

**MOTION:** Rich moved to approve the draft LGIP request as presented. Vernie seconded. All in favor.

**Assignment:** Amelia follow up with Heather to get more accurate balance figures (NOTE – these will be current as of the 2019 Audit). Amelia will submit the LGIP request letter as approved to Heather for inclusion in the second City Council meeting of September.

## **October Annual Meeting**

Discussion: Jonne suggested the board minimize new business items in October, as we will need time for the annual meeting. Amelia verified that the agenda for the annual meeting is outlined in Board Bylaws.

## **Next Meeting, Preliminary Agenda Items, Adjournment**

Next Board Meeting/Preliminary Agenda: The next board meeting will be on October 20, 2020.  
Preliminary Agenda Items are:

- Regular Meeting:
  - Library staff pay scale, alignment with city
  - Subcommittee Report (will become standing agenda item until further notice)
- Annual Meeting (as outlined in Bylaws)
  - Appointment of officer
  - Establish meeting dates for the upcoming year
  - Review, amend, repeal, or adopt:
    - Library Board Bylaws
    - Cascade City Library Policies
    - Cascade City Library Procedures
    - Establish Plan of Operations for upcoming year

Council Meetings: Vernie confirmed that she will continue to attend city council meetings.

**Adjourn:** 7:19pm.

## **August 18, 2020 Board Minutes – Attachment 1: Notes from ICF Presentation/Discussion**

Kris explained that the ICF works both as a foundation that distributes money as well as an organization that helps nonprofits establish interest-earning investments. The ICF assists nonprofits with investing and saving by creating dedicated funds (both endowed and non-endowed). The benefit of having the ICF establish a fund is that they have experience with the process and it also helps ensure continuity of financial management even when board members or organizational staff might change. It also adds some security and comfort in collecting and holding large amounts of money. ICF uses professional investment managers.

Kris explained the difference between an endowed and non-endowed fund. Endowed – a long-term investment. Only a percentage of the fund (usually about 4.5%) is distributed to the organization on annual basis. The annual distribution would theoretically grow as the total value of the asset increases. ICF combines all endowed portfolios and manages the investment strategy for these (no organizational input). Non-endowed fund – short term, may be taken out in lump sum, completely liquidable, organization has a few options as to how to invest (risk, how aggressive, etc).

Minimum to develop an endowed fund - \$50. Non-endowed minimum - \$25,000. The investing organization can also switch between fund types depending on the base account balance (i.e. they can start with a non-endowed fund and switch it to an endowed fund when the minimum balance is deposited). If the organization does not have the minimum, there is an option to commit to a 5-year pledge to come up with the balance, and no endowment payments will be distributed until the organization has invested the minimum. The base balance of a fund is calculated from deposits, not from earnings (i.e. investment earnings do not count toward the minimum balance required, only deposits made by the organization). However, ICF recommends waiting until the organization has the full amount prior to investing to ensure their assets remain liquid while they are working on raising the balance.

Process for money leaving the fund and being “granted” back to the organization: Generally the executive or board president would authorize the withdrawal. Endowment distributions are set up to be automatic, but the organization can decline payment on an annual basis if they’ prefer to reinvest these dollars back into the fund to increase growth potential.

Cost for having a fund with ICF: There are no gift fees. All deposits are fully invested. Endowed - they charge 0.5% for ICF services and around 0.3% for investment management (less than 1%). For non-endowed the fee is slightly higher, about 1.5% in total.

The ICF does have some fundraising policies in place as well. (Did not get into detail on what these were).

This asset needs to be reported on the 501c3’s annual 990. In the library’s case, funds would come from FOTL and would be something they would need to report. Also the FOTL would need to make the requests and be the primary point of contact for ICF, as they hold the 501c3 status.

Kris invited the group to send him any follow-up questions they we may have, or he’s happy to come back and present again.