

SHAKER HEIGHTS PUBLIC LIBRARY
Board of Trustees
Regular Meeting
March 25, 2019

Attendance

Members Present: Mr. Bertsch, Mr. Cicarella, Ms. Garrett, Mr. Gleisser, Ms. Katz, Mr. Meinhard, Ms. Williams

Staff Present: Ms. Brodar, Ms. Ritchey, Ms. Switzer, Implementation Team

Mr. Gleisser called the regular meeting of the Shaker Heights Public Library Board of Trustees to order at 6:35 p.m. in the Main Library Room F.

Roll Call: Mr. Bertsch, Mr. Cicarella, Mr. Gleisser, Ms. Katz, Ms. Williams

Approval of Minutes

2019-15 Ms. Katz moved and Ms. Williams seconded the motion to approve the February 18, 2019 Regular Board Meeting Minutes.

Roll Call: Ayes: Mr. Bertsch, Mr. Cicarella, Mr. Gleisser, Ms. Katz, Ms. Williams

Nays: None. Motion carried.

Ms. Garrett arrived at 6:37.

Mr. Meinhard arrived 6:38.

Resolution of Appreciation for Carmella Williams

Mr. Gleisser presented Ms. Williams with a resolution of Commendation for her dedication to the Library Board of Trustees since April 9, 2012.

Resolution of Commendation

Whereas one of the greatest resources of the Library is the generous contribution of the Library Board's knowledge, skill, and leadership to chart the Library's course; and

Whereas Carmella Williams began her term on the Board of Trustees on April 9, 2012; and

Whereas Carmella Williams served as Board Secretary in 2013, and as Vice President in 2014, 2015 and 2016, and served on the Finance Committee in 2017 and 2018; and

Whereas during Carmella Williams's tenure on the Board, Shaker Library implemented Voice over IP, Self-Check-Out, and installation of a Drive-Up Book Drop at the Main Library; and

Whereas during Carmella Williams's tenure on the Board, Shaker Library participated in the Card for Every Kid library card campaign and increased children's access to the Library by implementing Three for Me and Three for Teens library cards; and

Whereas during Carmella Williams's tenure, Shaker Library hired its eighth Library Director in 2016 and a Business Manager/Fiscal Officer in 2016, developed a comprehensive policy development plan, a balanced scorecard strategic plan, conducted a facilities assessment and feasibility study, studied and recommended a Facilities Plan, and placed a 1.9 mil operating levy on the ballot; and

Whereas Carmella Williams worked diligently for the successful passage of the levy which increased Sunday hours at Main Library and generated funds to renovate both Library buildings; and

Whereas Carmella Williams has served the Shaker Heights Public Library most ably and in a variety of capacities and has unselfishly proffered her expertise for the benefit of the Shaker Library and the greater Shaker Heights community; now

Therefore, be it resolved that Carmella Williams receive the commendation, gratitude, and appreciation of the staff and Board of Trustees of the Shaker Heights Public Library for her seven years of service on the Shaker Heights Public Library Board of Trustees on this twenty-fifth day of March in the year two thousand nineteen.

2019-16 Ms. Katz moved and Ms. Garrett seconded the motion for a resolution of appreciation for Carmella Williams.

Roll Call: Ayes: Mr. Bertsch, Mr. Cicarella, Ms. Garrett, Mr. Gleisser, Ms. Katz, Mr. Meinhard, Ms. Williams

Nays: None. Motion carried

President's Report

Mr. Gleisser said the first Forward Together community event will be on Tuesday, March 26 at 7:00 p.m. and encouraged Board members to attend.

Fiscal Officer's Report

A. Renovation Update

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.

B. Five-Year Financial Projections

Ms. Ritchey reviewed the five-year financial projections.

C. Certificates of Participation: Resolution Approving and Authorizing a Ground Lease and Lease-Purchase Agreement

The Fiscal Officer advised the Board that the notice requirements of Section 121.22 of the Revised Code and the implementing rules adopted by the Board pursuant thereto were complied with for the meeting.

Ms. Katz moved the adoption of the following Resolution:

RESOLUTION NO. 2019-17

A resolution approving and authorizing a ground lease and lease-purchase agreement and related documents to enable the library to remodel, renovate, and otherwise improve, equip, and furnish the main library and its site, and purchase or otherwise acquire related personal property, and authorizing and approving other related matters.

