

**Finance Committee Meeting  
Minutes  
January 28, 2020  
4:00 p.m.  
Parma-Snow Branch Conference Rooms A/B**

**Call to Order**

Finance Committee Chair William Leonard called the meeting to order at 4:00 p.m. In attendance were Committee Members, Chairperson William Leonard; and Trustee Allyn Davies, Trustee Patricia Shlonsky, and Trustee Robert Varley as well as Executive Director Tracy Strobel, Deputy Director-Support Services and Fiscal Officer Scott Morgan, Human Resources Director Monique Good, Assistant Finance Director Robert Dolan; Literacy and Learning Division Director Pamela Jankowski, IT Director Jim Haprian; Technical Services Director Daniel Barden, Facilities Director Jeff Mori, Assistant Marketing and Communications Director Rob Rua; and Bridget Hawes Development Director, and other interested observers.

**Minutes**

The December meeting minutes were noted for the record.

**Financial Statement Overview – December**

Director Morgan stated in general property taxes we received \$975,350.02 over our original estimate from the County. A portion of this was for a reimbursement of fees that are collected by the County for the collection of taxes. Under the Ohio Revised Code Section if that money is not spent by the County it must be returned to the entities who paid the fees. Our portion of that refund was \$189,845.00 which is part of the \$975,350.02 overage in the budget.

Director Morgan stated in Public Library Fund (PLF) We did know that our original estimate was lower than the last estimate from the State and with the Biennium State Budget that was adopted in July our percentage that we received from the State increased and our December distribution for the PLF put us over our original estimate by \$641,684.61.

Director Morgan stated patron fines and fees are exceeding our original estimates due to passport fees and photos. Interest rates are higher than expected due to increases in rates.

Director Morgan stated all those items together created a larger than anticipated carry over. When we looked at the projections for 2020 moving forward, we projected a \$1 million carry over we have an actual \$3.2 million carry over due to the \$1million increase in general property taxes (which we had anticipated), and the increase in the PLF. This money will not go unspent when we began looking at projections earlier in the year, we began to pull back on some of our capital projects and looked at all other expenditures for areas to decrease our expenses. We also did a detailed review of all encumbrances at the end of the year to delete any purchase orders that were not necessary. All those factors together gave us a larger than expected carryover. We now have added back some of those capital projects such as the Beachwood Branch roof and HVAC project, facilities projects and lease payments for the public computers that we planned for 2019 but cut because of the projected numbers for 2020.

Executive Director Strobel commented we reduced the materials budget for 2020 by \$500,000.00 and we will now be able to make that whole.

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

Director Morgan stated expenses for salaries and benefits are slightly ahead of budget. We did need to add a little over \$81,000.00 to the budget to finish the year. Director Dolan did an excellent job estimating the budget for 2019. We finished well there.

There were no other expense accounts of concern.

**(See under FINANCE)**

### Investments – December

Director Morgan stated there were no maturities for the month of December.

Director Morgan mentioned that our Advisor from RedTree asked if we want him to come in and do a presentation on our present and future investments.

Finance Committee Chair Leonard agreed to schedule him to present at a finance committee meeting.

### Transfers

Director Morgan stated there are several transfers and advances. Transfers are transferred into cash for funds that are short of cash and transfers are permanent they are not paid back. Advances are temporary and those are paid back within the next budget year. All these transfers and advances were money we paid out for special projects

#### Transfers

My Com Neighborhood	\$100,299.84
Special School Programming	13,457.80
Entrepreneurship Adult and Youth	1,625.00
Adult Education Services	65,381.26
Baby Clubs	27,281.03

#### Advances

Project Build	\$ 8,850.76
Hotspot Lending Program	6,561.96
DEA Exhibit	34,152.98

There was also a transfer made from the South Euclid-Lyndhurst (SEU) Endowment Fund to the SEU Special Trust Fund of \$61,875.16 for the funds remaining from a bequest for a special collection of materials. The restriction on the funds for purchase of those materials ended in September 2019.

**(See under FINANCE)**

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

### Purchase Approval List

Director Jankowski spoke to Item #1 this is for our summer camps we offer every year for outside presenters and for supplies. This year we are expanding our summer camp model offerings at every branch for at least 4 hours once a week Monday thru Friday for 8 weeks. This funding is to bring in outside presenters for summer camps and supplies for those summer camps. Item #2 Director Jankowski stated every year we offer the Kindergarten Club program which starts in March thru November. We hire Two Gen-U-Win she is a consultant who oversees the programming. She is an early childhood development psychologist who works with parents helping them to build their knowledge and their confidence in helping their children prepare for kindergarten we have extremely impactful results from this program. It is a great parent education program about parents' education to be their child's first teacher. We

anticipate grant funding from Starting Point and PNC Bank to pay for the program. Item #3 Director Morgan mentioned we are going to start receiving some materials from Baker & Taylor already processed and will have jacket and labels already on them. Director Barden commented this was to help us get through fall publishing while we were short staffed, and we wanted to make sure we got materials out on time. Director Rua spoke to Item #4 this is for a communications consulting to increase public awareness of library resources & services.

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

### **Gift Report**

Director Morgan stated the report includes gifts from the Friends groups for branch programming as well as larger gifts. Director Hawes mentioned we received a \$100,000.00 capital gift for the Bay Village Branch and \$30,000.00 gift from the Connor Foundation for family engagement dinners in conjunction with our Homework Centers program that will incorporate culinary literacy and family engagement.

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.

Director Morgan mentioned at the last Finance Committee meeting we brought the 2020 blanket orders and at that time it was requested we do a comparison to the 2019 report and this report reflects that additional amount we encumbered for 2019. Many of the new purchase orders have to do with ITD we had been bringing those items monthly on the PAL and this year we were going to encumber that money ahead. If it's not for ITD it's for a new vendor or a new purchase order and if we spent enough money with that vendor last year, we decided to do a blanket for 2020.

### **Other:**

### **Adjournment**

There was no other business before the Finance Committee, and Committee Chair Leonard called the meeting adjourned at 4:23 p.m.