

Finance Committee Meeting
Minutes
May 28, 2019
4:00 p.m.
Administrative Building Auditorium

Call to Order

Finance Committee Chair Leonard called the meeting to order at 4:09 p.m. In attendance were Committee Members Chairperson William Leonard, Trustee Ed Blakemore Trustee Patricia Shlonsky, Trustee Maria Spangler, and Trustee Robert Varley as well as Executive Director Sari Feldman, Deputy Director Tracy Strobel, Operations Director and Fiscal Officer Scott Morgan, Communications & External Relations Director Hallie Rich, Human Resources Director George Sample, Literacy and Learning Division Director Pamela Jankowski, IT Director Jim Haprian, Assistant Finance Director Bob Dolan, Assistant Development Director Meghann Marnecheck, Union Representatives, and other interested observers.

Minutes

The April meeting minutes were noted for the record.

Financial Statement Overview - April

Director Morgan stated in the Public Library Fund (PLF) there is an adjustment to the narrative on page 23 the April PLF distribution was slightly larger not slightly smaller than we received last year.

Director Morgan stated in general property taxes we received another small distribution in April and that along with the intergovernmental reimbursement from the State of Ohio for Homestead Exemptions and Rollback it brings us well within budget for month of April.

Director Morgan stated the Public Library Fund (PLF) distribution for this month was larger than anticipated it brings us back up but not where we should be. Last year we started the year with smaller distributions than expected and as the year progressed, we received what we had budgeted. It looks like the same pattern as last year, and a lot will depend on the Governors biennium budget in the second half of the year. He stated we will continue to monitor this account closely.

Director Morgan stated patron fines and fees in total are well over budget due to the increase in passport fees and photos.

All other accounts are where we should be for the month and year.

Director Morgan stated salaries and benefits are all within budget, with the exception of Insurance benefits we made a larger payout for HSA in the beginning of the year and it has started to come down where it should be. We will see a bump in salaries for the month of June because we have a three-pay month.

Director Morgan stated many of the other expense accounts percentages are high because we have blanket purchase orders encumbered against them to pay monthly and recurring expenses. All other general fund expense accounts are where we would expect them to be for the month and the year.

Director Morgan stated we are still in the design process for the Bay Village Branch as well as the Richmond Heights Branch, those projects are still active. We have just received the invoice for the Maple Heights Branch project for equipment. We will pay it, and this will close out the project.

Investments – April

Director Morgan stated we purchased a US Treasury on April 30, 2019 at a yield of 2.40% with a very short maturity date of two weeks and we also purchased a piece of commercial paper from Bnp Paribas NY with a yield of 2.58% with a six-month maturity date.

We also had a CD that matured during the month and reinvested the principal into another CD with Wells Fargo Bank with a yield of 2.35% that will mature in a little over a year.

We have changed our investment strategy within our Money Market funds by keeping a larger balance in STAR Ohio, which is offering a higher rate than what we are receiving at Key Bank.

The investment reports were approved for vote by the full Board.

Purchase Approval List

Director Morgan stated Items #1 & #2 are encumbrance increases. Item #1 is for Search Ohio & Ohio Link monthly delivery service and we need an additional amount of \$2,680.00 and this amount will carry us until the end of the year.

Executive Director Feldman spoke to Item #2. She stated this for Galen Schuerlein, Roetzel & Andress for the consulting work she does for us. We are asking for a small increase in her monthly fee. She has kept her fee at the same level even before Roetzel and we have asked her to increase her work with us particular around the community education program that is necessary that will come from the polling results that we should have next month. We are increasing her monthly fee from \$5,500 to \$7,000 per month. There is a correction on Item #2 for Roetzel & Andress an increase from \$66,000.00 to \$76,500.00. The total amount of change for the increase would be \$10,500.00.

Director Haprian spoke to Items #3 & #4. Item #3 this is our annual renewal for the firewall software. This is necessary for system wide computer security. Item #4 is necessary for the upgrade of 220 HP computer laptops used for programming throughout the system most of them are seven years or older. Director Morgan stated this is a four-year lease and the total amount not-to-exceed \$280,000. We are only encumbering one year. This is year one of four.

Director Morgan stated Item #5 is for the HVAC replacement at the Maple Heights Branch. This is for PTA Engineering to design the system. Director Morgan spoke to Item #6 this is for the Garfield Heights Branch some of the windows are leaking and the seals are failing. We have had to have seals replaced and they are out of warranty. In order not to compromise the building, we have had several quotes done and Euclid Glass came in at the lowest at \$49,400.00 with a one-year warranty.

The Purchase Approval List was approved for vote by the full Board.

Gift Report

Director Morgan stated the report includes Friends Groups gifts for branch programming, as well as gifts from other individuals, companies and foundations.

Assistant Development Director Marnecheck noted the Believe in Reading Foundation is a grant we received for giveaway books that are intended for milestones or incentives in some of our youth programming such as 123 Read programming. As students meet milestones, we giveaway books to help with their progress. Believe in Reading is a Foundation started by Steve Potash, CEO, OverDrive. We received an additional gift from The Fedeli Group to support our culinary

literacy programming. The Lubrizol Foundation for a second year has provided us with a grant to support our Homework Centers. That did add to the program year just concluded and for the first time we have fully funded our Homework Center programming through philanthropic support.

We received a gift from Julie Raskind to provide support for our Homework Centers for next year and a gift from Patricia M. Kulp to support our culinary literacy programming and Warrensville Heights garden.

The Gift Report was approved for vote by the full Board.

Voucher List

The Voucher List, itemizing expenses in excess of \$5,000.00 was presented for informational purposes.

Resolution to Amend Official Certificate of Estimated Resources and Amend Appropriations

Director Morgan stated there are for four special revenue funds; Adult Education Services (AES), for the new ASPIRE money we will start receiving in July, Food & Culinary Literacy Grant, Homework Centers and Special School Programing. We are asking for an increase in both our resources and appropriations.

The Resolution was approved for consideration by the full Board.

Alternative Tax Budget Information

Director Morgan stated this resolution is our first ask to the County to request our 2020 budget. Based on the amount of money the County collects on our property tax levy, we are asking a total collection of \$42,750,000.00.

The Resolution was approved for consideration by the full Board.

Resolution Authorizing the Library to Amend Agreement with Building Technicians for Roof Replacement at the Fairview Park Branch Library

Director Morgan stated the original contract we signed with Building Technicians was \$299,392.52 we are asking to amend that amount to \$272,175.00. This resolution would amend the amount of that contract.

The Resolution was approved for consideration by the full Board.

Resolution to Approve Change Order Number One for Building Technicians Corp., regarding the Fairview Park Library Roof Replacement

Director Morgan stated this is the deduct change order for that amendment to return the money back to the Library for \$20,845.00.

The Resolution was approved for consideration by the full Board.

Resolution Authorizing CCPL to Advertise for Bids for HVAC Replacement at the Maple Heights Branch

Director Morgan stated this resolution is authorizing the Library to advertise for bids for HVAC replacement at the Maple Heights Branch. PTA Engineering will complete and prepare the bid documents and we will advertise for bids and bring the results back to the Board.

The Resolution was approved for consideration by the full Board.

Other:

Adjournment

There was no other business before the Finance Committee, and Chairperson Leonard called the meeting adjourned at 4:35 p.m.