

CLEVELAND PUBLIC LIBRARY
Finance Committee Meeting
April 17, 2018
Trustees Room Louis Stokes Wing
12:00 Noon

Present: Ms. Butts, Mr. Seifullah, Mr. Hairston, Mr. Parker, Mr. Corrigan (arrived, 12:10 p.m.)

Absent: Ms. Rodriguez, Ms. Washington

Mr. Seifullah called the Finance Committee Meeting to order at 12:10 p.m.

FINANCE COMMITTEE MEETING (Mr. Seifullah, Chair)

Present: Alan Seifullah, Thomas Corrigan, Anthony Parker

Absent: None

Third Amendment to the Year 2018 Appropriation

Carrie Krenicky, Chief Financial Officer, stated that the Certificate of Estimated Resources has been updated and we will be appropriating \$180,260.85 in Special Revenue Funds specifically \$5,000 in Founders Fund for Learning Circles grant; \$4,275 in Library Fund for Bureau of Workers Compensation Grant; \$6,316 in Judd for Homebound Service; \$4,428 in Lockwood Thompson; \$56,664.10 in CLEVNET Special Revenue fund for reimbursement of migration and implementation fees for Morely Library joining CLEVNET; \$ 6,422.25 decrease in the MyCom fund for 2017 Kindergarten Clubs; and a \$110,000 from the Best Buy Grant for the Teen Tech Center at the Rockport Branch.

Ms. Butts asked for an update on the Teen Tech Center at the Rockport Branch.

Eric Herman, Capital Projects Manager, stated that the asbestos abatement purchase order has been cut and the conference call has been scheduled for next week; electrical bids are expected by this Friday. Finally Mr. Herman stated that the pieces are coming together.

Director Thomas announced that Forrest Lykins, who formerly worked in TechCentral, is now the new Rockport Branch Manager.

In response to Ms. Butts' inquiry, Mr. Herman announced that the soft Opening will be held at the end of June and although we are still discussing dates, the hard Opening should be during the week of July 17th.

Director Thomas stated that Rockport Branch was initially decided to be one of our Safe, Warm and Dry buildings and then the Library received the Best Buy grant. After consideration, it may

not be good to open the building for the new Teen Tech Center and then close the building one month later for Safe, Warm and Dry repairs. We are currently examining if it would be better to move forward without Rockport Branch not being a part of the Safe, Warm and Dry initiative.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Parker seconded the motion, which passed unanimously by roll call vote.

Resolution to Renew the Maintenance Agreement with Tyler Technologies, Inc. for the Support and to Update Licensing of the Munis ERP System

Carrie Krenicky, Chief Financial Officer, stated that the our current maintenance agreement with Tyler Technologies, Inc. for the support and to update licensing of the Library's MUNIS ERP system is May 16, 2018. This resolution is requesting that the Board authorize the Library to renew the Maintenance Agreement for the period beginning May 17, 2018 and ending May 16, 2019 at a cost not-to-exceed \$66,362.52 which is a 5% increase from last year. This will allow us to update all of our license within our MUNIS ERP system which includes finance, human resource and payroll modules.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Parker seconded the motion, which passed unanimously by roll call vote.

Resolution for Approval of U.S. Bank for Custodial Services

Carrie Krenicky, Chief Financial Officer, stated that PNC is our current custodian of our investment portfolio for investment assets since 2001. On March 2, 2018, the Library sent out a request for information to qualified and experienced financial institutions to provide institutional custody services for the safekeeping of investment assets of the Library's investment portfolio in an effort to ensure the Library is paying the most competitive fee for custodial services. The Cleveland Public Library received four (4) responses from financial institutions, which were all qualified, experienced, met service requirements and are eligible financial institutions as defined under section 135.03 of the Ohio Revised Code.

Ms. Krenicky stated that the Library is currently paying 3 basis points for custodial services and based on the Library's investment portfolio of \$37.7 million (at cost, as of January 31, 2018), this amounts to approximately \$11,310 per year. The lowest annual market value fee of 1 basis point was submitted by U.S. Bank, which amounts to approximately \$3,770 per year.

