

**Finance Committee Meeting
Minutes
September 24, 2019
4:00 p.m.
Administrative Building Auditorium**

Call to Order

Finance Committee Acting Chair Spangler called the meeting to order at 4:04 p.m. In attendance were Committee Members Trustee Maria Spangler, Trustee Edward Blakemore, and Trustee Allyn Davies, Trustee Patricia Shlonsky, and Trustee Robert Varley as well as Executive Director Tracy Strobel, Operations Director and Fiscal Officer Scott Morgan, Communications & External Relations Director Hallie Rich, Acting Human Resources Director Larry Miller, Literacy and Learning Division Director Pamela Jankowski, Assistant Marketing Director Robert Rua, IT Director Jim Haprian, Technical Services Director Daniel Barden, Facilities Director Jeff Mori, Bridget Hawes Development Director, and other interested observers.

Minutes

The July meeting minutes were noted for the record.

President Shlonsky appointed Trustee Spangler as acting Chair for the meeting.

Financial Statement Overview – August

Director Morgan stated in general property taxes for the month of August we received our settlement for the second half of the year. This is the majority of the money we will receive. There will be some smaller amounts we receive each month. Based upon the second half settlement we have exceeded our original estimate for the year by \$776,000.00. When we did the estimate, we used the County's estimate which is a very conservative estimate.

Director Morgan stated in Public Library Fund (PLF) our August distribution for the PLF was larger than what we received last year. With this distribution we are back on budget. We received a revised estimate for the 2019 PLF from the state and that estimate is a little over \$377,000 than what we originally budgeted. This is for increased collections as well as the slight increase in the percentage that libraries received as part of the new biennium budget from the State that began in July. With those two combined the State did increase our estimate.

Director Morgan stated based upon what we received as an overage in general property taxes as well as the overage we will see in the PLF those figures combined will be about \$1 million which will allow us to carry over \$1 million for next year. Director Morgan stated we have received \$776,000.00 and hopefully we will receive the \$377,000.00.

Director Morgan stated interest rates have been up all year that has to do with increased rates based upon the permanent budget rates are higher than anticipated. Based upon current maturities we are beginning to see some of those increase leveling off and based upon what the Fed did last week we will see those drop even more. We are on budget.

Director Morgan stated patron fines and fees are currently exceeding our estimates due to passport photos and processing fees. Sale of resale supplies have also exceeded our original estimate.

All other revenue accounts are where we would expect them to be for the month and the year.

Director Morgan stated expenses for salaries and benefits are right in budget for the month of August.

All other accounts are where we would expect them to be.

Director Morgan stated we are expending materials and they are where we expect them to be at this time. Many of those accounts have higher than expected percentages for expenses and encumbrances because these accounts have standing orders encumbered against them to pay monthly and recurring expenses. There are no expense accounts of concern right now.

Director Morgan stated in the capital fund projects the only two projects open are the Bay Village new building and the Richmond Heights new building. We are still waiting on final project budget numbers. Maple Heights renovation is completed.

(See under FINANCE)

Investments – August

Director Morgan stated we had no investment maturities in the month of August. Only the usual activity in the Money Market funds.

Transfers

Director Morgan stated there were no transfers or advances for the month.

(See under FINANCE)

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

Purchase Approval List

Director Rich stated item #1 is an encumbrance increase to expand the winter program guide. In years past we have done Great Books for Kids as a separate printed piece and in more recent years as an online website. Looking at traffic over the past couple of years the best way to highlight every Books for Kids list would be to integrate with our winter program guide for more visibility. Director Haprian spoke to Item #2 this is annual renewal for our Adobe software renewal. Director Haprian stated Item #3 is a request to replace all leased printers for staff use systemwide. Director Rua spoke to Item #4 and Item#5 necessary for new Graphics print shop equipment. We are nearing a five-year lease used to print marketing materials to support program services and we are switching to Canon Image it is a savings for us of 32%. Director Mori spoke to Item #6 this is for HVAC preventative maintenance necessary for systemwide VFD maintenance of HVAC electrical controls.

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

Gift Report

Director Morgan stated the report includes July and August Friends Groups gifts for branch programming. Director Rich stated received we \$6,000.00 gift from Caroline and Mitch Borrow, Caroline who is on CCPL Foundation Board. We received \$3,000.00 from Dennis and Cynthia Jackson who are volunteers who have supported our 123 Read. We had to out and secure additional dollars for 123 Read because United Way changed their area of funding and eliminated the funding for 123 Read. In October we will be starting 123 Read at all seven sites. We received \$25,000.00 from The Cleveland Foundation this is the first payment of two installments for support of our Public Service Fellow, Natalie Ziegler. We also received \$45,000.00 from The Reinberger Foundation for our Aspire program for GED HSE a new integrated program. This is the first time they have supported Aspire.

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 we are requesting amendment to both estimated resources and appropriations. These are all related to the special revenue funds. Three of these are adjustments to the amounts we previously brought to the Board as estimates to get them appropriated to start spending money out of those accounts. We have adjusted those to the actual amounts. We are asking for an additional \$45,972.00 for Adult Education Services (AES). The Homework Centers we are asking for a decrease of \$4,203.00 and Special School Programming we are asking for a decrease of \$39,423.65.

Director Morgan stated the TCF Fellow is being funded by The Cleveland Foundation for \$50,000.00 for one year. We have a new program Poetry Out Loud we are doing in conjunction with the Ohio Arts Council for \$5,000.00

The Resolution was approved for consideration by the full Board.

Resolution Authorizing the Library to Enter into an Agreement with Smith & Oby for the Maple Heights HVAC Improvements Project

Facilities Director Mori stated we asked permission from the Board to advertise for the HVAC improvements for the Maple Heights Branch. The lowest bidder was Smith & Oby, and having the lowest and best responsive bid, we are recommending that we enter into a contract with Smith & Oby to perform this work.

The Resolution was approved for consideration by the full Board.

Resolution to Approve Change Order Number One for Northeastern Refrigeration

Facilities Director Mori stated this is a resolution to approve change order number one for Northeastern Refrigeration. This is a deduct change order for \$10,271.29.

The Resolution was approved for consideration by the full Board.

Resolution to Provide Compensation for Seasonal Staff

Director Jankowski stated this resolution is to provide compensation for seasonal staff by giving them additional compensation to retain and utilize their experience. She stated it is most efficient and effective to have staff return each year to reduce the time and cost of recruitment and training of new hires

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 4:32 p.m.