

**WORK SESSION OF THE BOARD OF TRUSTEES
TO DISCUSS STRATEGY FOR CAPITAL PLANNING**

President Julie Smyth, Secretary/Treasurer Aaron Salt, Erin Bents, Debbie English, Dora Gonzales

Chief Librarian and CEO Teona Shainidze-Krebs, Chief Communications Officer Denise Abbott, Executive Assistant Laura Foster, Chief Financial Officer Randy Green, Controller Kim Hoggatt, Director of Branches Janina Karoub, Chief Operating Officer Heather Laslie

CALL TO ORDER

President Julie Smyth called the Work Session of the Board of Trustees to order at 4:00 p.m.

PLEDGE OF ALLEGIANCE

BUSINESS ITEMS – DISCUSSION OF THE BOARD OF TRUSTEES

- A. Based on the funds available for use in the fund balance, how much should be retained for reserves for use in the event of an emergency that delays receipt of revenue, and how much would remain for capital spending?
1. In 2017, the PPLD Board approved putting 15% of our general fund operating revenue as a spending reserve; there was no upper limit. This was interpreted to be 2-3 months, roughly \$3 million a month for operating expenses.
 2. In 2025, based on the approved budget, a two-month reserve would be roughly \$8 million, 3 months would be a total of \$12 million. CFO Randy Green suggests a two-month reserve falls under best practices. Unassigned funds include the spending reserve and TABOR reserve.
 3. \$3.9 million for deferred capital was taken from the Unassigned funds. Once the budget is approved, anything included in the budget is considered encumbered.
 4. The unassigned balance amount is unavailable until the 2024 audit is completed at the end of June 2025. (Projected unassigned is \$16 million.) For budget year 2024, \$6.2 million was set aside for two months of operating expenses.
 5. \$5.5 million is needed to fulfill all capital requests.
 - a. Is there time to get that work done in 2025?
We do have capital expenses in buildings we own and lease; these expenses can roll over if not completed in the current year. List cannot account for emergency projects.
 - b. \$1.2 million per year per Facilities Master Plan (FMP) over the next 10 years.
 - a. Organized by year – highest priority projects, not by building. Not currently categorized by what buildings PPLD owns and what buildings are leased.
 - c. CO Dept of Energy – can fund projects through energy savings – works as a loan at a lower cost that is paid back over time.
 - d. *Prioritize owned facility needs first, unless leased space project is required on a timeline.
*Structural issues need to be addressed when they occur.
 - e. No expenses for creating a hybrid library are included in the list. PPLD would like to use Calhan Library as the test location for hybrid access. Insufficient staffing is handled by asking staff who live or work nearby to cover before sending staff from further away.
 6. Data supported buying vehicles instead of paying mileage for security who need to travel around the district.
- B. How should we prioritize the recommendations within the Facilities Master Plan?
1. Owning buildings is preferable to leasing; Ruth Holley, Monument and Cheyenne Mountain Libraries are privately owned, Manitou Springs and Palmer Lake Libraries are owned by the town.

- a. The Western Museum of Mining and Industry reached out about co-locating with the library (north side of Colorado Springs).
 - b. Meeting with D38 when a new superintendent is hired to discuss partnering.
 - c. What criteria would we use if more than one opportunity presents concurrently?
 - d. Would we consider buying the RU building even though we have considered moving it further east? Consider purchasing RU, create small branch east or northeast, and expand High Prairie.
 - e. Do we need another flagship branch? Should we focus on smaller branches?
 - f. If we expand the High Prairie Library within the property we own, we may be able to put a smaller branch at Marksheffel or Banning Lewis Ranch.
 - g. Begin discussions with developers of new areas east of town to consider co-locating.
 - h. Southeast area also needs a library.
 - i. Priority should be access to resources. A long-term footprint needs to be considered.
 - j. Investing in hybrid technology in PPLD owned buildings.
 - k. Could purchase land and postpone building; land is not likely to depreciate.
 - l. Anytime PPLD is approached, bring it to the Board. Consider priorities on a case-by-case basis.
- C. How can we alleviate strain on staffing without significantly increasing operating expenses?
Hybrid libraries, staffed but also available when not staffed, are being considered.

ADJOURNMENT

There being no further business to discuss, President Julie Smyth adjourned the work session of the PPLD Board of Trustees at 5:09 p.m.