

HARVEY PUBLIC LIBRARY DISTRICT

May 13, 2021

FINANCE MEETING MINUTES

REMOTE MEETING

The meeting began at 6:05pm

President Patterson-This is the Harvey Public Library District Finance Committee Meeting of the whole, Thursday, May 13, 2021. Posted May 11, 2021.

President Patterson asked Kim Peake to read the Call to Order.

Roll Call

Present: Trustee Ervin Mauzkie, Trustee Jerlene Harris, Treasurer JoAnn Nesbitt, Vice President Price and President Roberta Patterson.

Absent: Secretary Charwana Morgan and Trustee William Whitaker

Discussion of Bills and Charges

Trustee Harris stated that she noticed that the balance sheet was not computer generated. Debits and credits are added to the library statements. Charts of Accounts. She also stated that she did not see not one original bank statement in her packet.

President Patterson- said, "UI don't think, oh yes we did get statements from the last one. Is this a different system from what we're using Director Menzies?"

Director Menzies-No. I can speak to that. The balance sheet is a printout from QuickBooks. It is computer generated. We have a time lag from the financial institution and I've instructed the staff that we have to carry forward the information that we have on hand from the previous meeting until we have new information to move forward. So, we're still transitioning who the signers will be and who has access to that information. We've been dealing with snail mail for some time now. Because there was some urgency, we tried to include everything that we could. The Open Meetings Act requires that we cut it off somewhere and get you your packets. We're just not getting those statements through snail mail fast enough.

President Patterson asks "are we in the process of getting this changed so we're not getting snail mail?"

Director Menzies responds by saying, "Yes mam and in addition to that, I believe that after the organization of the board, will determine who will be the signers if there are any changes.

Trustee Harris asks Miller, Canfield, Paddock and Stone reviewed some information that was given to them regarding the federal tax lien. She hasn't seen any conclusion or any comments on what they learned from Attorney Jarad was also on the telephone and email with these attorneys. I didn't see anything in my packet to address what has happened with this federal lien of over \$98,000.00 to the district. With Senical, 8/26/2000 for \$450.00 that was also in the financial

statements that we paid. And another important one was the SWAN Library Service that dates back to December 30th, 2019 unpaid for the total amount of \$55,650.22. They strongly advise somebody who's supposed to be our financial advisor look into that. Also, the Bond Counselor and the financial advisor needs to look into the Regions Bank Bond. That was very important talking into \$416,581.07. They said, "a letter was sent to Ms. McBride and she never responded to the person who sent her a letter."

President Patterson responded to Trustee Harris's question about Miller, Canfield, Paddock and Stone federal tax lien by saying, "we're still waiting on information to be sent and collection on that and the attorney is waiting on some information that she might have already received from the director. We are still working on that. That's why an explanation was not included in the agenda and there's no completed information on it."

Trustee Harris stated that an update could have been done since they are asking for pay and a review and their emails and their correspondences together. If you want pay for services rendered, then there should have been sometime in the board packet for the board to look at.

President Patterson said, "I don't think the audit has been paid yet."

Trustee Harris responded by saying, "It should be paid now, It's part of the bill. Everybody wants to be paid. We asked for the documentation at the last board meeting and it wasn't in our package."

President Patterson said, "you're right! An update would have been nice."

Vice President Price stated that she had a question about the same invoice about the Miller, Canfield invoice. What was the discussion about the Segregation Order? What was that related to? That occurred in March with President Patterson and Antonia McBride.

President Patterson asked, "if it was a thirty minute conversation with me, Dee and Antonia?"

Vice President Price responded by saying, "and the vendor, Miller, Canfield."

President Patterson said, "that was during the course with Sandra. I really didn't have a conversation, I was online and available if they had any questions to ask me."

Vice President Price asked, "for the Segregation Order? That was March 19th. That would have been after the Sandra court hearing."

President Patterson asked what page are you looking at?

Vice President Price responded by saying, "it's the first page on the invoice. It's only two items on that invoices and I believe it's the first one."

