

**Finance Committee Meeting  
Minutes  
September 22, 2020  
4:00 p.m.  
Remote Conference Meeting**

**Call to Order**

Finance Committee Chair Dean DePiero called the meeting to order at 4:00 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, Human Resources Director Monique Good, and Assistant Finance Director Robert Dolan

**Minutes**

The August meeting minutes were noted for the record.

**Financial Statement Overview – August**

Director Morgan reminded us that we did do the reduction in the budget in both the estimated resources and appropriations at our April Board meeting of \$5 million that was based on the recommendation we were expecting a 25% reduction in our budget from Public Library Fund (PLF).

Director Morgan stated in general property taxes we received our first distribution of our second half advance from the County for the month of August, with that advance we have received are a little over 77% of our reduced budget. The County did send a second advance a few days ago, which is the last of the advance we will receive this half, and we may receive some small amounts.

Director Morgan stated in Public Library Fund (PLF) for the month of August we are in a good position but does not reflect the action we took at the April Board meeting by reducing it. The distribution we receive in August has us at 80% of our reduced budget. We had cut back on larger projects because of reduction but if the money continues to come in, we will review and prioritize the held projects and move forward with them.

Director Morgan stated fines and fees collected in August were higher than in the past several months, but we are still down about 30% of where we would expect to be in the year which a lot has to do with passports. He mentioned that passport applications will resume on September 28.

Director Morgan stated some of the other revenue accounts we are still monitoring and adjusting.

Director Morgan stated the salaries and benefits accounts are well within the budget. He mentioned looking at salaries past couple of months we had our reductions based upon the SharedWork Ohio program and this month does reflect full month of salaries in August. There are no SharedWork Ohio savings for the month of August.

Director Morgan stated many of the other expense accounts show either a high percentage or 100% spent. This would account for standing order encumbrances. All purchase orders were reviewed and some of them were decreased to realize the savings we needed to reach the total reduction in appropriations.

**(See under FINANCE)**

### **Investments – August**

Director Morgan stated we purchased one Agency Security from the Federal Home Loan Mortgage Company with a maturity in early 2.24 at a yield of 0.50%. We will continue to maximize our yields while diversifying the portfolio.

### **Transfers**

Director Morgan stated we have two transfers for the month. First, is the money we received from the DEA Exhibit, we were short and transferred \$1,338.00 from the general fund. The other transfer we did receive COVID CARES dollars for \$675,000.00 for Personal Protective Equipment (PPE) any previous purchases was transferred back into the general fund for \$114,805.00

**(See under FINANCE)**

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

### **Purchase Approval List**

Director Morgan stated the first three items are related to those CARES ACT dollars which must be spent by the end of this year. Item #1 is for equipping all our private study rooms with tele-services equipment & installation with Comdoc for \$115,300.00. Item #2 is to install virtual system and pads where customers can unlock meeting room on their own with remote lock total of \$24,056.00 Item #3 using CARES ACT dollars to put up acrylic barriers between computers. We have already installed them at CCPL Parma-Snow branch. Item #4 SEIU for negotiations for Mark Fiala, Organizational Design & Human Resources Consulting, Organizational Architecture Inc., necessary to review & analyze staff compensation to begin meeting next week. Item #5 is for postage necessary for mailing program guides/annual report due to COVID to residents in Parma & Strongsville over a two-week period in October. This item was mis-quoted for \$17,500.00 and Assistant Director Rua was given the correct quote not to exceed \$12,000.00.

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

### **Gift Report**

Director Rich stated the report includes gifts which a number of these are grants that had previously been made to the organization but they were specific to programs and CCPL Development Director Hawes reached out to a number of our funders to asked if we could transition some of the funding that was dedicated to HW Centers for last school year or 123 Read to the general operating support or reapply the funding to this new school year and modified versions of those programs.

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 to Amend Official Certificate of Estimated Resources and Amend Appropriations**

Director Morgan stated this resolution is to amend our official certificate of estimated resources and appropriations. We are asking for an amendment in the special revenue fund for Adult Education Services for an additional \$35,000.00 not included in the budget.

The Resolution was approved for consideration by the full Board.

- **Resolution to Approve Change Order Number One for The Smith Oby Company regarding the Maple Heights HVAC Upgrade**

Director Morgan stated this resolution is for change order at Maple Heights we found out we must redo first part that we brought to you last year. This project is complete and came in under budget and he is happy to report the change order for a decrease of \$2,379.86.

The Resolution was approved for consideration by the full Board.

- **Resolution to Add Ohio Deferred Compensation Roth 457 Option**

Director Morgan stated this resolution is asking the Board to authorize an addition to our Deferred Compensation Program that we have for employees. This allows employees to invest dollars into different options and the Roth 457 will be an additional option to our Deferred Compensation Program.

The Resolution was approved for consideration by the full Board.

**Other:**

Assistant Finance Director Dolan stated that the Single Audit had two Requirements, (1) An independent Auditor's Report on Internal Control over Financial Reporting and on compliance and other Matters required by Government Auditing Standards and (2) Independent Auditor's Report on compliance with requirements applicable to the major federal program and on internal Control over compliance required by the Uniform Guidance. A single Audit has a minimum threshold of \$750,000, our federal expenditures were \$824,073. The Library received a Clean opinion on both reports.

Assistant Finance Director Dolan stated that we were randomly chosen for an Ohio Public Employees Retirement System (OPERS) examination. Employees of the Library contribute ten percent of their wages to OPERS. The Examination report was for the contributions for the fiscal year 2019. The auditors stated that the information provided were fairly stated in all material respects and were accurate and complete.

Deputy Director Morgan stated the annual audit also received a clean opinion and the Library is very proud of that.

Deputy Director Morgan stated that the financials for the Cuyahoga County Public Library Foundation were included this year as a component unit in our Annual Comprehensive Financial Report (CAFR). This was based on the percentage of Net Revenues of the Foundation. These Financials were audited along with our annual Audit and are part of the opinion we received.

Deputy Director Morgan stated that on page 88 of the CAFR, we now see information relating to Custodial Funds. In the past we had seen these listed as Agency Fund, these funds contain monies that do not belong to the Library. For example: Friends Book sales are collected and accounted for by the Library and the sent to each individual Friends group to be part of their books.

Trustee Varley asked how many years in a row have CCPL had a clean audit with not findings.

Director Morgan stated five years.

Trustee Varley gave his congratulations.

Director Morgan thanked Assistant Finance Director Dolan and the Finance team they worked hard this year with extra work and reports.

### **Adjournment**

There was no other business before the Finance Committee, and Committee Chair DePiero called the meeting adjourned at 4:29 p.m.