

**Finance Committee Meeting
Minutes
February 20, 2018
9:00 a.m.
Administrative Building Auditorium**

Call to Order

Finance Committee Chair Leonard called the meeting to order at 9:02 a.m. In attendance were Committee Members Chairperson William Leonard, Trustee Ed Blakemore Board President Patricia A. Shlonsky, and Trustee Maria Spangler, 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, IT Director Jim Haprian, Literacy and Learning Director Pam Jankowski, Facilities Director Jeremiah Swetel, Assistant Finance Director Bob Dolan, and other interested observers.

Minutes

The January meeting minutes were noted for the record.

Financial Statement Overview - January

Operations Director and Fiscal Officer Scott Morgan stated that we received a very nice advance in January from the County that was \$2 million more than last year but this gets balanced out twice a year, it doesn't mean we will get more money.

Director Morgan stated the Public Library Fund (PLF) is down a little from last year. We have received our February distribution. He stated with January and February distributions combined we are ahead from this time last year. It is hard to tell what the trend will be, but we will continue to monitor this account.

Director Morgan stated fines and fees are somewhat down, but no concerns in that account.

Director Morgan stated passports are down. The National Passport Office recently announced the fee for new passports will increase from \$25 to \$35 beginning Monday, April 2nd. He commented there may be an influx of renewals before the price increase.

Director Morgan stated in the revenue funds all accounts are where we anticipate them to be at this time of year.

Director Morgan stated salaries and benefits are right where they should be for the year. This is still a permanent budget so some of those numbers will change based upon the permanent budget which we to the Board Meeting. He stated some of the accounts will show fully encumbered or expensed. This has to do with the standing orders and blanket purchase orders we have encumbered in those accounts.

Director Morgan stated being one month into the year, all other accounts are where they should be at this time.

Director Morgan stated the projects page is incorrect and we will have the updated report at the Board meeting. He stated we do have an update on the expended amount to-date for the Bay Village project is \$171,318.00.

Investments – January

Director Morgan stated rates are starting to rise. The largest increases are in the commercial paper are even on short term. He commented if we look further at the CD's for 2020 we have picked up some bases points. With the amount of money, we have in commercial paper we are maximized in the amount of commercial paper that we can invest in which will give us an opportunity to take advantage of those yields as we those trend higher.

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

Purchase Approval List

Item #1, IT Director Haprian stated this is for developing an improved self-check interface with Communico. This will allow Communications & External Relations to promote programs on the self-checks and allow an upgraded interface.

Item #2 Director Haprian stated this is our annual spend for Innovative this is necessary for annual subscription for software licensing, support, and updates, as well as a replacement system for telephone notification. We usually get several invoices, but they bundled everything for us this year. Represents a 20% increase.

Item #3 Director Jankowski stated Emily Stupica, is the consultant we work with and this is for her to oversee five branch kindergarten club programs.

Item #4 Director Haprian replace 80 self-check machines that are over seven years old they have been re-purposed and starting to fail. We will replace with touch screens at the branches.

Item #5 Director Swetel stated for masonry repairs at Maple Heights Branch which is necessary to repair building. The supplier name was changed to Cleveland Building Restoration.

Item #6 Director Swetel stated needed to replace current window treatments with automated window treatments to minimize the sun and glare at Garfield Heights Branch.

Item #7 Director Swetel stated this is for the purchase to purchase a new scissor lift for the auditorium. We have been sharing the lift between maintenance and the auditorium. The \$18,000.00 is for the actual lift and training.

Item #8 Director Haprian stated this is for the security system to scan and test network, websites, software systems and mobile app for vulnerabilities.

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

Gift Report

Director Morgan stated the report includes Friends groups gifts for individual branch programming. He mentioned there is a gift for \$10,000 that went for the Homework Centers.

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.

Permanent Annual Appropriation Resolution

Director Morgan stated we are bringing the permanent budget to the board this month. It is showing three years for comparison. Expenditures include the planned increase in the Collective Bargaining Agreement. We work hard to maintain consistency year after year. The special revenue fund has been increasing each year. We are very close to where we were with the temporary budget, with final balanced refined. Executive Director Feldman commented that the team worked really hard to bring a balanced budget as it gets much tighter and we continue to see fluctuation in taxes, stable secure funding does not cover our general operating expenditures, and we are increasingly relying on fines and fees and Development through grants and the Foundation.

The Resolution was approved for consideration by the full Board.

Named Spaces

Executive Director Feldman stated we are asking the board for approval, both are exceptions to the standard naming amounts, but both gifts are meaningful to the respective projects.

The exceptions were approved for consideration by the full Board.

Resolution to Sponsor a Food4Fines Drive, March 1-31, 2018

Director Rich stated this is the annual program we participate in that support the Greater Cleveland Food Bank's Harvest for Hunger program. We raised over \$20,000 last year.

The Resolution was approved for consideration by the full Board.

Resolution to Approve Change Order Number One for Engelke Construction Solutions, LLC regarding the Strongsville Interior Improvements Project

Director Swetel stated this is a close out of the Strongsville Branch project. This resolution is for the contingency for the unspent dollars. This deduct change order is for \$8,109.06 a savings of \$22,000.00

The Resolution was approved for consideration by the full Board.

Other:

Director Morgan stated the remainder Finance Committee meetings will be scheduled at 4:00p.m. the same day prior to the Board Meeting at 6:00pm.

There was no other business discussed.

Adjournment

There was no other business before the Finance Committee, and Chairperson Leonard called the meeting adjourned at 9:34 a.m.