WHEREAS, Section 3375.40(C) of the Revised Code provides that a board of library trustees may purchase, lease, construct, remodel, renovate, or otherwise improve, equip, and furnish buildings or parts of buildings and other real property, and purchase, lease, or otherwise acquire other personal property, necessary for the proper maintenance and operation of the free public library under its jurisdiction, and finance the costs thereof through a lease-purchase agreement; and

WHEREAS, pursuant to a Lease dated November 18, 1991, as amended (the City Lease), between the Shaker Heights Public Library, Ohio (the Library), and the City of Shaker Heights, Ohio (the City), the Library currently leases from the City its Main Library building located at 16500 Van Aken Boulevard in the City (the Main Library), for a term ending on August 29, 2053; and

WHEREAS, this Board has determined to remodel, renovate, and otherwise improve, equip, and furnish the Main Library and its site, and purchase or otherwise acquire related personal property, necessary for the proper maintenance and operation of the Main Library; and

WHEREAS, the City has heretofore consented in writing to (i) the Library's improvement of the Main Library as part of the above-referenced improvements and (ii) the Library subleasing (by ground lease) the Leased Premises (as defined in the City Lease) under the City Lease to the Ohio School Building Leasing Corporation, each as required by the City Lease and as described herein; and

WHEREAS, it will be necessary for this Board to enter into a ground lease, lease-purchase agreement and other agreements in order to finance the cost of the above-referenced improvements, all in accordance with the laws of the State, including, but not limited to, Section 3375.40 of the Revised Code;

NOW, THEREFORE, BE IT RESOLVED by the Board of Library Trustees of Shaker Heights Public Library, County of Cuyahoga, Ohio, that:

Section 1. Definitions. In addition to the words and terms defined in the recitals to this Resolution and in the Facilities Lease, the following words and terms shall have the following meanings unless the context or use clearly indicates another or different meaning or intent:

"Assignment" means the Assignment of Leases between the Corporation and the Trustee, assigning to the Trustee the Corporation's interests in the Ground Lease and the Facilities Lease.

"Base Rent" means the payments specified as Base Rent in the Facilities Lease.

"Board" means the Board of Library Trustees of the Library.

"Certificates" means the certificates of participation in the payments of Base Rent to be made by the Board under the Facilities Lease to be issued as one or more series under the Trust Agreement for the purpose of paying Project Costs, and which will constitute "fractionalized interests in public obligations", as defined in Section 133.01 of the Revised Code.

"Closing Date" means, as to the Certificates, the date of physical delivery of, and payment of the purchase price for, the Certificates.

"Code" means the Internal Revenue Code of 1986, as amended, the Treasury Regulations (whether temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of or successor provisions to the foregoing and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, reference to a section of the Code includes any applicable successor section or provision and applicable Treasury Regulations, rulings, announcements, notices, procedures and determinations pertinent to that section.

"Continuing Disclosure Agreement" means the agreement authorized by Section 4(d), as it may be modified from the form on file with the Fiscal Officer in accordance with Section 4(d), and which shall constitute the continuing disclosure agreement made by the Library for the benefit of holders and beneficial owners of the Certificates in accordance with the Rule.

"Corporation" means the Ohio School Building Leasing Corporation, an Ohio nonprofit corporation, and its successors and assigns.

"Executive Director" means the Executive Director of the Library.

"Facilities Lease" means the Lease-Purchase Agreement between the Lessor, as lessor, and the Board, as lessee, conveying a leasehold interest in the Leased Property, and under which the Board shall lease the Leased Property for an initial term and renewal terms that are subject to renewal upon appropriations being made by the Board of funds sufficient to pay the Base Rent due during each such term.

"Fiscal Officer" means the Fiscal Officer of the Library.

"Ground Lease" means the Ground Lease between the Board, as lessor, and the Lessor, as lessee, conveying a leasehold interest in the Project Site.

