

**Finance Committee Meeting
Minutes
June 18, 2019
4:00 p.m.
Administrative Building Auditorium**

Call to Order

Finance Committee Chair Leonard called the meeting to order at 4:00 p.m. In attendance were Committee Members Chairperson William Leonard, Trustee Patricia Shlonsky, Trustee Maria Spangler, 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, Literacy and Learning Division Director Pamela Jankowski, IT Director Jim Haprian, Facilities Director Jeff Mori, Assistant Finance Director Bob Dolan, Assistant Development Director Meghann Marnecheck, Union Representatives, and other interested observers.

Minutes

The May meeting minutes were noted for the record.

Financial Statement Overview – May

Director Morgan stated in general property taxes received our final settlement for the first half of the year for \$446,000.00. We should start seeing our next large advance coming in at the end of June or the beginning of July for the second half of the year.

Director Morgan stated in Public Library Fund (PLF) our May distribution was larger than what we received last year. With that distribution it brings up back up for the PLF. Last year we started the year with smaller distributions than expected and as the year progressed, we received what we had budgeted. It looks like the same pattern as last year. He stated we will continue to monitor this account closely.

Director Morgan stated interest we are exceeding our budget. As part of our investment strategy we are keeping more money at Starr Ohio because we are seeing a larger return on that account than we are at KeyBank. We received an email from our advisor at RedTree Investments that we are going to see a drop off of interest rates. Some of the investments we have made over the past couple of months we have taken them out for a longer term to extend larger rates as long as we can.

Director Morgan stated patron fines and fees have exceeded our rates due to passport photos and processing fees. Sale of resale are slightly exceeding our estimates due to bus passes and office supplies.

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

Director Morgan stated salaries and benefits show a slight increase over budget which is expected because May has three payrolls posted to the account.

Director Morgan stated many of the other expense accounts percentages are high because we have blanket purchase orders in those accounts to pay monthly and recurring expenses. All other general fund expense accounts are where we would expect them to be for the month and the year.

Director Morgan stated we completed the Maple Heights Branch renovations. We have received and paid the last invoice. This project has been closed out. The only projects open are CCPL Bay Village and Richmond Heights Branches.

Trustee Varley asked what phase are we in for the Bay Village project?

Director Deputy Strobel stated we are still in the design phase our intention is to take a submission in July 5 and July 17, public meeting and break ground around November 2019.

Investments – May

We purchased two pieces of commercial paper; one from Coca Cola Company with a yield of 2.49% and a little over a six-month maturity and another one from Toyota Motor Credit with a yield of 2.46% with a six-month maturity.

We also purchased three CDs from Multi-Bank Securities with yields of 2.50% with a two-year maturity, 2.55% with a three-year maturity and 2.65% with a four-year maturity. Our advisor from RedTree Investments felt these yields were good yields for us to look at some longer maturities for those securities.

Transfers

There was one transfer for the month in the amount of \$4,665,506.00 from the General Fund to the Note Retirement Fund to pay our debt service for principal and interest for the year. The first half of the payment (interest only) was paid in May.

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

Purchase Approval List

Facilities Director Mori stated Item #1 this is the service contract for the generators. We have some large high dollar repairs and we need to increase blanket order for \$12,000.00 to get us through the contract for the additional repairs.

Director Haprian spoke to Item #2. This is our annual renewal for FireEye security appliances. It provides network security for emails, and anti-viruses for our system and it blocks several hundred emails anti-viruses every day.

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 noted Carol & John's Comic Shop they have been long supporters of CCPL providing in-kind comics to support National Free Comic Book day. The Cleveland Foundation have provided their second payment of a \$100,000.00 gift to support Homework Centers programming. They have invited us to send in another request for another \$100,000.00 for 2019 and 2020 we are very appreciative of their ongoing support of Homework Centers. Legacy Village Lyndhurst Community Fund awarded us a grant to support summer camp programming for our South Euclid-Lyndhurst Branch. We received our first payment from the MyCom grant leading agency in three areas; Parma, Maple Heights, Warrensville Heights. This is a testament to the good work to our Literacy Division.

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 Engelke Construction Solutions for the Beachwood, Chagrin Falls, Solon, and Southeast Restroom Renovations Project

Director Morgan stated last month we asked permission from the Board to advertise for restroom renovations for the Beachwood, Chagrin Falls, Solon, and Southeast Branches. We had an estimated budget of \$425,000.00. The lowest bidder was Engelke Construction Solutions at \$380,210.00. We have worked with them in the past and they have done great work for us and having the lowest and best responsive bid, we are recommending that we sign a contract with Engelke Construction Solutions for this work.

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 4:16 p.m.