

CLEVELAND PUBLIC LIBRARY
Finance Committee Meeting
April 15, 2014
Trustees Room Louis Stokes Wing
12:00 Noon

Present: Ms. Rodriguez, Mr. Seifullah, Mr. Corrigan, Mr. Hairston, Mr. Parker,
 Mr. Werner (arrived, 12:20 p.m.)

Absent: Ms. Butts

Ms. Rodriguez called the Finance Committee Meeting to order at 12:10 p.m.

FINANCE COMMITTEE

Resolution to Accept Cleveland Foundation Grant for Library Learning Centers

Tracy Martin, Grants & Development Coordinator, stated that the Library was awarded \$228,500 from the Cleveland Foundation to expand the Learning Centers initiative in our branches. These funds will help cover costs of afterschool tutoring partnered by Cleveland State University tutors; Read to the Beat early literacy and preschool music literacy classes provided by the Music Settlement; college prep classes provided by College Now; new technology such as ipads; and professional development workshops for staff to better provide support for students using computers and technology. Fund will also be available for digital signage.

In response to Mr. Corrigan's inquiry about the total amount of funds used for the expansion beyond the grant, Director Thomas stated that most expenses are staff based. However additional work has been done to update conference rooms. A portion of the initial \$285,000 grant included furniture that was ultimately not approved. A decision will have to be made on how much furniture the library will purchase as a part of the expansion.

Mr. Corrigan requested that where the Director is authorized to enter into agreements in excess of \$25,000 without board approval, that a trailing report be submitted to the Board..

Carrie Krenicky, Chief Financial Officer, stated that this resolution is similar to LSTA Know It Now Grant and Ohio Library for the Blind & Physically Disabled.

Mr. Corrigan stated that although those grants are direct service to the public, they are more narrowly defined. This grant has enough range in it that it is appropriate to have a trailing report to the board.

Ms. Krenicky stated that this information would be provided with a quarterly report.

Mr. Corrigan recommended that as this project may involve new vendors, a monthly report would be appropriate for oversight purposes.

Mr. Hairston asked if the Hough branch was included in the expansion.

Director Thomas stated that Learning Centers exists in 11 branches and will be expanded to 14 branches.

Aaron Mason, Assistant Director, Outreach and Programming Services, stated that Carnegie West and Hough branches were included in the expansion. The third branch locations will be determined.

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

Third Amendment to the Year 2014 Appropriation

Carrie Krenicky, Chief Financial Officer, stated that revenue has been certified as follows: an increase in Other Sources – Special Revenue by \$251,045.16 relating to the Cleveland Foundation Grants for the Learning Centers fund - \$228,500; Library fund - \$1,200; Judd fund - \$11,633; and the Lockwood Thompson fund – \$9,712.16.

The revenue has been recertified and will be appropriated.

Mr. Seifullah asked if property taxes are being received at a higher level this year.

Ms. Krenicky stated that although the library receives advances and we will not be able to tell until December if they are coming in higher.

Director Thomas stated that the tax collection rate is 82.09% which was higher than last year, which was 76.55%.

Ms. Krenicky stated that we are recognizing less delinquent taxes as property taxes receivable than previously reported; approximately \$3 million less.

Mr. Corrigan stated that the amount of delinquent payments are decreasing and the collection rate on good payments are increasing. Although we will not know if they off set each other until the end of the year.

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

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

Carrie Krenicky, Chief Financial Officer, stated that the current maintenance agreement with Tyler Technologies, Inc. for the support and to update licensing of the Library's MUNIS ERP system expires on May 16, 2014. The increase is 5% per year per the system agreement.

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

Resolution to Enter Into An Agreement with Advertising Vehicles, Inc. for Taillight Bus Billboards

Cathy Poilpré, Assistant Marketing & Communications Administrator, stated that the Library has received good community response from taillight bus billboards advertising deep into the neighborhoods. This form of advertising has proven more effective than social media campaigns. This year's focus would be on virtual services available with a CPL card such as eBooks, online classes, children's eMedia and the downloadable digital magazine service.

The bus billboards, visible between the two rear taillights, will begin in May and continue for six months.

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

Resolution Authorizing Release and Consent to Distribution from the Trust of Grace Brody

Joyce Dodrill, Chief Legal Officer, stated in 2006, Grace F. Brody of Cleveland Heights, Ohio, executed a Restated Declaration of Trust and designated the Cleveland Public Library and the Cleveland Heights-University Heights Public Library as equal remainder beneficiaries of the Trust Estate. Ms. Brody died on March 12, 2014. The Trust designated that Ms. Brody's residence located in Cleveland Heights be made available to her son to live in upon her death, after which the residence and its contents would be distributed to the Grace F. Brody College Scholarship Fund at the Jewish Community Federation of Cleveland, now known as the Jewish Federation; and

Ms. Brody's son predeceased Ms. Brody and, therefore, the gift to her son of a life estate in the residence failed. The Trust did not, however, clearly indicate whether the residence would pass to the remainder of the Trust, or be transferred to the Jewish Federation, in the event Ms. Brody's son predeceased her.

KeyBank National Association, as Trustee of the Trust, notified the Cleveland Public Library in March of this year that Ms. Brody had passed away, and that the remainder of the Trust Estate would be distributed to the Cleveland Public Library and the Cleveland Heights-University Heights Public Library in equal shares. KeyBank also advised the Library that it intended to sell the residence and its contents, and requested that both remainder libraries waive any potential claims each might have to the proceeds of the residence or its contents upon its sale on the basis that it was Ms. Brody's intent that the residence and its proceeds should be transferred to the Jewish Foundation. The trust has about \$700,000 aside from the house which would be split between the two libraries.

KeyBank has presented the Library with a Waiver and Release relinquishing the Library's right to any portion of the proceeds of the residence and authorizing KeyBank to distribute the proceeds to the Jewish Foundation. This Waiver and Release requires this Board's approval.

Mr. Corrigan and Mr. Hairston recommended that staff perhaps contact the Jewish Foundation or Cleveland Heights-University Heights Public Library to find out who to acknowledge.

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

Mr. Corrigan announced that the Regular Board Meeting in May will be scheduled for Tuesday, May 13, 2014. He also stated that the Confucius Institute at Cleveland State University will be taking a delegation of educators to China in June. Mr. Corrigan will be a member of the delegation.

Ms. Rodriguez adjourned the meeting of the Finance Committee at 12:34 p.m.