

**Finance Committee Meeting
Minutes
March 27, 2018
4:00 p.m.
Administrative Building Auditorium**

Call to Order

Finance Committee Chair Leonard called the meeting to order at 4:02pm. In attendance were Committee Members Chairperson William Leonard, Board President Patricia A. Shlonsky, and Trustee Ed Blakemore, as well as Executive Director Sari Feldman, 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, Assistant Development Director Meghann Marnecheck and other interested observers.

Minutes

The February meeting minutes were noted for the record.

Financial Statement Overview - February

Operations Director and Fiscal Officer Scott Morgan stated that in general property taxes we received our second advance in February which brings us up to 50% of the year's budget. He stated February is when we typically receive our largest distribution. He mentioned we won't receive too much more money for the first half of the year, but we will see more advances in July for the second half of the year.

Director Morgan stated that the Public Library Fund (PLF) was down a little and the February distribution brought us back up. We receive the largest distribution for PLF in February. We will continue to monitor this account each month.

Director Morgan stated patron fines and fees are down, but we have the passport increase coming up. He mentioned that the marketing department will campaign this increase next month, and hopefully, we may see a jump in passport in activity.

Director Morgan stated all other accounts are where we expect them for this time of year.

Director Morgan stated in the general fund salaries and benefits the amount we budgeted is where we expect it to be for the end of February.

Director Morgan stated all other accounts have blanket purchase orders and some of the percentages seem off, because we have a lot of money encumbered in those accounts for recurring monthly expenses. He stated we are two months into the year and not a lot to discuss at this time.

Director Morgan stated in the expenditures accounts, all funds are where they should be.

Director Morgan stated the capital project budget given last month was incorrect. It has now been updated and corrected.

Director Morgan stated the active projects we have going at this time is the initial cost for the Bay Village design. He stated the Berea Branch project is wrapping up and the Middleburg Heights Branch, has brick on the outside, starting to look like a library and we will continue to do work there as the weather warms up. Lastly, he stated the Strongsville Branch is now complete and the dedication for the recording studio is tomorrow night.

Executive Director Feldman inquired about the new construction company we are using for the Strongsville and Berea Branches.

Facilities Director Swetel stated it started out a bit rocky, but as they got familiar with the way we operate it was a very smooth process going forward.

Investments – February

Director Morgan stated we purchased two pieces of commercial paper one from Toronto Dominion Bank and the other was from Tokyo Mitsubis Bank. We had one piece of commercial paper from the Mufg Union Bank that matured in February. He stated another piece we sold just short of maturity to take advantage of higher yields and the two pieces of commercial papers we purchased. We are seeing increase in rates, hopefully this will continue. We are also starting to see some move on money market rates which hasn't happened in a very long time. He stated we had no transfers for the month.

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

Purchase Approval List

Director Haprian spoke to Item numbers 1-3. Item #1, he stated this is for our annual renewal for Microsoft Office 365 licenses and Microsoft Intune's management software that we use to manage and support our Microsoft services for staff. Item #2, he stated is the renewal for iPad management software for the Literacy and Learning Division used to manage the 312 iPad's we have in the system. Item #3, he stated is for the network/phone equipment for the new Middleburg Heights Branch.

Facilities Director Swetel stated Item #4, is a request for \$58,000 for Crescent Digital a joint venture with facilities and ITD. He stated we worked with Dave Bullock to vet out several proposals for the best cost for the Berea Branch, and we are pleased to move forward with a different provider. Dave Bullock stated it's for the consoles in the meeting and new conference room and looking to support the LLD digital literacy initiatives in the children's area.

Director Jankowski spoke to Item #5,6,8 & 9. Item #5, she stated this provides an on-line career assessment & skills training for career pathways. Someone can go through the assessment process and have an opportunity to do on-line certification that connects them to career pathways. She stated we are working with them with on a grant we received from the County to serve 60 veterans.

Director Jankowski stated Item #6, is a contract with Case Western Reserve University to create a tool for us to measure the amount of learning that is happening in our summer camps. This will help to tell our story by demonstrating the actual learning in our summer camps.

Facilities Director Swetel stated Item #7, is for Building Control Integrators for HVAC automation & lighting controls at the Fairview Park Branch replacement. Building Control Integrators went under State contract for the library, which allows us to purchase their parts and services under State contract. They provide a great service and offer a great value for the library.

Director Jankowski stated Item #8, we just learned of today that The Cleveland Foundation has awarded us funding to continue our 2018-2019 Encore Entrepreneur series.

Director Jankowski stated Item #9, is a combination of iPads that will bring us up to 12 iPads at every branch. Some of this cost will be supplemented by two grants that we received.

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 and supplies and other gifts received from donors in February. He highlighted the Capital Pledge payment from Vita-Mix Corporation.

Executive Director Feldman mentioned the Guppy Tank is our Youth Business Entrepreneurship program that was funded through one of our internal innovation grants and was so successful that we sought a larger amount of funding to expand it.

