

**SUN PRAIRIE PUBLIC LIBRARY FOUNDATION
BOARD OF DIRECTORS MEETING**

Meeting Notes: September 16, 2014, Sun Prairie Public Library Conference Room

1) Call to order: Terry McIlroy called the meeting to order at 8:02 a.m.

Roll call:

Present: Barbara Bailey, Adam Bock, Kathleen Curran, Jeff Gauger, Heather Jones, Barb Loftus, Terry McIlroy, Dan O'Brien, Errol Polenske, Harry Ripp, Michael Skornia, Laura Stechschulte, Rebecca Renk, Barb Trimble, Nicole Waerzeggers

Absent: Kim Koss, Aaron Oppenheimer

Also present: Tracy Herold, Paul Mestelle, and Cindy Stankey

2) Approval of minutes:

- Motion to approve minutes from the July 15, 2014 meeting:
- (1) Harry Ripp (2) Kathy Curran Motion passed unanimously.

3) Treasurer's report: Barb Loftus - The Treasurer's report was distributed and discussed.

- a) Some discrepancies have been identified between the Excel deposit record and the QuickBooks report. Reclassification of a few Book'n It items will correct this.
 - b) It was also noted that the \$10K+ Gala donation to the Endowment is not reported under Gala Income in the QuickBooks report. The anonymous donation was deposited directly to the Endowment fund at Edward Jones and is reflected in the Edward Jones balance.
 - c) Corrections to the QuickBooks report will be presented at the November Board meeting.
- Motion to approve Treasurer's report as presented, pending clarification of the \$10K Gala Endowment donation at the November meeting:
 - (1) Harry Ripp (2) Laura Stechschulte Motion passed unanimously;

4) Committee Reports:

Finance – Dan O'Brien/Barb Loftus

- a) As of yesterday, we are up 3.6% net of cost for 2014; last year we were up 17.65%; since we started the program in September 2012, we are up 22%.
- b) Currently our Investments are 65% growth/35% fixed or bonds. When our cash accounts are taken into account, including the \$40K Wisconsin Wealth Advisors fixed annuity (CD), that brings us to 42% growth/58% fixed, which is well within the parameters of the Board's Investment Policy. Finance Committee has agreed to continue to transfer \$5K per quarter from checking to investments.
- c) The Endowment investments are highly diversified: Advisory Solutions is an actively managed portfolio which contains about 20 funds, consisting of thousands of individual stock holdings, which are professionally managed. This is a very dynamic platform which uses a rebalancing method; every other Friday the funds are evaluated against our investment criteria and the fund will rebalance the following week, if necessary. The highest single holding makes up only 0.66% of the entire portfolio. The top ten, as of September 15, 2014 are as follows:
 - 1 Apple = 0.66%
 - 2 Schlumberger = 0.54%
 - 3 Gilead Sciences = 0.53%
 - 4 Amgem = 0.45%
 - 5 Amazon = 0.44%
 - 6 Verizon = 0.39%
 - 7 Google = 0.38%
 - 8 JP Morgan/Chase = 0.38%
 - 9 Norvartis = 0.35%
 - 10 Roche Holdings = 0.35%

(Terry is the only authorized person to discuss this with. If more detail is required, Dan will meet with members individually, per Terry's approval.)

- d) The Finance Committee agreed to transfer \$18K from checking into investments. This is above and beyond the \$5K transferred quarterly to Edward Jones. The annuity at Wisconsin Wealth Advisors currently has a rate of 3%, with a guaranteed rate of at least 1.5%. We can add to our current 5 year fund, which matures in 2017, without extending the end date. Our plan is to add \$13K to the existing annuity at Wisconsin Wealth Advisors to bring that fund to over \$53K; \$5K will go into a 1 year CD at Park Bank with a 0.75% return. Discussion included insuring we have sufficient funds to make our annual contribution to the library. This should not be an issue, plus the annual appeal campaign is coming up.
- Motion to transfer \$18K from checking into investments as recommended by the Finance Committee:
 - \$13K from checking into the Wisconsin Wealth Annuity, and
 - \$5K into Park Bank CD
- (1) Laura Stechschulte (2) Rebecca Renk Motion passed unanimously.
(Adam Bock and Dan O'Brian abstained.)