"Issuance Expense Fund" means the Shaker Heights Public Library Issuance Expense Fund – 2019, to be established in the custody of the Trustee under the Trust Agreement for the deposit, investment and application of that portion of the Certificates, if any, specified in the Purchase Agreement, and used to pay costs of issuing the Certificates.

"Leased Property" means collectively the Project Site and the Project Facilities.

"Lessor" means the Corporation and its successors and assigns as lessee under the Ground Lease and as lessor under the Facilities Lease, including the Trustee.

"Library" means the Shaker Heights Public Library, Ohio, including this Board.

"Municipal Advisor" means Sudsina & Associates, LLC.

"Original Purchaser" means Stifel, Nicolaus & Company, Incorporated, or such other purchaser or purchasers as are specified as the Original Purchaser in the Purchase Agreement.

"President" means the President of the Board or, in that person's absence, the Vice President of the Board.

"Project Costs" means the costs of the Project Facilities, including the interest component of Base Rent accruing during construction and costs of issuing the Certificates.

"Project Facilities" means the improvements to the Main Library and its site and related improvements to facilities for Library purposes as described in the Facilities Lease, together with any additions, modifications and substitutions thereto as permitted under the Facilities Lease.

"Project Fund" means the special fund to be established in the custody of the Library pursuant to the Lease for the deposit, investment and application of that portion of the proceeds of the Certificates specified in the Purchase Agreement, all in accordance with Sections 5705.09(E) and 5705.10 of the Revised Code.

"Project Site" means the Project Site as described in the Facilities Lease, being generally the site of the Main Library as the Leased Premises under the City Lease.

"Purchase Agreement" means the agreement among the Board, the Trustee and the Original Purchaser, authorized under this Resolution with respect to the purchase of the Certificates.

"Rule" means Rule 15c2-12 prescribed by the SEC pursuant to the Securities Exchange Act of 1934, as it may be amended and/or supplemented from time to time.

"SEC" means the Securities and Exchange Commission.

"Trust Agreement" means the Trust Agreement between the Corporation and the Trustee, pursuant to which the Corporation will assign to the Trustee the Corporation's interests in the Ground Lease and the Facilities Lease and will direct the Trustee to and the Trustee will issue and sell the Certificates, and proceeds of the sale of the Certificates will be made available to pay Project Costs.

"Trustee" means the bank or trust company at the time serving as Trustee under the Trust Agreement, initially The Huntington National Bank.

Section 2. Ground Lease, Facilities Lease and Trust Agreement. It is necessary, proper and in the best interest of the Library to authorize, and this Board does hereby authorize, the signing, delivery and sale of the Certificates on terms consistent with this Resolution to pay Project Costs. The Certificates shall be designated "Certificates of Participation, Evidencing the Proportionate Interests of the Owners Thereof in Base Rent to Be Paid by the Board of Library Trustees of the Shaker Heights Public Library, Ohio," or such other designation as is provided for in the Purchase Agreement. The President and the Fiscal Officer are authorized to sign and deliver the Ground Lease and the Facilities Lease and to signify approval of the Assignment and the Trust Agreement in substantially the forms as are now on file with this Board. Each of the Ground Lease, the Facilities Lease, the Assignment and the Trust Agreement is approved in substantially the form as is now on file with this Board, together with any changes or amendments that are not inconsistent with this Resolution and are not substantially adverse to the Library that are approved by the officers signing that document on behalf of this Board, all of which shall be conclusively evidenced by the signing of the Ground Lease and the Facilities Lease or amendments thereto and the signifying of approval of the Assignment and the Trust Agreement or amendments thereto by those officers. This Board's obligation to pay Base Rent during each term of the Facilities Lease shall constitute a "public obligation" as defined in Section 133.01 of the Revised Code.

Section 3. Leased Property. This Board hereby determines that the Leased Property and its use are essential to the Library including but not limited to its proper, efficient and economic operation and the welfare of its patrons.

Section 4. Determination of Facilities Lease Terms and Sale of the Certificates.

