

**Finance Committee Meeting  
Minutes  
January 26, 2021  
4:00 p.m.  
Remote Conference Meeting**

**Call to Order**

Finance Committee Chair Dean DePiero called the meeting to order at 4:05 p.m. In attendance were Committee Members, Chairperson Dean DePiero, Trustee Edward Blakemore, Trustee Maria Spangler and Trustee Allyn Davies, Trustee William Leonard, Trustee Patricia Shlonsky, and Trustee Robert Varley as well as Executive Director Tracy Strobel, Deputy Director-Support Services, Fiscal Officer Scott Morgan, Communications & External Relations Director Hallie Rich, Human Resources Director Monique Good, Deputy Director of Public Services Pam Jankowski, and Assistant Finance Director Robert Dolan, Facilities Director Jeffrey Mori, and IT Director Jim Haprian

**Minutes**

The December meeting minutes were noted for the record.

**Financial Statement Overview – December**

Director Morgan stated this is the December financial report, and it is also our fiscal year end. He reminded us the Board did approve changes to the budget at the December meeting, we increased both revenues and expenses by \$3.9 million.

Director Morgan stated our actual receipts for property taxes were approximately \$170,000.00 short of our estimate. Our actual receipts for the Public Library Fund (PLF) were approximately \$4,290,000.00 more than our budget as revised in April for the expected shortfall due to COVID-19. The good news is we did not see that decrease.

Director Morgan stated in patron fines and fees we are not collecting any revenue for passport processing due to the library being currently closed therefore, we saw a substantial decrease in December. Our revenue for patron fines and fees was short by approximately \$885,000.00.

Director Morgan stated we also saw a decrease in our interest account. We had anticipated interest rates would be higher than what they were and what they ended up being. There was a shortfall in that account of \$162,000.

Director Morgan stated we did see an increase in refunds and reimbursements for \$50,000 over our budget. A large amount of that overage is accounted from two refunds we received from Workers Compensation premiums given back to us by the State of Ohio.

Director Morgan stated we had several expense accounts that were not fully spent one of the larger ones was salaries and benefits that was approximately \$2.5 million of that budget was not spent most of that had to do with the shared work Ohio program that we use during the beginning of the pandemic. We also had some unspent funds in other accounts.

Director Morgan stated in our conference and travel account we were not doing any travel and conferences were fairly limited to anything that we could do online. We had \$95,000 unspent in that category. In Communications, Printing and Publicity, a lot of the publicity that we do for programming none of that was happening and we had expense budget remaining of \$120,000. The area of Utilities because our buildings were closed, we had lower heat, and lower electricity we had \$375,000 remaining in that account. Professional Services, this would-be Consultants library performers, programming and with the building was closed and we were not doing any of

those services and we had a budget remaining for \$495,000. In the capital area we stopped doing a lot of the projects that we had planned for the year. In building improvements, we had \$825,000 that was unspent. In Furniture and Equipment, we had \$1,210,000 that was unspent. The Contingency account is used for moving money to accounts where we are short of budget. Because we had a lot of expense accounts that had budget remaining, we did not need to move contingency dollars. We had \$160,000 left in contingency. Based upon the fact that we had a lot of expense budget remaining, as well as revenue dollars that were collected that we did not think that was going to be collected. Director Morgan stated when you look at the combined picture of expense budgets remaining along with additional revenue amounts that we had not anticipated based on a budget we cut in April, when it when everything is reconciled and closed out, we had a carryover of cash into 2021 of over \$9 million.

**(See under FINANCE)**

### **Investments – December**

Director Morgan stated we had one purchase of an Agency Security for the month. A purchase from the Federal Home Loan Mortgage Company at a yield of 0.25% with a three-year maturity.

### **Transfers**

Director Morgan stated there were several transfers for the month to close out year end. There were two transfers into the General Fund from Regular Trust Funds to close out two funds that are no longer used, but still contained a balance. The first transfer was to move cash collected in the past for the sale of reusable bags in the amount of \$245,828.11 and the second transfer was to move cash collected for wellness in the amount of \$47,108.99.

The remainder of the transfers were from the General Fund into other funds as follows:

- Transfer of \$1,298.00 to an Agency Fund for stale dated checks.
- Transfer of \$10,833.33 to Special Revenue Fund – MyCom for a library match special school programming.
- Transfer of \$13,457.80 to Special Revenue Fund – Special School Programming for a library match.
- Transfer of \$53,287.50 to Special Revenue Fund – Adult Services Education – ASPIRE for a library match.
- Transfer of \$1,320.50 to Special Revenue Fund – PNC for a library match.
- Transfer of \$8,000,000.00 carry over into the Capital Fund.

Director Morgan stated a lot of that is one time money and we do not anticipate repeating that in 2021. We are hoping that we can open the library and remain open, and some of those reimbursements that we received back from the State were one-time reimbursements and we will not see these kinds of numbers continue. He stated our plan is to carry over \$8 million and transfer that money into the capital fund. During our active building program we depleted, a lot of those dollars so we are able to reimburse some of those dollars back into the capital fund.