Book'n It 2014 – Final Sponsorship and Runner Participation – Terry McIlroy:

- a) A great big "thank you" goes out to everyone who made this event a success. We received nothing but positive comments, including high praise for having the 10k course certified. We had more children participate than in previous years. Naming Booker may have increased awareness of the event as did our new presence on social media.
- b) Book'n It raised \$25,045. Sponsorship came in at \$16,455 (not including the in-kind gifts of \$500 from Beans' n Cream and \$2,500 from HNG) compared to \$15,415 in 2013.
- c) Entry fees brought in \$8,590; we had 461 participants this year, compared to 431 in 2013.
- d) Expenses: \$7,898 (\$1,400 no-recurring) (\$6,469 recurring); 2013 expenses were \$7,778. We have not received a bill yet from the police.

Book'n It 2015

- a) **Board Participation:** Everyone on the Board needs to participate to some level in both events because the goal of this Foundation is to raise money for the library.
- b) **2015 Book'n It Leadership:** After discussing the time consuming nature of Book'n It leadership, Nicole Waerzeggers volunteered to co-chair with Terry McIlroy, with the intent to have Nicole head it up in 2016. Harry Ripp will focus on Promotions and Sponsorship; Barb Trimble will take on Marketing.
Discussion: Is there a way to lower the expenses for Book'n It? Perhaps get a t-shirt sponsor or drop the shirts entirely. Topic to be carried over into future Book'n It planning meetings.
- Motion to go forward with the 2015 Gala:
- (1) Jeff Gauger (2) Rebecca Renk Motion passed unanimously.
- Motion to retain the Book'n It Run for Literacy and Lifelong Learning in 2015:
- (1) Errol Polenske (2) Harry Ripp Motion passed unanimously.
(Rebecca Renk abstained.)
- c) **Registration Form** - Nicole & Terry to design a new form using only one name per form.
- d) **Sponsorship Letter and sponsorship postcard**
Discussion: Should we include both Book'n It & Gala on the 2015 sponsorship paperwork?

In 2014, confusion arose with approaching potential sponsors for both Gala and Book'n It. Gala seeks donations for baskets and art. Book'n It seeks financial sponsors. For 2015, we will separate potential sponsors to minimize this confusion. (There will be some overlap with sponsors like Woodman's who will contribute to both.) Book'n It post cards go out in October. Heather Jones, Harry Ripp, Rebecca Renk, and Terry McIlroy will meet and go over sponsorship list to determine which sponsors need to be pulled from Book'n It sponsorship mailing to be reserved for Gala donations.

- Motion to separate Book'n It & Gala with respect to seeking contributions:
- (1) Barb Trimble (2) Rebecca Renk Motion passed unanimously.

Planned Giving –Kathy Curran

- a) The purpose of Planned Giving is to create community awareness of the Foundation with the hope to raise money via estates; we also want to alleviate confusion regarding giving directly to library vs. to the Foundation. The Committee recommends creating a Legacy Society, with the following steps: \$10k, \$25K, \$50K, \$75K, and \$100K. To become members of the Legacy Society, the giving can be accumulated over several years. This will be back-dated to include donors who have given over the past 15 years.
- b) An outline has been established on how to get the word out; this needs to be put in a formal document. We have discretion as to what we will accept; we have decided we do not want to get into real estate, so that won't be accepted.
- c) Recognition is currently planned in the form of a book which will be kept on a display stand in the library. Everyone who donates over \$10K will be a character in the book; each donor will have a page and each level of giving will be divided into chapters; the chapters will be named after famous authors. The donor will create their own page: write their story, include a photo, and we will encourage them to describe what the library means to them. Donors will also receive a gold-colored book mark designed based on the entrance of the library; thank you letter, and if donor wants, they would be recognized through the Star. As a member of the Legacy Society, members will also be able to attend all Foundation events at no charge. The hope is that they would attend the Gala and purchase artwork.
- d) In order to get the awareness out in the Community, we would include information about the Legacy Society in the Fall mailing and in December, in the Lifestyle section of the Star. Other plans are to hang a banner poster in the Library, create a brochure, utilize social media, and reach out to the Friend's at the annual meeting, as well as Rotary, Optimists, and Change clubs and service organizations. We will also use Board members to reach out to our current list of past donors. We may consider a luncheon 4 to 5 years down the road.
- e) The Legacy Society is intended for individuals and/or families who give to the Endowment, not corporate sponsors of events.

Gala 2015 – Heather

- a) Jeff Gauger, Bekkie Renk, Heather Jones, Barb Bailey, Aaron Oppenheimer, and Laura Stechschulte have all made commitments to work on the Gala Committee. The first meeting will be Monday, September 22nd and everyone is welcome to attend.
- b) All donations are welcomed, so if you don't want to be involved in meetings and planning, you can gather donations from area artists and businesses for baskets.
- c) April 18th, 2015 is the tentative date for the Gala; the final decision will be made on 9/22/2014; the Board, and Ryan, will be notified of the final date.