(a) Facilities Lease Terms. The Fiscal Officer is hereby authorized to determine, having due regard for the best interest of and financial advantages to the Library: (i) the schedule of Certificate Payments and the Base Rent payable under the Facilities Lease, provided, that: (A) neither the aggregate principal amount of the Certificates nor the aggregate principal components of Base Rent shall exceed \$10,700,000, (B) the final Lease Payment Date shall not be later than 30 years and (C) the aggregate true interest cost of the Certificates shall not exceed 6% per year, and (ii) the redemption terms, if any, for the Certificates and the corresponding prepayment provisions under the Facilities Lease; provided that the period during which no redemption and prepayment is permitted shall not be longer than 10½ years from the Closing Date and the redemption premium shall not exceed 2% of the principal amount redeemed.

The Library acknowledges that the aggregate principal component of the Base Rent shall be equal to the aggregate principal amount of the Certificates (net of any original issue discount) and shall be that amount that, together with other funds to be made available for the Project Costs, shall be sufficient to pay the Project Costs, including without limitation the cost of capitalized interest and providing any reserves that the Fiscal Officer determines are necessary and appropriate for the Certificates to be issued on the terms most favorable to the Library as the payor on the public obligations in which the Certificates constitute fractionalized interests, and the costs of issuance of the Certificates to be paid from the proceeds of the Certificates, including underwriter's discount, and which the Fiscal Officer determines are necessary and reasonable in light of the character of the Certificates. The Library further acknowledges that the Certificate Payments shall include interest payments that shall be based upon the interest components of the Base Rent. The Certificates may be issued in one or more series that may differ as to credit enhancement, priority of payment and other terms. The Base Rent to be payable during each lease term of the Facilities Lease shall be an amount sufficient to pay the Certificate Payments that are due and payable during that lease term, and such Base Rent shall be specified or determined in an exhibit to the Facilities Lease; provided, however, that the Library's obligation to pay Base Rent is subject to appropriation and certification as provided in the Facilities Lease and nothing in the Facilities Lease, the Certificates or the Trust Agreement shall constitute a debt of this Board or a pledge by this Board, or an obligation of this Board, of any taxes or other money to the payments due thereunder. All determinations required by this subsection (a) shall be confirmed by the Fiscal Officer by the signing of the Purchase Agreement.

(b) Purchase Agreement. The Fiscal Officer or, in the absence of the Fiscal Officer, the President or the Executive Director, is authorized to sign and deliver, in the name and on behalf of the Library, the Purchase Agreement providing for the sale of the Certificates, provided that the purchase price for the Certificates shall not be less than 97% of the aggregate principal amount thereof. The Purchase Agreement is approved in substantially the form as is now on file with this Board. The Purchase Agreement is approved, together with any changes or amendments that are not inconsistent with this Resolution and not substantially adverse to the Library and that are approved by the officer signing on behalf of the Library, all of which shall be conclusively evidenced by the signing of the Purchase Agreement by that officer.

(c) Primary Offering Disclosure. The President, the Executive Director and the Fiscal Officer are authorized and directed, on behalf of the Library and in their official capacities, to (i) prepare or cause to be prepared, and to make or authorize modifications, completions or changes of or supplements to, the disclosure document in connection with the original issuance of the Certificates, (ii) determine, and to certify or otherwise represent, when the disclosure document is to be "deemed final" (except for permitted omissions) by this Board as of its date or is a final "official statement" for purposes of the Rule, (iii) use and distribute, or authorize the use and distribution of, that disclosure document and any supplements thereto in connection with the original issuance of the Certificates, and (iv) complete and sign the disclosure document and any supplements thereto as so approved, together with such certificates, statements or other documents in connection with

the finality, accuracy and completeness of the disclosure document and any supplements as may in their judgment be necessary or appropriate.

(d) Agreement to Provide Continuing Disclosure. For the benefit of the holders and beneficial owners from time to time of the Certificates, the Library agrees to provide or cause to be provided such financial information and operating data, audited financial statements and notices of the occurrence of certain events, in such manner as may be required for purposes of the Rule. The President, the Executive Director and the Fiscal Officer are authorized and directed to complete, sign and deliver the Continuing Disclosure Agreement, in the name and on behalf of the Library, in substantially the form as is now on file with the Fiscal Officer. The Continuing Disclosure Agreement is approved, together with any changes or amendments that are not inconsistent with this resolution and not substantially adverse to the Library and that are approved by the President, the Fiscal Officer and the Executive Director on behalf of the Library, all of which shall be conclusively evidenced by the signing of the Continuing Disclosure Agreement.

