

Pontiac Public Library Board of Trustees Meeting  
Pontiac Public Library, 60 East Pike Street, Pontiac, MI 48342  
Board Meeting- June 14, 2017  
6:53 P.M.

The meeting was called to order by Chairperson, Rosie Richardson. Roll Call: Allen, absent; Duvall, present; Jenkins, present; Jones, present; Waterman, present; Richardson, present. A quorum was present.

#### APPROVAL OF AGENDA

The board reviewed the meeting agenda.

Trustee Duvall suggested an additional action item to the agenda to have a motion to adjust the budget to change the wording to clearly reflect that the general fund is being allocated towards capital improvements and will reflect a balanced budget.

Trustee Waterman suggested additional items to add to the agenda. The procurement policy of the board should be discussed after the library staff presentations and the staff grievances towards the board under old business.

Trustee Jones proposed an additional motion to the action items that the board should take some of the restricted 1 million amount and free it up for use to cover the shortfall in the budget.

*A motion was made to approve the agenda with the suggested additions; Motion, Trustee Duvall, seconded, Trustee Waterman. Roll Call; Duvall, yes; Jones, yes; Waterman, yes; Richardson, yes; Jenkins, yes; Motion carried.*

#### PUBLIC COMMENTS

No public comments were made

#### APPROVAL of MINUTES

The chairperson requested approval for the April 2017 minutes.

*A motion was made to approve the April 2017 minutes; Motion, Trustee Duvall, seconded, Trustee Jones. Discussion; Trustee Waterman mentioned that the minutes reflected the Chairperson asking for a suspension of bylaws and that this is not proper procedure. Chairperson Richardson responded that she discussed the matter with an attorney and was advised that it was a legal maneuver. Roll Call; Duvall, yes; Jones, yes; Waterman, yes; Richardson, yes; Jenkins, no; Motion carried.*

#### SPECIAL PRESENTATION: LIBRARY STAFF

The Director shared a "Thank You" note with the board written by Roberta Jones.

#### FINANCIAL REPORT

Mr. Harden, the library's accountant, provided a year to date report through the month of May for the profit and loss, budget vs. actual report. The library has an unfavorable variance in revenue of \$135,036 which is largely due to penal fines which haven't been received yet and state aid which comes after year end. The library has a favorable variance in expenses of \$7,130. The net income loss for the period reflects an unfavorable \$127,905.74, but this is largely due to a fiscal shortfall which should be addressed.

The balance sheet shows a total amount in checking and saving of \$1,086,596.50. There are total assets of \$1,432,023.36 and of that the amount in the investment account totals \$967,647.98. Our total liabilities are \$353.46. There is a restricted amount of net assets totaling 1 million dollars and an unrestricted amount of net assets totaling \$205,144.51. The total equity is \$1,041,669.90, so the total equity and liabilities is \$1,432,023.36.

#### TREASURER'S REPORT

Treasurer Duvall reported that the beginning balance in the general account was \$626,000 and the ending balance on April 30 was \$557,000 and the balance to date was \$486,000 as of May 24<sup>th</sup>, 2017. The investment balance as of May 24<sup>th</sup>, 2017 was an additional \$534,000.

#### DIRECTOR'S REPORT

Director, Devan Green, discussed her research on procurement policies and wanted it noted that you should have 3 bids for purchases over \$10,000 dollars. She also discussed new hires, Darineka and Malcolm, two library assistants who filled the vacated positions for the Circulation and Youth departments and Melissa, an on call library assistant who will fill in for employees when they are on vacation or absent. She also requested the approval of purchases on computers for the Teen department and the computer lab which will have three year warranties.

#### CHAIRPERSON'S REPORT

Chairperson, Rosie Richardson, discussed the doll collection provided by Maddie Hatchett, that the board should be mindful of how many grants the library applies for, suggested getting a list of volunteers for movie and jazz nights, that the pancake pavilion is open for breakfast and lunch fundraisers, and that the Oakland Township Community Garden provided flowers and plants to the library.

#### ACTION ITEMS

*A motion was made so the budget presentation show the deficit being covered by the unrestricted fund balance in the amount of \$223,751.24; Motion, Trustee Duvall, seconded, Trustee Jones; Discussion; Trustee Waterman asked how much money was currently in the unrestricted fund balance and Trustee Jones responded that there is currently \$205,144.51. Trustee Waterman said that there isn't enough in the unrestricted fund balance and Trustee Jones responded that he had made an amendment earlier to use some of the restricted fund balance. Trustee Jones suggested taking \$300,000 out of the restricted fund which was set aside for capital improvements. A motion was made to recede and amend the current motion to reflect the amount being \$300,000 taken from the restricted fund vs. the \$223,751.24 in the unrestricted fund that was originally stated; Motion, Trustee Duvall, seconded Trustee Jones; Roll Call; Duvall, yes; Jones, yes; Waterman, Trustee Waterman didn't cast a vote; she added discussion and*

*mentioned that a motion had to be made to take money from the restricted fund and move it to the unrestricted one first. Trustee Duvall rescinded her motion; Motion rescinded.*