This resolution requests that the Board authorize the Library to enter into an Agreement with U.S. Bank for custodial services.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Corrigan seconded the motion, which passed unanimously by roll call vote.

Resolution to Approve the Use of Lockwood Thompson Endowment Funds for International Travel

Director Thomas stated that the Library has been a member of IFLA for a long as he has been the Director of Cleveland Public Library. We are not only a regional library, we are a national and international library of distinction. Trustee Rodriguez and Lan Gao, who was approved to go to IFLA which is being held in Malaysia in August, at our last Board Meeting, would be attending to raise the profile of the Library internationally at the IFLA International Conference. Although there are funds to support this effort through Lockwood Thompson, any requests for international travel through Lockwood Thompson requires Board approval.

Mr. Hairston motioned that this item would go to the full Board for approval. Mr. Seifullah seconded the motion, which passed unanimously by roll call vote.

Resolution to Advance Cash from the General Fund to the Tech Centers Fund

Carrie Krenicky, Chief Financial Officer, stated that on September 21, 2017, the Library Board of Trustees accepted the grant from Best Buy in an amount up to \$180,000. On February 15, 2018, the Board authorize a cash advance from the Library's General Fund to the Tech Centers Fund in the amount of \$50,000.

Ms. Krenicky stated that an additional cash advance from the Library's General Fund to the Tech Centers Fund is needed to resolve cash flow problems without the necessity of incurring additional interest expense for short-term loans and to provide the necessary "seed" for grants that are allocated on a reimbursement basis. This resolution is asking that the Board authorize the cash advance in the amount of \$130,000 from the General Fund to the Tech Centers Fund in order to expend funds and then do a one-time reimbursement request when the project is completed. This will make things go smoothly rather than expending and waiting for funds to be reimbursed.

In response to Mr. Hairston's inquiry, Ms. Krenicky stated that this project will have a closing date for this grant and the Library will be eligible to apply again next year.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Corrigan seconded the motion, which passed unanimously by roll call vote.

Resolution Accepting Bid and Awarding Contract for Lakeshore Facility Roof Replacement Project

Joyce Dodrill, Chief Legal Officer, stated that this resolution is for the second bid process for the Lakeshore Facility Roof Replacement Project. When the first bid went out two months ago, the Library received a wide range of responses in terms of dollar amounts. We determined that there was no estimate in the bid which was required, and probably accounted for the wide spread in bid amounts. Therefore, the Board rejected all of the bids and we rebid it.

Ms. Dodrill stated that we received two bids and the lowest bid was provided by Warren Roofing & Insulating Co. with the main bid at \$645,500 and the alternate at \$390,000. The Board is being asked to authorize the main bid because the alternate exceeds 10% of the estimate which we cannot accept. The main bid is within the 10% window.

In response to Mr. Corrigan's inquiry, Ms. Dodrill stated that the work relative to the skylights was covered by the alternate portion of the bid.

Mr. Corrigan asked if that work on the skylights was critical.

Ms. Dodrill stated that the work was not as critical but needed to be completed and will be worked out with a plan to get that work done.

Ms. Dodrill explained that the replacement work will include the portion of the roof that covers the Technical Services and Administrative areas where there are leaks.

Mr. Corrigan asked if there are materials that are at risk from the roof.

Director Thomas stated that discussions have been held regarding the safety of materials especially in our archives. Although there are no leaks presently in those areas, we must fix those leaks before others develop in those spaces.

In response to Mr. Seifullah's inquiry, Ms. Dodrill confirmed that there are leaking issues with the skylights as well. Eventually, those skylights would need to be removed and replaced.

In response to Mr. Hairston's inquiry, Ms. Dodrill stated that two years ago, the Library received an estimate for repairing or replacing the entire roof would be \$2,000,000.

Discussion continued about remote storage, customer service, and roof repair schedules.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Parker seconded the motion, which passed unanimously by roll call vote.

Mr. Seifullah adjourned the meeting of the Finance Committee at 12:28 p.m.