The Fiscal Officer is further authorized and directed to review and, as necessary, revise and update the Library's procedures in order to ensure compliance by the Library with its Continuing Disclosure Agreement, including timely provision of information and notices as described above. Prior to making any filing required under the Rule, the Fiscal Officer shall consult with and obtain legal advice from, as appropriate, the bond counsel, disclosure counsel or other qualified independent special counsel selected by the Library. The Fiscal Officer, acting in the name and on behalf of the Library, shall be entitled to rely upon any such legal advice in determining whether a filing should be made. The performance by the Library of its Continuing Disclosure Agreement shall be subject to the annual appropriation of any funds that may be necessary to perform it.

(e) Application for Rating or Insurance; Financing Costs. If, in the judgment of the Fiscal Officer, the filing of an application for (i) a rating on the Certificates by one or more nationally-recognized rating services, (ii) a policy of insurance from a company or companies to better assure the payment of principal of and interest on all or a portion of the Certificates, or (iii) a surety bond or other credit enhancement facility from a company or other companies to satisfy all or a portion of any reserve requirement for the Certificates is in the best interest of and financially advantageous to this Library, the Fiscal Officer is authorized to prepare and submit those applications, to provide to each such agency or company such information as may be required for the purpose, and to provide further for the payment of the cost of obtaining each such rating or policy, except to the extent paid by the Original Purchaser in accordance with the Purchase Agreement, from the proceeds of the Certificates to the extent available and otherwise from any other funds lawfully available and that are appropriated or shall be appropriated for that purpose. The Fiscal Officer is hereby authorized, to the extent necessary or required, to enter into any commitments or agreements, in the name and on behalf of the Library that the Fiscal Officer determines to be necessary in connection with obtaining any such ratings or policy.

(f) Use of Proceeds of the Certificates. The proceeds received from the sale of the Certificates shall be paid into the Project Fund and, to the extent costs of issuance are not paid by the Original Purchaser in accordance with the Purchase Agreement, the Issuance Expense Fund, all as provided in the Trust Agreement.

Section 5. Other Instruments. The President, the Executive Director and the Fiscal Officer are each hereby authorized to take any and all other actions and to sign and deliver any and all other instruments, agreements, certificates and documents as may in their judgment be necessary, desirable, advisable or appropriate in connection with the signing and delivery of the Ground Lease and the Facilities Lease, the signing and delivery of the Certificates by the Trustee and the purchase of the Certificates by the Original Purchaser in order to give effect to the transactions contemplated to be performed on the part of the Library under the Ground Lease, the Facilities Lease and the Purchase Agreement.

Section 6. Tax Covenants. This Board covenants that it will use, and will restrict the use and investment of, the proceeds of the Certificates in such manner and to such extent as may be necessary so that (a) the Certificates will not (i) constitute private activity bonds or arbitrage bonds under Sections 141 or 148 of the Internal Revenue Code of 1986, as amended (the Code) or (ii) be treated other than as obligations to which Section 103 of the Code applies, (b) the interest on the Certificates will not be treated as item of tax preference for purposes of the federal alternative minimum tax, (c) the Library will take or cause to be taken such actions that may be required of it for the interest on the Certificates to be and to remain excluded from gross income for federal income tax purposes, (d) the Library will not take or authorize to be taken any actions that would adversely affect that exclusion, and (e) the Library, or persons acting for it, will, among other acts of compliance, (i) apply or cause the application of the proceeds of the Certificates to the governmental purpose of the borrowing, (ii) restrict the yield on investment property acquired with those proceeds, (iii) make timely and adequate payments to the federal government, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of those proceeds, and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code.

