Finance Committee Meeting
January 14, 2014
Trustees Room                       Louis Stokes Wing
12:00 Noon

Present:                Ms. Butts, Ms. Rodriguez, Mr. Seifullah, Mr. Corrigan, Mr. Hairston,
                        Mr. Werner  (arrived, 12:14 p.m.)

Absent:                 Mr. Parker

Ms. Rodriguez called the Finance Committee Meeting to order at 12:02 p.m.

FINANCE COMMITTEE

Resolution Regarding December 31, 2013 General Fund Balance

Carrie Krenicky, Chief Financial Officer, stated that this resolution concerns the December 31,
2013 General fund unencumbered balance which is currently $25,178,839.28. With the
repayment of the advances due back from the Special Revenue fund in 2014, the General fund
will have $25,333,479.28 available for carryover for appropriation in 2014. A transfer to the
Building and Repair Fund in the amount of $3,500,000.00 is requested to leave an unencumbered
balance of $21,833,479.28 to be carried over for 2014 operating expenditures.

Mr. Corrigan asked if the new General Fund unencumbered balance was more than one quarter’s
worth of yearly operating expenses.

Carrie Krenicky, Chief Financial Officer, stated that a little more; four months of operating
expenditures would total around $18,000,000.

Mr. Corrigan stated that that was generally our practice and wanted to make sure that it was
maintained.

Ms. Rodriguez stated that this item would go to the full Board for approval.

First Amendment to the Year 2014 Appropriation

Carrie Krenicky, Chief Financial Officer, stated that this amendment brings forward the actual
unencumbered balances since closing the year; increases appropriations in Other Sources-Special
Revenue funds including the CAC Grant of $13,561; reflects a transfer of $3.5 million into the
Building and Repair Fund; and new revenue from the Digital Hub grants that the library will
receive totaling $181,751.00.
This also reflects the Amended Certificate of Estimated Resources as the PLF was cut by $716,000. Appropriations have not been reduced by that amount yet as the library received late notification.

Mr. Corrigan asked how this was done.

Carrie Krenicky, Chief Financial Officer, stated that the Cuyahoga County Budget Commission sent the recertification from the Department of Taxation indicating that they were recertified in the amount that they were going to receive.

Director Thomas stated that Lynda Murray, Ohio Library Council, stated that receipts were coming in at rates lower than expected and that expectations have been lowered by a percentage point. At the Board Work Session, a strategy will be discussed about requesting legislators to move the PLF from 1.6% to 2% to accommodate for loss of funding that libraries have endured.

Carrie Krenicky, Chief Financial Officer, stated that now the 2014 appropriation may have the possible use of $2.6 million of the unencumbered balance.

Mr. Hairston asked what was current the property tax collection rate.

Carrie Krenicky, Chief Financial Officer, stated that the property tax collection rate increased to 82.09%.

Ms. Rodriguez stated that this item would go to the full Board for approval.

Resolution Authorizing Fourth Amendment to the Agreement with Integrated Precision Systems, Inc. for Access Control Systems

Tim Murdock, Assistant Director of Property Management, stated that amendment recommends approval of additional work including the installation of additional access control on the following doors and integrating these into the S2 system: Louis Stokes Wing Lobby to Lending exit doors; women’s locker room door near the Louis Stokes Wing auditorium; and Memorial Nottingham branch staff workroom glass door behind the circulation desk.

Mr. Corrigan asked what has been the satisfaction feed-back on the new access controlled doors.

Tim Goergen, Safety & Protective Services Manager, stated that feed-back has been positive. These changes allow for activity to be tracked more quickly.

Ms. Rodriguez stated that this item would go to the full Board for approval.

Resolution to Ratify Agreement with Recorded Books, LLC for Zinio for OneClick Digital Classics Annual Subscription

Joyce Dodrill, Chief Legal Officer, stated that this resolution ratifies an agreement that the library entered into in December 2013 with Recorded Books, LLC for its “Zinio” product for
CLEVNET and CPL in 2014. It was originally thought that this entire budget was a CLEVNET budget expenditure. The contract amount is $183,647.24; and $38,400 of that amount is Cleveland Public Library’s portion. Since this expenditure exceeds the $25,000 contracting authority granted to the Director by the Board of Library Trustees, it is brought to the Board for ratification and approval.

Mr. Corrigan asked for background on the Zinio product.

