

SHAKER HEIGHTS PUBLIC LIBRARY
Board of Trustees
Finance Committee Meeting
March 18, 2019

Attendance

Members Present: Mr. Cicarella, Ms. Garrett, Mr. Meinhard
Other Members Present: Mr. Gleisser
Staff Present: Ms. Brodar, Ms. Ritchey, Ms. Switzer, Ms. Titas
Guest: Mr. Prcela

Call to Order

Ms. Garrett called the regular meeting of the Shaker Heights Public Library Board of Trustees Finance Committee to order at 6:40 p.m. in the Main Library Boardroom.

Roll Call: Mr. Cicarella, Ms. Garrett

Minutes

Mr. Cicarella moved and Ms. Garrett seconded the motion to approve the February 11, 2019 Finance Committee minutes.

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

Nays: None. Motion carried.

Mr. Cicarella noted that the Board Bylaws give the Board President the authority to vote on Finance Committee issues.

Fiscal Officer's Report:

Renovation Financing

Michael Prcela of Sudsina & Associates presented an overview of the financing process for Certificates of Participation. This included the projected timeline and the roles and responsibilities of participants on the finance team.

Mr. Meinhard arrived at 7:33.

PLF Update

The February 2019 Public Library Fund (PLF) distribution is 2.24% less than the Ohio Department of Taxation estimates for the month. This month's distribution of \$148,463 was \$3,570 (-2.35%) less than the February 2018 distribution.

Financial Statements

During the month of February, the second advance of Property Tax revenue was received. The advances from the first half of the property taxes total approximately 48.8% of the budgeted property tax revenue. The miscellaneous general fund revenues are at 16.9% of the total budget with 16.67% of the year complete.

The general fund expenses are at 12.1% of the 16.67% for February. This is on track for general fund spending for the year.

General Fund through February 2019

Total 2019 Operating Revenue	\$ 2,305,927.40
Total 2019 Operating Expenditures	\$ 595,930.42

All Funds through February 2019

Beginning Year balance	\$ 2,703,452.98
2019 Receipts	\$ 2,310,827.42
2019 Expenditures	\$ 635,728.30
Unexpended Balance	\$ 4,378,552.10
Encumbrances	\$ 1,242,803.37
Unencumbered Balance	\$ 3,135,748.53

Ms. Garrett moved and Mr. Meinhard seconded the motion and the committee recommended the February 28, 2019 financial statements to the full Board for approval.

5-Year Financial Forecast

The 5-year forecast reflects the anticipated impact of the facility project. These figures are based on discussions with the municipal advisor about funds needed for payments on Certificates of Participation (COPs). The actual revenues and expenses relating to the COPs are included in the new Facility Fund.

2019 Final Appropriations

The 2019 Temporary Appropriation Budget approved in December 2018 included all anticipated operating expenditures for the year in the General Fund. However, the final Appropriation Budget includes a few changes to the operating budget presented in December:

- Purchased services were increased to account for the shared costs of the Forward Together project and some maintenance needs the new maintenance manager has identified.
- The supplies budget was increased for vehicle fuel and other parts.
- The "other" expenses indicate a slight increase to cover additional uniforms and a qualifying tuition reimbursement.

The Special Fund changes include the creation of a new special fund to track the Certificate of Participation proceeds and the related facility expenditures.

Mr. Cicarella moved and Mr. Meinhard seconded the motion and the committee recommended the revised 2019 Final Appropriations to the full Board for approval.

Accounting Software Update

Staff have been working with BS&A Software to plan migration to the new software. A planning meeting is scheduled for March 27th to clarify next steps and timelines. The anticipated go live will be the end of August or September.

Cleveland Foundation Endowment Fund Report

The purpose of the fund is to provide a perpetual source of stable support for the Library. The amount available for distribution in 2019 is \$29,509.91. As of December 31, 2018, the ending net assets of the fund are \$134,705.81. Mr. Cicarella asked Ms. Switzer to contact the Cleveland Foundation to get a more current fund balance to present at the regular Board meeting. In 2018 the fund received \$ 537.75 in donations and lost \$5,769.55 in investment income.

Health Insurance Update

The Library's health insurance provider is Anthem and the policy renews April 1, 2019. The premium increase presented was 5%, which was negotiated from an original renewal rate of 14%, but the final figures received were a 3% increase. Benefits for this plan year will end on December 31, 2019. The Library will convert its benefits to align with the calendar year beginning in January of 2020. The Library's dental premium did not increase for 2019.

Adjournment

Since there was no further business to discuss, Mr. Gleisser moved and Ms. Garrett seconded a motion to adjourn the finance committee meeting at 8:28 p.m. and the committee unanimously agreed. The next Finance Committee meeting of the Shaker Heights Public Library Board of Trustees will be Monday, April 8, 2019 at 6:30 p.m. in the Main Library Boardroom.