The Fiscal Officer, or any other officer of the Library having responsibility for issuance of the Certificates, is hereby authorized (a) to make or effect any election, selection, designation, choice, consent, approval, or waiver on behalf of the Library with respect to the Certificates as the Library is permitted to or required to make or give under the federal income tax laws, including, without limitation thereto, any of the elections available under Section 148 of the Code, for the purpose of assuring, enhancing or protecting favorable tax treatment or status of the Certificates or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments or penalties, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amounts or payments as determined by that officer, which action shall be in writing and signed by the officer, (b) to take any and all other actions, make or obtain calculations, make payments, and make or give reports, covenants and

certifications of and on behalf of the Library, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Certificates, and (c) to give one or more appropriate certificates of the Library, for inclusion in the transcript of proceedings for the Certificates, setting forth the reasonable expectations of the Library regarding the amount and use of all the proceeds of the Certificates, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on and the tax status of the Certificates. The Fiscal Officer is specifically authorized to designate the Certificates as "qualified tax-exempt obligations" if such designation is applicable and desirable, and to make any related necessary representations and covenants.

Section 7. Severability. Each section of this Resolution and each part of each section hereof is hereby declared to be independent, and the finding or holding of any section or part of any section hereof to be invalid or void shall not be deemed or held to affect the validity of any other section or part of any section of this Resolution.

Section 8. Retention of Bond Counsel and Disclosure Counsel. The legal services of Squire Patton Boggs (US) LLP, as bond counsel and disclosure counsel, are hereby retained. The legal services shall be in the nature of legal advice and recommendations as to the documents and the proceedings in connection with the issuance and sale of the Certificates, assisting the Library in preparing the disclosure document for the Certificates and the rendering of the necessary legal opinions upon the delivery of the Certificates. In rendering those legal services, as an independent contractor and in an attorney-client relationship, that firm shall not exercise any administrative discretion on behalf of the Library in the formulation of public policy, expenditure of public funds, enforcement of laws, rules and regulations of the State, the Library or any other political subdivision, or the execution of public trusts. That firm shall be paid just and reasonable compensation for those legal services and shall be reimbursed for the actual out-of-pocket expenses it incurs in rendering those legal services whether or not the Certificates are issued. The Fiscal Officer is authorized and directed, to the extent they are not paid by the Original Purchaser in accordance with the Purchase Agreement, to make appropriate certification as to the availability of funds for those fees and any reimbursement and to issue an appropriate order for their timely payment as written statements are submitted by that firm.

Retention of Municipal Advisor. The services of Sudsina & Associates, LLC, as municipal advisor, are hereby retained. The municipal advisory services shall be in the nature of financial advice and recommendations in connection with the issuance and sale of the Certificates. In rendering those municipal advisory services, as an independent contractor and in an attorney-client relationship, that firm shall not exercise any administrative discretion on behalf of the Library in the formulation of public policy, expenditure of public funds, enforcement of laws, rules and regulations of the State, the Library or any other political subdivision, or the execution of public trusts. That firm shall be paid just and reasonable compensation for those legal services and shall be reimbursed for the actual out-of-pocket expenses it incurs in rendering those legal services whether or not the Certificates are issued. The Fiscal

Officer is authorized and directed, to the extent they are not paid by the Original Purchaser in accordance with the Purchase Agreement, to make appropriate certification as to the availability of funds for those fees and any reimbursement and to issue an appropriate order for their timely payment as written statements are submitted by that firm.

Section 9. Compliance with Open Meeting Requirements. This Board finds and determines that all formal actions of this Board and of any of its committees concerning and relating to the adoption of this Resolution were taken, and that all deliberations of this Board and of any of its committees that resulted in those formal actions were held, in meetings open to the public in compliance with the law.

Section 10. Effective Date. This Resolution shall be in full force and effect immediately upon its adoption.

Ms. Garrett seconded the motion.

Roll Call: Ayes: Mr. Bertsch, Mr. Cicarella, Ms. Garrett, Mr. Gleisser, Ms. Katz, Mr. Meinhard, Ms. Williams

Nays: None. Motion carried

D. 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.

Ms. Switzer said that the Office of Budget and Management (OBM) is attributing the drop to changes in the federal tax overhaul. OBM is looking at all of the data as they begin forecasting for FY20 and FY21 for Governor DeWine's executive budget proposal.

E. Financial Statements - February 28, 2019

Ms. Ritchey reported that 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

2019-18 Mr. Meinhard moved and Ms. Williams seconded the motion to accept the February 28, 2019 financial statements as submitted.

