

SHAKER HEIGHTS PUBLIC LIBRARY
Board of Trustees
Finance Committee Meeting
February 11, 2019

Attendance

Members Present: Mr. Cicarella, Ms. Garrett, Mr. Meinhard
Other Members Present: Mr. Gleisser
Staff Present: Ms. Brodar, Ms. Brown, Ms. Lamont, Ms. Maxey,
Ms. Ritchey, Ms. Switzer, Ms. Titas
Guest: Mr. Sudsina

Call to Order

Mr. Meinhard called the regular meeting of the Shaker Heights Public Library Board of Trustees Finance Committee to order at 6:32 p.m. in the Main Library Boardroom.

Roll Call: Mr. Cicarella, Ms. Garrett, Mr. Meinhard

Minutes

Mr. Cicarella moved and Mr. Meinhard seconded the motion to approve the January 14, 2019 Finance Committee minutes.

Roll Call: Ayes: Mr. Cicarella, Ms. Garrett, Mr. Meinhard

Nays: None. Motion carried.

Fiscal Officer's Report:

PLF Update

The January 2019 Public Library Fund (PLF) distribution is 1.88% less than the Ohio Department of Taxation estimate for the month. However, this month's distribution is 1.18% more than the January 2018 distribution.

The Library's distribution of \$123,488 is \$1,442 more than was received in 2018.

Overall, state revenues for the month of December were 2.0% below the estimate. The Office of Budget and Management (OBM) has attributed this to a timing issue with changes in the federal tax law. The fiscal year-to-date revenues are exceeding their estimates by about 1.1% or \$128.7 million.

Financial Statements

December 31, 2018

Due to the nature of the current accounting software, every account needs to be manually added to the board report. This report was originally created years ago and is very difficult to review for completeness. During the month of December, an expense account was added. This caused the encumbrances to be understated by \$1,500. All the expenses were recorded and posted to the appropriate accounts and the Fund Report was accurate. Ms. Ritchey asked for approval of the revised December financial statements.

Mr. Cicarella moved and Ms. Garrett seconded the motion and the committee recommended the revised December 31, 2018 financial statements to the full Board for approval.

January 31, 2019

During the month of January, the first advance of Property Tax revenue was received and the first month of PLF was received. The first half of the Homestead monies are not due until April. The Library has received 10.3% of the budgeted general fund revenues, with 8.33% of the year complete.

In January, 6.2% of the expenditures budget was spent. January expenses are typically below the average monthly expenditures due to the timing delay for closing the prior year and opening 2019. We should be on track for ordering and payments by the end of February.

General Fund through January 2019

Total 2019 Operating Revenue	\$ 642,997.50
Total 2019 Operating Expenditures	\$ 303,776.14

All Funds through January 2019

Beginning Year balance	\$ 2,703,452.98
2019 Receipts	\$ 647,643.86
2019 Expenditures	\$ 304,348.31
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Unexpended Balance	\$ 3,046,748.53
Encumbrances	\$ 1,228,187.38
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Unencumbered Balance	\$ 1,818,561.15

Mr. Cicarella moved and Mr. Meinhard seconded the motion and the committee recommended the January 31, 2019 financial statements to the full Board for approval.

Certificates of Participation

Before the Library can seek the administrative approvals required by the Main Library lease with the city, the Board needs to decide on the financing option it wants to pursue. It takes approximately two to three months after the Board

decides on the financing method to receive funds. In order to sign a contract with an architect and construction manager at risk the funds required to pay them must be available or in the process of being secured. The current timeline projects hiring an architect in April and a construction manager at risk in May. In order to have the funds required for that timeline, the Board needs to decide on the financing vehicle at the February meeting, with the other required approvals at the March board meeting.

After extensive discussion with bond counsel, the municipal advisor, and city staff, Ms. Ritchey and Ms. Switzer recommend using Certificates of Participation (COPs) to fund the Main Library renovation.

Mr. Meinhard noted that he recognizes COPs as the superior financing option because it allows the library to finance the entire renovation of both buildings, rather than needing to finance part of the project and delay and phase other aspects until enough cash is saved. Committee members agreed on the importance of avoiding an additional operating levy for as long as possible and using COPs supports that goal.

Ms. Garrett moved and Mr. Meinhard seconded the motion and the committee recommended using Certificates of Participation for Main Library renovation financing to the full Board for approval.

Announcements

None.

Adjournment

Since there was no further business to discuss, Mr. Cicarella moved and Ms. Garrett seconded a motion to adjourn the finance committee meeting at 7:40 p.m. and the committee unanimously agreed. The next Finance Committee meeting of the Shaker Heights Public Library Board of Trustees will be Monday, March 18, 2018 at 6:30 p.m. in the Main Library Boardroom.