



## **Grand County Library Foundation Meeting**

**Tuesday, July 18th, 2017**

**Fraser Valley Library**

**Community Meeting Room**

**8:30 PM**

**Meeting Minutes**

- I. Call to Order at 7:07 p.m.
- II. Roll Call
- III. Consensus Items
  - a. Approval of Agenda
  - b. Approval of Past Meeting Minutes
    - i. 2017-04 Minutes
    - ii. Supplemental 2017-04 Minutes

Douden moved to approve agenda, Sloan seconded, all approved, motion carried.

- IV. Reports
  - a. Legal counsel regarding GCLD & GCLF

Noriyuki: There has been a move to revitalize the Foundation. GCLF provides an avenue to gain financial support for GCLD. GCLF is a 501© 3 non-profit which makes it eligible for grant financing. Many special districts have affiliated 501©3 nonprofits. GCLF was created as the District was beginning the Juniper and Granby Library building projects and there were large capital needs. Typically, Foundations focus only on capital projects.

GCLF has been dormant for last few years and GCLD has been carrying that money in GCLD books and budget. As the two entities are eligible for different funding, they should not operate under one board as this raises issues of conflict of interest. Noriyuki expressed concern for the trustees acting on behalf of a 501c3 that is essentially the same as the District.

Paul Backes, ( McMahan and Associates, L.L.C.) recommended in notes on the GCLD audit that the 2017 GCLF finances are separated in an appropriations budget. It seems that the Foundation is becoming more active with new blood, new ideas, releasing GCLD trustees from doing it all, great resources in community, let's get them involved.

If we do this separation for budgeting purposes (needs Jan 1 to have separate budget) GCLF will need a mission statement, some goals. That relate to GCLD's Master Plan as and Strategic Plan.

Generally speaking, the purpose of GCLF is broader than the financial support of GCLD. It must not appear to be a "pass through" foundation. Once the GCLF is an autonomous entity running with its own separate budget, with its own separate bank account, books and records. It will operate in a way that is similar to the Friends but the focus will be different and broader—support for literary and educational advancement.

Hunter: Six people are needed for a community focus group. Focus group will be up for appointment to the GCLF Board on Jan. 1

The task of the Focus group:

To review the documents, which will become the basis of the Foundation:

Review the mission statement. Members public interested in joining the Community focus group are: David Polei, Amy Kaplanis, Frank Delay, Lisa Jonas, Mary Housley, Todd Holzworth, Carrie George from Kremmling, Grand Lake has Jim White. Hunter has sought out representatives from the entire county with two characteristics: integrity and passion for Grand County.

- b. Ingle reported on the current profit and loss as well as investment performance. Disclosure to the board regarding the authorization given at prior meeting to open two certificate of deposit accounts: 3 month and 6 month. When Edward Jones opened the accounts, our advisor opened a 6 month and 12 month C/D as opposed to what the board originally approved. Knisley is willing to close and reinvest at her cost if the board wished to move the 12 to a 3 and communicated her apologies. Davis suggested the first thing for GLF to consider is "What is the point of having these funds?" "Are we working toward a monetary goal?" "What is this money for?" In order to allow for some flexibility, Davis moved that the decision on changing the 12 month CD to a 3 month CD be moved to an action item. Douden seconded, all approved, motion carried.

## V. Action Items/Discussion

- a. Proposed Change to By-laws
  - i. Summary

Hunter summarized the GCLF governing documents. In effect before January 2017, the By-Laws stated that all trustees serve on the Foundation Board with a one-year renewal term. There are other members who serve a two year term. This is unique as the treasurer serves on both the BoT of GCLD and GCLF. Total number of members must not be <12 and more than 14. GCLF approved By-Laws later in 2017 which were written by Mary Chance and Noriyuki. These were intended to be as flexible as possible for the Board. There were nine members, all trustees of GCLD were on the GCLF board, serve same terms, 3 year renewal, as on GCLD Board. Hunter would like to clarify which By-laws GCLF board would like to be operating under as current.

Noriyuki advised that CO Revised Nonprofit Corp Act does not set out specific requirements for bylaws, just that you must have them. This document should be designed to give GCLF the structure it needs.. If there are some financial elements that need to be in the bylaws, they

should be there. Ingle and Davis both thought they were operating under the pre-2017 by-laws and financial decisions were made on that basis.