**(See under FINANCE)**

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

### **Purchase Approval List**

Director Morgan stated there a few encumbrances increases, Item #1 is for our Zoom Video Conferencing software license for an additional year for \$26,256.00. Item #2 is for Ghost Solutions Suite software we are asking for an increase in the Blanket Purchase Order for an additional \$825 due to a price increase in the new year. Item #3 is for the asbestos abatement that has to do with the tearing down of the Bayway Youth Cabin which contains asbestos is

currently on the property that will be building the new Bay Village Branch on and we need to increase the purchase order for \$4,200.00 to have that work completed. Item #4 is to install acrylic barriers between all our computer stations that was done in three phases. The first two phases, we were able to pay the majority of those with some CARES ACT dollars and the last phase we do not have enough money to complete and we are asking for \$26,345.00 to complete that project. Item #5 is for Davey Tree they are a landscaping company. We are down three maintenance people and we have hired two, but they are in the process of being trained for personnel plow in the parking lots. We would like to open a purchase order for \$25,000.00 for Davey Tree to fill in for any snow removal that we need until we get our maintenance staff back up to full capacity.

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

### **Gift Report**

Director Morgan stated we received gifts from the FirstEnergy Foundation for \$36,000.00 to pay for some additional hotspots, a substantial donation from the Carolyn R. Maschuk estate designated for the Brecksville Branch, along with other donations from some of the Friends Groups.

Trustee Leonard asked if this was new money?

Director Rich answered this is the first time FirstEnergy Foundation are giving money for hotspots they have given for Home Work Centers.

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

### **Voucher List April**

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

### **Resolution Authorizing the Library to Accept Guaranteed Maximum Pricing Relating to the New Construction of the Bay Village Branch Library located in the City of Bay Village**

Director Morgan stated this resolution is for the Guaranteed Maximum Price (GMP) for the construction of the new Bay Village Branch. In February of last year, we had bid on all the different packages and then decided to put the project on hold due to COVID-19. We have now moved forward with that project again, and we did ask Donley's to go back out and rebid those packages, through that rebidding process, we were able to bring the GMP down. The difference that we saw from the original numbers in April was about \$327,000.00. The new GMP for the construction of the branch is \$8,414,158.00.

The Resolution Authorizing the Library to Accept Guaranteed Maximum Pricing Relating to the New Construction of the Bay Village Branch Library located in the City of Bay Village was approved for consideration by the full Board.

### **Amendment to Resolution Authorizing the Library to Enter into an Agreement with Donley's Independence, LLC., for Construction Management at Risk Services Relating to the New Construction of the Bay Village Branch Library located in the City of Bay Village**

Director Morgan stated this is an amendment to the resolution the Board approved back in July 2019 to hire Donley's as the Construction Manager at Risk (CMR) to build the new Bay Village Branch. At that time, we only had an estimate of the GMP, and the purchase order and resolution we brought to you is based upon that estimate with the higher GMP and those fees are a percentage of the project. We are asking for an increase in Donley's contract of \$304,130.00. The total of their contract will now be \$891,880.00.

The Amendment to Resolution Authorizing the Library to Enter into an Agreement with Donley's Independence, LLC., for Construction Management at Risk Services Relating to the New Construction of the Bay Village Branch Library located in the City of Bay Village was approved for consideration by the full Board.

#### **Resolution to Revise Cuyahoga County Public Library Credit Card Policy**

Director Morgan stated this resolution is to revise our credit card policy. We did bring a new credit card policy to the Board January 2019, based on some work that the legislature had done requiring public entities to establish credit card policies. From time to time that needs to be modified and when we make modifications to that we need to bring those changes to the Board. The changes we are asking for have to do with job titles; Deputy Director of Support Services/ Fiscal Officer, Scott Morgan, and Deputy Director of Public Services, Pamela Jankowski each of those with a credit limit of \$9,000. We also need to add a new job title for Assistant Director of Human Resources with a credit limit of \$7,000, and then we have two job titles that need to be deleted because of modified job titles, and that is Deputy Director and Fiscal Officer. Those are the three new job titles that we needed to add to the credit card list of individuals that cards may be issued to.

The Resolution to Revise Cuyahoga County Public Library Credit Card Policy was approved for consideration by the full Board.

#### **Resolution for the Cuyahoga County Public Library to Adopt Second Amendment to the Cuyahoga County Public Library Salary**

Assistant Director Dolan stated this second amendment to our salary redirection plan. It is for employees that have Flexible Spending Plan (FSA). Those with the current policy, can only carry over \$500. We are changing that based on the Bill passed by Congress in late, 2020, for as long as the pandemic is going on employees will be allowed to carry over the full amount that is not spent. Once the pandemic is over that will go away. This will allow them to roll over any unspent money into 2021. The other option that Congress allowed and made changes for was currently employees cannot make a change to what they decide to contribute to an FSA once they have established their contribution unless there is a life changing event, we are now allowed to set how many changes the employee can make during the year. We are changing that to two times for the year until the pandemic is over.

The Resolution for the Cuyahoga County Public Library to Adopt Second Amendment to the Cuyahoga County Public Library Salary was approved for consideration by the full Board.

#### **Other:**

#### **Adjournment**

There was no other business before the Finance Committee, and Committee Chair DePiero called the meeting adjourned at 4:44 p.m.