Rod Houpe, Chief Technology Officer, Information Technology/CLEVNET, stated that Zinio has a roster of more than 5,500 magazine publications with a content of various genres that can be downloaded and read across any mobile and desktop device.

Director Thomas stated the library has received many calls requesting Zinio. This product was offered to CLEVNET member libraries and an agreement was formalized once the CLEVNET Directors agreed.

Ms. Rodriguez stated that this item would go to the full Board for approval.

Resolution to Ratify and Amend Agreement with Cleveland State University for Tutoring Services

Joyce Dodrill, Chief Legal Officer, stated that this resolution asks the Board to ratify an agreement the Board entered into last year with Cleveland State University Career Service Center for America Reads tutoring services at various branches. This service was provided during 2013 and it is recommended to continue the services through 2014. The amount of that contract was $91,311.00. There is also a proposal to amend this agreement to include three additional locations for tutorial services in the amount of $38,697.00.

Ms. Rodriguez asked if the request was still pending with the Cleveland Foundation for grant funds to continue to provide tutoring services in 2014.

Director Thomas stated a meeting is schedule with the Cleveland Foundation to continue discussions.

Mr. Hairston asked what additional branches will provide tutorial services.

Aaron Mason, Assistant Director, Outreach and Programming Services, stated that Hough, Carnegie West, and Cuyahoga County Community College were the additional locations.

Ms. Butts asked how sites were determined for tutorial services.

Aaron Mason, Assistant Director, Outreach and Programming Services, stated that requests can come from branch managers responding to students and school requests.

Ms. Rodriguez stated that this item would go to the full Board for approval.
Resolution to Approve Digital Hub Project Budget and To Amend Agreement with Bostwick Design Partnership for Digital Hub Design Services

Richard L. Ortmeyer, Principal, Bostwick Design Partnership gave a powerpoint on the Main Library Consolidation Phase 3: Digital Hub Conceptual Design and Budget Presentation. The presentation included:

1) Project Purpose
2) Goals and Needs
3) Existing Spaces
4) Visitor Experience in Proposed Plan
5) Conceptual Project Budget
6) Estimated Schedule

Mr. Ortmeyer gave a brief overview of Phase 1: TechCentral, which has been completed; Phase 2: Children and Families Discovery Center, still to be planned; and Phase 3: Digital Hub; because of available grant funds for equipment, this phase will be advanced before Phase 2.

Mr. Ortmeyer gave an overview of the LSTA grant funding and how the proposed use of room 341 on the 3rd floor of Main Library into a digital hub aligns with the Library's strategic plan. The digital hub project will allow for the digital preservation of a larger number of the Library's collections while also serving as a regional center for digitization.

Mr. Ortmeyer then reviewed the conceptual project budget and estimated schedule, noting that the cost of this project will probably be under $2 million, including more complex multimedia elements than were proposed for TechCentral. He then presented an initial project schedule showing an update for the Board in March, an architecture and wayfinding media plan for the May board meeting to receive bids in June, with construction starting in June to be finished in November. As an alternate schedule: it is possible to accelerate the architectural portion, starting construction in May instead of June and finishing architecturally in August; with a September move in date. This alternate schedule is being proposed because of potential constraints tied to LSTA grant funding.

Mr. Werner asked for the reasons for the completion in September or November. Director Thomas stated that the State Library would prefer the regional digitization hubs to open in July. There is a concern that if one of the other digitization hubs in Ohio opens before the Cleveland Public Library’s, it will lose media impact. Also, because of competing events and activities, media coverage for the hub may get lost in November.

Mr. Corrigan asked if the Library would be on the forefront of digitization initiatives.

Mr. Ortmeyer stated that he was unaware of many institutions that were digitizing collections and incorporating them with preservation and education initiatives like Cleveland Public Library. Chatham Ewing, Digital Initiatives & Services Strategist, stated that this idea is put together to allow the public to participate in the process while breathing new life in to history and heritage. He stated that this is a big step forward in the field.
Mr. Werner and Director Thomas expressed interest in ensuring that the Library engages older patrons with photographs and those without resources to obtain digital copies of their own personal records.

After lengthy discussion, Ms. Rodriguez stated that this item would go to the full Board for approval.

Ms. Rodriguez adjourned the Finance Committee Meeting at 1:05 p.m.