*A motion was made to take \$300,000 from the restricted fund and make it unrestricted in order to use it for capital improvements; Motion Trustee Jones, seconded Trustee Duvall; Roll Call; Duvall, yes; Jones, yes; Richardson, yes; Waterman, yes; Jenkins, no; Motion carried.*

*A motion was made adjust the budget by adding the \$300,000 amount which is not unrestricted to be used for capital improvements; Motion Trustee Duvall, seconded Trustee Jones; Roll Call; Duvall, yes; Jones, yes; Waterman, no; Richardson, yes; Jenkins, no; Motion carried.*

*A motion was made to use \$50,000 from capital improvement funds to reduce the loan and provide a down payment for the cooling system; Motion Trustee Duvall, seconded Trustee Jones; Discussion; Trustee Waterman asked if this additional amount was being taken from the restricted fund and it was clarified that it wasn't that this is utilizing the money already in the fund. Trustee Jones asked if the board needed to vote since the money was already in the fund and was told that they do because the amount is over \$10,000. Trustee Waterman noted that the board didn't have a bidding process, but rather suspended the bylaws to approve the contract with Lizut. Trustee Jenkins stated that she didn't support the way that the board didn't follow a bidding process and conferred with the Michigan Library Association and was advised that it wasn't proper for the board to suspend their bylaws for this matter. Chairperson Richardson asked if the board wanted to have a motion to perform the bidding process for the cooling system. Trustee Duvall argued that the current process would already take until August to recover air and that changing things now would require even more time; Roll Call; Duvall, yes; Jones, yes; Waterman, yes; Richardson, yes; Jenkins, no; Motion carried.*

*A motion was made to suspend the bylaw policy to submit and use approved application for a five-year loan lease purchase for the cooling system; Motion Trustee Duvall, seconded, Trustee Jones; Discussion; Trustee Waterman asked about the agreement and wanted to know why the board had to suspend the bylaws to approve this and it was clarified that the board had to because the amount is over \$10,000. The motion was rescinded to change the wording so that each motion wouldn't reflect a statement that the board was suspending the bylaws; Motion rescinded.*

*A motion was made to use the approved application for a five-year loan on the leasing and cooling system; Motion, Trustee Duvall, seconded Trustee Duvall; Roll Call; Duvall, yes; Jones, yes; Richardson, yes; Waterman, yes; Jenkins, no; Motion carried.*

*A motion was made to allow phase two of the HVAC contract to be used with Lizut to install the cooling system with maintenance agreement for approximately \$188,000 or less; Motion; Trustee Duvall, seconded, Trustee Jones; Roll Call; Duvall, yes; Jones, yes; Richardson, yes; Waterman, yes; Jenkins, no; Motion carried.*

*A motion was made to pay the corrected payout for 2016 to the appropriate full-time employees; Motion Trustee Jones, seconded Trustee Duvall; Discussion; Trustee Waterman wanted to know what the amount for the payout was. Director, Devan Green gave the amount for the payout at \$3,591.50. Trustee Jenkins left the meeting for personal reasons. The motion was amended by Trustee Waterman to pay the corrected payout for 2016 to the appropriate full-time employees for the amount of \$3,591.50; Roll Call; Jones, yes; Richardson, yes; Waterman, yes; Duvall, yes; Motion carried.*

*A motion was made to use \$20,000 from Investment returns for specific Capital Improvements as was discussed; Motion Trustee Duvall; the motion was rescinded.*

*A motion was made to use \$26,000 from the unrestricted fund for the Capital Improvements fund; Motion, Trustee Waterman, seconded, Trustee Duvall; Roll Call; Duvall, yes; Jones, yes; Richardson, yes; Waterman, yes; Motion carried.*

#### OLD BUSINESS

Trustee Waterman discussed the procurement policy and noted that the library doesn't have a specific policy written out and previously used the city's policy. She suggested creating a written out policy for the library policies and procedures. Chairperson Richardson suggested tabling the matter until the next meeting.

Trustee Waterman addressed the grievances brought before the board by the staff and said that she felt they required more discussion. She felt it is the board's responsibility to respond to the grievances, rather than directing them to an attorney. She asked that a letter be drafted by herself and Trustee Duvall to address the staff which would be shared with the rest of the board.

*A motion was made to draft a letter on behalf of the board to the library staff who submitted grievances; Motion Trustee Waterman, seconded Trustee Duvall; Discussion; Trustee Jones felt that a face to face address to the staff would be more appropriate and professional; Roll Call; Duvall, yes; Jones, yes; Waterman, yes; Richardson, abstain; Motion carried.*

#### NEW BUSINESS

Trustee Waterman discussed that some of the senior centers requested a borrowing library and wanted to bring the recommendation before the board.

#### BOARD COMMENTS

Trustee Jones stated that the board needed to find ways to improve the budget to have less expenditures and asked if the rationale for the budget could be given and if more descriptions could be provided. Trustee Jones also stated support for providing a borrowing library to the seniors.

Trustee Duvall requested a motion be made as soon as possible for the borrowing library to our senior centers. She also talked about a grant writing class which could be taken for assistance.

*The meeting was adjourned.*

Submitted,

June 21, 2017

Joshua Campeau, Library Assistant, Administration  
Pontiac Public Library