

**Finance Committee Meeting  
Minutes  
July 23, 2019  
4:00 p.m.  
Administrative Building Auditorium**

**Call to Order**

Finance Committee Chair Leonard called the meeting to order at 4:04 p.m. In attendance were Committee Members Chairperson William Leonard, Trustee Edward Blakemore, Trustee Maria Spangler, and Trustee Allyn Davies, Trustee Patricia Shlonsky, and Trustee Robert Varley as well as Executive Director Sari Feldman, Deputy Director Tracy Strobel, Operations Director and Fiscal Officer Scott Morgan, Communications & External Relations Director Hallie Rich, Acting Human Resources Director Larry Miller, Branch Services Director – West Caroline Vicchiarelli, IT Director Jim Haprian, Technical Services Director Daniel Barden, Facilities Director Jeff Mori, Bridget Hawes Development Director, Assistant Development Director Meghann Marnecheck, Union Representatives, and other interested observers.

**Minutes**

The June meeting minutes were noted for the record.

**Financial Statement Overview – June**

Director Morgan stated in general property taxes we received a small distribution for the first half of year settlement. In July we should see our next large advance for the second half of the year. With this distribution we are on budget for property taxes.

Director Morgan stated in Public Library Fund (PLF) our amount received in June was higher than last year which brought us back into budget. The budget was not signed on the deadline of June 30 therefore it carried over into July. The distribution we received in July averted back to the original legislation of 1.66% of the general operating revenues of the State. When the budget was signed, we were put at 1.7% for the next biennium. We are supposed to get that amount made up to us and I don't know how or when. The actual distribution for July will be at the original legislation of 1.66% and we should receive the difference sometime in August or September.

Executive Director Feldman commented that it was Senator Dolan who remembered to put in the amendment that we needed to recover all of the money that was owed us for the delay in the budget.

Director Morgan stated the County has also recertified the amount we are getting from PLF and this was before the biennium was passed and that was from an amendment from the Ohio State Budget office. Director Morgan will bring that amendment in September.

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. We are starting to see some leveling off of those rates and we won't see larger increases throughout the rest of the year. We are starting to take some of those maturities out longer.

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

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

Director Morgan stated we have a slight increase over budget for salaries and benefits that had to do with the three payrolls posted to the account, but for the month of June we are back within budget. Our next three pay month is October.

Director Morgan stated many of the other expense accounts have higher than expected percentages for expenses and encumbrances because many of those accounts have standing orders encumbered against them to pay monthly and recurring expenses.

Director Morgan stated in the capital fund projects the only two projects open are the Bay Village and Richmond Heights Branches. He is trying to get a budget number finalized for Bay Village.

All other accounts are where we expect them to be for the month and year.  
**(See under FINANCE)**

#### **Investments - June**

Director Morgan stated we purchased one additional piece of commercial paper from Toronto Dominion Securities with a yield of 2.44% and a four-month maturity. We also purchased a CD from Multi-Bank Securities/Ally Bk Midvale with a yield of 2.50% and a three-year maturity. Our advisor from RedTree Investments felt these yields were good yields and for us to look at some longer maturities for those securities.

#### **Transfers**

Director Morgan stated there was one transfer made for the month in the amount of \$71,400.00 from the general fund to the Adult Education Services (ASPIRE) fund for the Library match.  
**(See under FINANCE)**

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

#### **Purchase Approval List**

Director Morgan stated item #1 is an additional increase of \$10,000.00 for Roetzel & Andress for construction legal services. Most of this has to do with the land agreements for Richmond Heights and Bay Village Branches as well as the review we just had Roetzel & Andress complete with the CMR agreement for Bay Village. Director Haprian stated item #2 is for our annual software renewal with Communico. This is necessary for scheduling events and meeting rooms system wide. Director Rich spoke to item #3. This is a grant from the Ann Jester Innovation and Transformation fund. This is grant funding for Elsie Day consultant services to help design a transition program for reentry operations. We will be working with those in the county jail who has started the GED program or the basic literacy program to work through a transition plan to stay engaged once they exit the jail. Director Morgan stated item #4 is for the purchase of charging cables to offer for sale to customers in branches. We are purchasing 5,000 and will sell them at \$4.00 each. Facilities Director Mori stated item #5 is the fee for Security Risk Management Consultants for system wide safety and security assessment. We are requesting approval to contract with Security Risk Management Consultants (SRMC) for a vulnerability assessment which has to do with physical security of buildings and grounds. This is not a cybersecurity assessment. SRMC will be tasked with providing an overarching vulnerability reduction plan along with an individual assessment for each of our specific branch locations. The assessment will be utilized to create a 5-year security master plan, with prioritized items that can be funded over multiple fiscal periods.

Trustee Varley asked when they are done with the assessment will a presentation be made to the Board?

Facilities Director Mori stated yes, he will make a presentation to the Board.

Executive Director Feldman commented this is really keeping with our philosophy that our response to safety issues have been much more focused on building modifications, training, and community engagement things that have long term impact rather than just short-term reaction to safety and security issues. We understand and we recognize that we need to be reactive when there is a situation that's what has sustained us and made us safe as a public entity is our more proactive approach to safety and security issues.

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. Assistant Development Director Marnecheck stated we have received our second gift from the M.E. and F.J. Callahan Foundation in support of our grade level reading programs that include Readers Boost Camp and 123 READ. We received a first-time gift from the Cleveland-Cliffs Foundation for summer camp programs. We received support for the next academic year for HomeWork Centers from the Eaton Corporation. We received our second payment from The Fowler Family Foundation in support of summer camps that was over two years. We do anticipate, although they have suspended their gift giving, they have incorporated us into their plans for 2020. We received a significant estate gift for over \$83,000 in support of our Solon Branch that will remain at the Solon Branch for future projects. We received our final distribution from the estate of Kenneth McGowan, a former Richmond Heights resident. This funding is set aside for the Richmond Heights Branch. And lastly, our ongoing partnership and relationship with the City of Warrensville Heights for their continued support of our Kindergarten Boost Camp and 123 READ.

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 Authorizing the Library to Enter into an Agreement with Donley's Inc. for Construction Management at Risk Services Relating to the New Construction of the Bay Village Library located in the City of Bay Village**

Director Morgan stated there are two contracts attached. These were sent in advance of the meeting. The first is the general conditions contract and the second is the actual contract with Donley's Inc. This is the same CMAR contract we used for CCPL Middleburg Heights Branch, and it has been fully vetted by legal counsel. We made modifications as counsel recommended, we feel it is a good contract rate and we are asking the Board for approval.

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 4:22 p.m.