Roll Call: Ayes: Mr. Bertsch, Mr. Cicarella, Ms. Garrett, Mr. Gleisser, Ms. Katz, Mr. Meinhard, Ms. Williams

Nays: None. Motion carried.

F. 2019 Final Appropriations

Ms. Ritchey reviewed the 2019 final appropriation budget. She noted that the budget includes creation of the new special fund for Certificate of Participation revenue and expenditures.

	2019 Appropriation
<u>General Fund</u>	
Revenue	\$6,201,551
Expenditures & Transfers	\$5,242,016
<u>Special Funds</u>	
Revenue & Transfers	\$10,734,460
Expenditures	\$1,184,825
<u>Total All Funds</u>	
Revenue & Transfers	\$16,936,011
Expenditures & Transfers	\$6,426,841

2019-19 Mr. Cicarella moved and Ms. Katz seconded the motion to accept the 2019 Final Appropriations as submitted.

Roll Call: Ayes: Mr. Bertsch, Mr. Cicarella, Ms. Garrett, Mr. Gleisser, Ms. Katz, Mr. Meinhard, Ms. Williams

Nays: None. Motion carried.

Director's Report

A. Written Report

Ms. Switzer reviewed her written report. Ms. Switzer said that the Library received nine statements of qualifications from architects in response to the Library's request for qualifications. Shortlisted architects will be interviewed on April 11. She anticipates the interview team recommending a firm to hire at the April 15 Board Meeting.

B. First Review of Policies: Confidentiality of Customer Records, Crisis Communication, Library Programs and Classes, Purchasing, Recording in the Workplace, Media Relations

Ms. Brodar reviewed the proposed policy changes. Mr. Cicarella asked for information on Ohio’s patron confidentiality law and how it relates to security video footage. Ms. Switzer said that most library records are public and have to be released upon request. However, in Ohio law, patron records are confidential and can only be released in certain circumstances. She said the Cuyahoga County Prosecutor’s Office has determined that video footage of customers qualifies as patron information.

C. Cleveland Foundation Endowment Fund Update

Ms. Switzer reported that as of December 31, 2018, the ending net assets of the fund are \$134,705.81. According to the Library’s donor advisor, as of March 20, 2019 the net assets are approximately \$141,846.35.

In 2018 the fund received \$537.75 in donations and lost \$5,769.55 in investment income.

D. 2019 Health Insurance Renewal

Ms. Switzer said that the Library’s health insurance provider is Anthem and the policy renews April 1, 2019. The premium increase is 3%, which was negotiated from an original renewal rate of 14%. The Library’s dental premium did not increase for 2019. 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.

E. Community Engagement Report

Ms. Switzer presented the written Community Engagement Report.

New Business

A. Gifts to be accepted and appropriated to the designated funds

General Fund (101-6510)	
Richelle Deacon	\$25
Phillip & Holly Glanville	\$25
Thomas & Mary Lysik	\$20
In memory of baby Dominic Tayek	
Nancy Huntsman - Women’s 12 Step Discussion Group	\$50
Frances Belman Fund (210-6110)	
Marilyn & Michael Gardner	\$25
In honor of Barbara Winicki	

2019-20 Mr. Bertsch moved and Ms. Williams seconded the motion to accept and appropriate the above gifts.

Roll Call: Ayes: Mr. Bertsch, Mr. Cicarella, Ms. Garrett, Mr. Gleisser, Ms. Katz, Mr. Meinhard, Ms. Williams

Nays: None. Motion carried.

B. Personnel Action

Hired:

Ward Howard, Security Officer, part-time, level 106, effective 2/8/19

Roy Taphous, Maintenance Manager, full-time, level 113, effective 2/25/19

Announcements

Mr. Gleisser encouraged the board to attend the Barbara Luton Art Competition Award Ceremony on March 31.

Adjournment

Since there was no further business to discuss, Ms. Williams moved and Ms. Katz seconded the motion to adjourn the regular board meeting at 8:05 p.m. and trustees unanimously agreed. The next regular meeting of the Shaker Heights Public Library Board of Trustees will be Monday, April 15, 2019 at 6:30 p.m. in the Bertram Woods Branch Dietz Community Room.

Brian Gleisser, President

Susan Ritchey, Fiscal Officer

Troy Meinhard, Secretary