President Patterson asked is it was under bills or finance?

Vice President Price responded by saying, "it's under bills."

President Patterson stated she didn't see it.

Vice President Price says, "it might be under finance information."

President Patterson asked if this was with Glen Weistein, Miller, Canfield, Paddock and Stone.

Vice President Price says that she was asking what was the conversation, what was discuss regarding the Segregation Order?

President Patterson says, “she doesn’t remember it being a Segregation Order. She’ll have to get back to you about this.”

Trustee Harris stated that the bond counsel and the financial advisor were highly recommended to deal with the regional bank questions, I think and before we have more problems of outstanding debt that they really need to look at that information that was not address last year in 2020. It’s in our packet. It’s under the bond. Money that’s due for \$416,981.07. We need the bond counsel and the financial advisor to start looking at this. This is really going to do something to the district.

Vice President Price asks Director Menzies if he has spoken to anyone regarding any of this what Trustee Harris is referring to as the calculation of there was a discrepancy in how it was calculated. Why is it coming up after the fact they are saying there was a discrepancy in the calculation that is generally based off of 10%. Do you have any insight or updates on that for the reserve?

Director Menzies answered by saying, “yes. I initiated a conversation with Regions who is the financial institution who finances the bond. How would we go about refinancing this bond. As I began to make this inquiry, they let me know about some emails and voice messages that have gone unresponded to. The reason I put this in your packet for your knowledge is because if the funds have not been secure through the bond levy, those funds will be subtracted from the operating levy/general fund and this should be in the financial picture. I don’t have the historical perspective of this bond, however, Elizabeth Lance, from Regions have been in correspondence with me through emails so I thought sharing this correspondence. It’s not an item tonight, but we have this tremendous shortfall that we have to be compensated out of the general fund it has to relate to us that we have to have bond counsel come to the table with a special meeting with the board to understand how the original board was develop and what are the perimeters behind how the tax intercept will work how this account is funded.

Vice President Price asks, “when you have those conversation, do you get an understanding because they are saying at the closing, the calculation wasn’t correct.

Director Menzies say’s, “he has one email they he sent and I started getting a flood of this information. I believe when she started talking about the closing, that service and I don’t know what time frame, I think she’s referring to some further information that she left with the previous director. If you notice on that page where she talks about the closing, a few references, a DSR Calculation spreadsheet of February 2020. This was a conversation that I was in, she’s just sharing with me the emails that she forward to the district prior. But going forward, I will absolutely be sharing everything that I receive from them.”

Trustee Harris asked again about the SWAN services. They say that we owe \$55,650.22. How much do we owe for back arrears for library services? The library really depend on SWAN services.

President Patterson responds by saying, “it looks like it wasn’t paid and they’re trying to make arrangements for us to pay it back.”

Trustee Harris says, “they did start. They had a list of how to pay the money back. But evidently are we saying that we didn’t honor the schedule that they gave the library to pay the money.

Director Menzies says, “this spreadsheet has a historical figure they carried down that’s dated December 30, 2019 and in the narrative in the first paragraph to Ms. McBride says that the unpaid balance of \$24,000 and I believe that the Director Aaron Skog of SWAN at RAILS may have been calculating going forward of what the future bills would entail. So we have been paying on schedule, however, the bills that were being paid in 2020 after speaking with Mr. Skog of SWAN at RAILS, he said, “that the bills that we were paying for 2020 were actually being applied to 2019 invoices. We thought we were paying, we were catching up but we were just paying at pace.” So this payment arrangement we had to pick back up to become current. And there will be ongoing updates about the accurate balance going forward. We wanted to make sure the board was aware of the outstanding and of course without SWAN, which is the system wide library network, we’re not able to have a catalog, we not be able to serve our public.

Trustee Harris said that she had another question that has not been answered regarding the Com Ed final notice for the outstanding bill.

Director Menzies answers by saying, “we do have a payment arrangement with Com Ed, however, if you recall, we had a rescheduled meeting that throughout the timing of the payment arrangements submission.”