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.

The Resolution was approved for consideration by the full Board.

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

Director Morgan stated we have two new special revenue funds Project Build for \$10,000.00 and Entrepreneurships Adult & Youth for \$9,975.00 and \$2,800.00 additional dollars we received for Special School Programming. Director Morgan stated we are requesting to increase both the resources and the appropriations.

Director Jankowski stated Project Build is a great opportunity that we have to work with civic engineers in our area and we will be offering stem programming for families with children in second through fourth grade. She stated our staff will attend training in a few weeks and they will meet the civic engineers they will be working with on this project.

Director Jankowski stated the Entrepreneurships Adult & Youth is for the Guppy Tank Entrepreneurship program funded by the Burton D. Morgan Foundation grant.

Assistant Director Marnecheck stated this is for the additional dollars we received in our partnership with the Maple Heights School District in 21st century funds we are receiving through the Maple Heights School programming that we are offering at the branch.

The Resolution was approved for consideration by the full Board.

- **Resolution to Approve Change Order Number One for Moody Nolan Architects Regarding the Bay Village Branch New Construction Project**

Facilities Director Swetel stated this was discussed at the Capital Committee meeting earlier this year to add an additional design service package. He stated we negotiated this down from \$78,000.00 to \$55,000.00 by combining two of the phases together. He stated if we decide to do another redesign, we would have to start completely over.

The Resolution was approved for consideration by the full Board.

- **Resolution to Approve Change Order Number One for Engelke Construction Solutions, LLC Regarding the Berea Branch Renovation Project**

Facilities Director Swetel stated there were several unforeseen modifications to the existing adjacent structures, the main library and where old City Hall is they had to modify the opening and the openings in front of the restrooms. He stated this change order was covered by the contingency fund and we do not have to transfer any new dollars.

The Resolution was approved for consideration by the full Board.

- **Resolution Authorizing the Library to Enter into an Agreement with Northshore Mechanical for HVAC Replacement at the Fairview Park Branch Library**

Facilities Director Swetel stated we had a big response, fifteen contractors responded, and Northshore Mechanical represented the lowest best responsible bid and we look for a good deliverable.

The Resolution was approved for consideration by the full Board.

- **Resolution Authorizing the Library to Enter into an Agreement with Building Technicians for Roof Replacement at the Fairview Park Branch Library**

Facilities Director Swetel stated we had eighteen contractors respond, and Building Technicians represented the lowest best responsible bid. We have had a lot of success with them system wide.

The Resolution was approved for consideration by the full Board.

- **Resolution Authorizing the Library to Enter into an Agreement with Crown Construction for Interior Improvements of the Maple Heights Branch Library**

Facilities Director Swetel stated this is a new contractor the library is recommending using. Again, we had a great turn out for this bid, fifteen contractors responded. Crown Construction was the lowest best responsible bid. We have not done work with Crown Construction in the past. We have checked their recommendations and they have done several projects for the North Olmsted School District, MetroHealth Medical System and Strongsville City School District

Trustee Blakemore asked why are we doing the interior improvements at the Maple Heights Branch?

Facilities Director Swetel stated this started because of some security recommendations by the Police Chief of Maple Heights. He stated we will modify the entrance into the Civic Center and get rid of the concrete wall, increase and improve the lighting on the exterior building, add four quiet study rooms on first the floor of the main library, segregate the Tinker space on the second floor, and pull the art piece down and put store front glass there so the staff can see the children interacting with the displays. We will also modify the auditorium space to build a technology lab and another meeting space.

Executive Director Feldman stated some of these recommendations comes from the security audit we had done to the building. It was congested in some places for people to gather that was not helpful for safety or made for a welcoming environment. She stated some of the modifications came from the Debra Ann November Early Learning Center that will be opening in the Maple Heights Branch on April 10 and we saw it as an opportunity to do some modifications for the quiet study rooms, the Tinker space and the auditorium.

The Resolution was approved for consideration by the full Board.

- **Resolution Seeking Permission to Close the Strongsville Branch to Accommodate a Special City Event on July 25, 2018**

Facilities Director Swetel stated this is a resolution for an annual request from the City of Strongsville to accommodate their Homecoming Days event.

The Resolution was approved for consideration by the full Board.

- **Resolution to Amend Off-Scale Employee Compensation**

Director Sample stated we have four different positions in our LLD Division that was put into place a few years ago and we have left them at that same rate. This is the first time we have made an adjustment to these off-scale positions. This is an opportunity to include them into the 2% salary increase the other employees are getting.

Executive Director Feldman stated this is for the employees who work 16 hours or less per week. They are not in the Union, not in Management positions or Pages who have not been included in other compensation resolutions. The salary increase will happen in April.

The Resolution was approved for consideration by the full Board.

Other:

There was no other business discussed.

Adjournment

There was no other business before the Finance Committee, and Chairperson Leonard called the meeting adjourned at 4:30 p.m.