Davis motions to move to action item to ratify pre-Jan 2017 Bylaws as the current GCLF bylaws. Douden second, all approved, motion carried.

Hunter—Hunter, Douden, Ralph and Noriyuki created new drafts of GCLF by-Laws.

Draft 1 created by Chance and Noriyuki

Draft 2 created by Ingle and Hunter

The two drafts they created are currently on the team site. Also required is a MOU and GCLF budget for review and discussion.

Davis: GCLF cannot adopt new By-Laws tonight as there is not sufficient time to review. GCLF needs to be aware that there are additional working documents out there. Recommends better document retention and integrity.

- b. Ingle communicated a need for a Memorandum of Understanding with the Library District and questioned who initiates the MOUs. Whose responsibility to develop the MOU? A draft was presented for discussion. Sloan would like to see both groups working collaboratively. Hunter: Focus group will have subcommittee and one can be MOU committee to work with GCLD committee. Davis makes sense to establish MOU committee. Sloan and Davis agree that District can work with focus group.

Knoohuizen agrees.

Hunter - GCLF needs to establish a focus group to develop and propose the MOUs, asks Board for approval to establish.

Ingle The GCLF bylaws establish an Exec. Committee, Development committee, and Investment committee as standing committees. Developing the MOUs may fall under the Executive Committee. Alternatively, an ad hoc committee may be created by president.

Davis: This is the Foundation Board, not a special district—how many foundation members before it is considered a public meeting. There is no statement in the current bylaws regarding this requirement.

- c. [Acceptance of restricted donation](#)

Ingle received a check to Foundation restricted to Fraser Valley Library children's books/programs. This is Aetna matching funds from a district received donation earlier in the year. As the Foundation, if we accept this GCLF gives the check to GCLD and restricts its use to FVL children's books/programs. GCLF then restricts to GCLD, on behalf of the donor. Davis indicates Article 8.2 allows for restricted donations. and the wishes of donors and restricted gifts.

Ingle: GCLD does not encourage restricted gifts. Noriyuki: has reason to believe that there are more restricted donations coming the way of GCLF.

Hunter motions the restricted donation is accepted with a caveat in the thank you note indicating the preference of donations to be unrestricted.

Davis moved, Nancy second—moved to action item.

- d. [2017 Budget Discussion](#)

Leclair—need to create a budget for GCLD. Ingle has concern with Hunter's timeline and budget compliance. If GCLF bylaws are effect by December, creates a time conflict for Ingle with prep of GCLD

budget. Is there a complete separation from GCLD? Determines how we budget. Oct. 15, is first meeting of GCLD budget. Is Foundation to be kept on the books of GCLD or not? Davis: Appropriation budget for GCLD which will break out GCLF, meets auditor's requirement..

Ingle: The auditor suggested moving GCLF funds to special revenue fund out of the general fund. We can create an appropriations budget in 2018 without a line by line appropriation. Stripping away GCLF activity from GCLD budget and moving it to special revenue fund.

Ingle presented generic budget for GCLF based on historical data. GCLF has received a grant of \$3500 from the Grand Foundation for Writers in Library.

- e. Ingle requested a letter of support from the GCLF to GCLD for the Enterprise Zone project application currently underway. This project's goal is to improve Grand County's local economy by proving library services that lead to increased employment and job retention. The application seeks letters of support from Library District partners, like the Foundation.

VI. Action Items

- a. Sloan motions to approve the letter of support to the district for the Enterprise Zone application, Davis seconds, all approved, motion passes.
- b. Approval of change from the 3 mo Edward Jones CD to a 12 mo  
Davis moved to approve change, Knoohuizen second, all approved
- c. Ratify pre-January By-Laws (Action) Davis moved to ratify pre-Jan Bylaws, Douden second, all approved, motion carried.
- d. Establishment of an ad-hoc committee for a Foundation focus group involving community members to review GCLF documents.  
Davis moved to agree with chair, for establishment of an adhoc committee which would include community members, Annie second, all approved.
- e. Accepting of Aetna restricted donation, with caveats included in thank you note that GCLF does not restrict donations  
Douden motions to approve designated donation as received, Knoohuizen seconds, all approves, motion passes.
- f. Set Date for Next Meeting  
GCLF regularly scheduled meeting is October 17, 2017

VII. Adjournment at 8:20 p.m.

Meeting adjourned by Leclair.