President Patterson responds by saying, “that’s absolutely right.”

Director Menzies continues saying we had dialogue with Com Ed since then where we would present to the board whatever we see and then do our best to catch up. So there was a date missed where there was a payment arrangement payment.....

President Patterson responds again by saying, “I do remember that. There was a time when we made payments on a timely basis and we didn’t have a quorum, we also had our director resign and it threw us in a turmoil. We also didn’t have a person who could be a signer at the bank. So that delayed some things. Com Ed was included in this situation. Possibly, talk to them and let them know the problems we are having and we can get this retracted and back on schedule.

Director Menzies responds by saying, “yes ma’am.”

President Patterson asks if there were any other questions?

Vice President Price asked about Dearborn Life Insurance. Is that a new vendor?

Director Menzies responds by saying, “no ma’am.” It’s the employee life insurance if I’m not mistaken.

Vice President Price asks if this is paid monthly? Prior to this month?

President Patterson says, “that this was on last month’s bill.”

Director Menzies asked Kim Peake to speak on this.

Kim Peake answers by saying, “I was told through a representative named Bridgette from Blue Cross Blue Shield that they were no longer in charge of it and we have to get information from

someone at the city of Harvey. I contacted, I don't know the lady's name and she never responded to my calls so I don't know the status of any of this right now.

Vice President Price asked if this was the first time we had this vendor on the bill list?

President Patterson says again, "that this was on last month's bill."

Kim Peake responds by saying, correct.

Vice President Price asked correct to what?

Kim Peake responds by saying, "it was on last month's bill. We've been with them since we've been with Blue Cross Blue Shield. Dearborn Life.

Vice President Price asked because we had the one price. That was another questions with the Blue Cross Blue Shield invoice, we just have it for the billing period of May. Kim is the only employee covered? Is that right?

Kim Peake responds by saying, that is correct.

Vice President Price asked the other months are for which employees?

Kim Peake responds by saying, the other employees were Antonia before she resigned. All of the information that you receive this month is current.

Vice President Price states that Trustee Morgan asking last month about there was a discrepancy about who we approve to have insurance and she mentioned that there was Desiree and another employee was covered.

Kim Peake states that Desiree, Mr. Crudup and myself are the only ones who's covered right now for life insurance. Director Menzies will be covered later. As far as Health Insurance, I'm the only one who's covered.

President Patterson asks if there were any other questions? If not, we can go to Audience Questions.

No one responds.

President Patterson asks Kim Peake and Director Menzies if there were any other Audience Participation questions?

Director Menzies says that he sees a comment from Monique Williams in the chat but I don't have any emails at this time from the audience.

President Patterson asks if she would be considered an Audience Member?

Director Menzies responds by saying, "she will be until she is sworn in."

President Patterson says that we can hear her comment.

Monique Williams says "she doesn't know if her comment was appropriate because it was speaking to the last month's meeting in which I was also an Audience Member. I remember the conversation about there being two additional employees on the Blue Cross Blue Shield that the board was unaware of which lead into another conversation about employment and contract. Who has that authority? That's why it wasn't clear if it was appropriate to ask.

President Patterson says right now you are an Audience Member, not a Trustee yet. If you want to make a comment, you're perfectly able to do so.

Monique Williams says, "well my comment is I do remember this conversation regarding the from last month during the finance committee meeting."

President Patterson asks if her comment was answered?

Monique Williams says it was simply a comment.

ADJOURNMENT

President Patterson asks if there were no other questions, could someone (the trustees) to make a motion to adjourn the Finance Meeting..

Motion to adjourn the meeting: Trustee Ervin

Second: Vice President Price

ROLL CALL VOTE

Ayes: Trustee Ervin, Trustee Jerlene Harris, Treasurer JoAnn Nesbitt, Vice President Tamika Price, President Patterson

Nays: None

Absent: Secretary Morgan and Trustee William Whitaker

Meeting adjourned at 6:33pm.