5) Board Member Term Expirations – Terry McIlroy

- a) The term of the following six Board members will be expiring at the end of the year: Barb Bailey, Heather Jones, Kim Koss, Terry McIlroy, Rebecca Renk, Laura Stechschulte.
 - b) Board members can serve for nine years (three, three year terms), so in the interest of keeping this a full Board, please think about extending your term. Terry McIlroy plans to extend for one year, through her presidency; Rebecca Renk plans to step out as a Board member at the end of the year, but plans to stay on the Gala Committee as a lay person.
 - c) Adam Bock offered to chair a Recruitment Committee or Succession Committee. In boards of this size the commonly typically has a Succession Committee which is automatically formed by those members whose term will be expiring the following year. Committee members either commit to coming back for another term or actively seek a replacement to fill their spot. The Committee's goal is to provide a list of names to the Board for consideration.
 - d) In the past we have advertized in the paper. We also have two potential Board members: John Richards and Sharyn Alden.
 - e) When filling Board spots we need to be cognizant of what talent is leaving and where we have needs.
- Motion to form a Recruitment Committee:
➤ (1) Harry Ripp (2) Barb Bailey Motion passed unanimously.

6. Library Board update – Tracy Herold

- a) Last Saturday, we hosted a Beyond the Page Celebration Gala. The way the Foundation Board's Gala got started was back in 2011 our library was tasked with raising \$10K to contribute toward the Dane county wide goal of \$1,050,000 to match a 3 to 1 grant from the National Endowment for the Humanities. The Foundation, Friends, and Library Board combined efforts to raise the \$10K at our first Gala. The consortium of Dane county libraries had 4 years to raise the funds and that has been successfully completed; in fact the total raised was closer to \$1,070,000. The Madison Community Foundation now has the \$1.4 M endowment to distribute for programs to raise awareness of the Humanities. Tracy is part of the oversight committee which distributes that money on approved grants; in 2015 they will already have given away nearly \$100K.
- b) The Library is working on their wish list for the Friends; it is very similar to last year's list. We are also working on the library's budget and Tracy will be meeting with the mayor in the next few weeks to discuss personnel requests. The budget will be presented to City Council on October 14.
- c) As for funding from the Foundation, the Library Board is once again looking for Overdrive funding, as those costs continue to rise. Overdrive is Wisconsin's Digital Library which is made possible by the Wisconsin Public Library Consortium (WPLC). Overdrive started in 2011 with a \$1M buying pool that included a \$300K Library Services and Technology Act (LSTA) grant. The LSTA contribution has decreased \$100K every year and will disappear in 2015. Therefore, the cost to the consortium members has gone up incrementally. SPPL is looking at bringing the cost of Overdrive back into the operational budget, but we have not identified any obvious place where we can eliminate collection as patrons like to have all media options available.
- d) The tiles in the front walk are starting to wobble and crack. We are evaluating what can be done to remedy the situation. Tiles may need to be removed. Foundation has ownership of the tiles as the Friends turned the project over to the Foundation several years ago. Timeframe for action: 2015 or sooner. This topic will be added to the November agenda.

7. Friends update – Paul Mestelle

- a) Currently working on year end newsletter and planning the 2015 budget. Friends give about \$20K per year to meet the library's short term needs.
- b) Bookstore stock is low, so donations are welcomed at this time.
- c) Friday, October 17th at the Sun Prairie High School Performing Arts Center, Paul Fleischman, the author of *Seed Folks*, will be speaking; be sure to attend.
- d) Request was made to add the Foundation to the agenda for the November meeting so Planned Giving can be presented.

8. Information sharing

- a) Dan O'Brien reminded everyone to dispose of the financial material properly
- b) Edward Jones cost is 1.35% annually
- c) Drop Box is used to share files electronically.
- d) Strategic planning meeting will be on December 16th from 8:00 – 11:00am; let Terry know if you will need to leave early so the agenda can be adjusted accordingly.

9. Adjournment

- Motion to adjourn the meeting at 9:57a.m.:
- (1) Barb Trimble (2) Harry Ripp Motion passed unanimously.

UPCOMING MEETINGS:

Foundation Board Meeting:

Tuesday, November 18, 2014, 8:00 a.m. in the SPPL Conference Room

Strategic Planning & Book'n It 2015 Kickoff Meeting:

December 16, 2014 – 8:00a.m. – 11:00 a.m. in the SPPL Conference Room

Submitted by: Cindy Stankey