



## ANTIOCH PUBLIC LIBRARY DISTRICT BOARD OF TRUSTEES MINUTES

**I. The regular meeting of the Board of Library Trustees of the Antioch Public Library District was called to order by President Thomas Hausman Tuesday, January 26, 2021 at 7:01 p.m. in the Eide Room at the Library and via Zoom virtual platform.**

**Present:**

- **Library Board Members: James Santi (Zoom), Becky Masik (Zoom), Peter Mazzetta (Zoom), Ann Kakacek (Zoom) and Thomas Hausman (Eide Room)**
- **Library Staff Members: Jennifer Drinka (Eide Room), Kathy Deaner (Zoom), Amy Blue (Zoom), Becky Jacobson (Zoom), Sam Langford (Eide Room), Suzanne Jones (Zoom), Carla Roinas (Eide Room), and Kim Zupkoff (Zoom)**
- **Citizens: Chad Holbrook (Zoom), Scott & Angie Zalatoris (Eide Room), Rick McCarthy (Zoom), Pat Callahan (Zoom), Ryan LeFave (Zoom), Bob Vail (Zoom), Kyle Harding (Zoom), Kathy Naughton (Zoom), Courtney Kotloski (Zoom), Chris Riter (Zoom), and Aldo Jimenez (Zoom)**

**James Santi moved and Peter Mazzetta seconded a motion to suspend the agenda and move to item IX. Unfinished Business, action C – Thank Outgoing Board Member Scott Zalatoris. On a roll call vote: James Santi, aye; Becky Masik, aye; Peter Mazzetta, aye; Ann Kakacek, aye; and Thomas Hausman, aye.**

**Thomas asked Scott Zalatoris to walk over. Tom said it has been a great privilege to have worked with you for almost two years, you served as our Treasurer and you served on a number of committees and without your help and without the help of Angie Zalatoris, we might not have passed the referendum. Therefore, we are eternally grateful for that. Tom presented Scott with a special gift from the Board for his service. Scott thanked the Board and left the meeting at 7:07pm.**

**Becky Masik moved and Ann Kakacek seconded a motion to suspend the agenda and move to item IX. Unfinished Business, action A – Project Delivery Options: Construction Manager or Design, Bid, Build with Owner’s Representative. On a roll call vote: James Santi, aye; Becky Masik, aye; Peter Mazzetta, aye; Ann Kakacek, aye; and Thomas Hausman, aye.**

**Thomas Hausman asked the Chairperson of the Committee, Becky Masik to explain the Project Delivery Options. Becky Masik said over the past month, we have had several committee meetings to try to figure out what the best option for the Library would be in terms of project delivery. Our two main options are the Construction Manager or ‘Design, Bid, Build with an Owner’s Representative’. ‘Design, Bid, Build’ is when you would get one single bid for the entire building from a general contractor and then we would have an Owner’s Representative that would be the liaison between the Library and the general contractor to help facilitate things. The Construction Manager option would be where we hire a Construction Manager and the Construction Manager bids out all of the jobs separately. There are a lot of pros and cons to both. Pat, Ryan, and Rick from Studio GC are all here to answer questions. After several meetings and lengthy deliberations, it is the opinion and the recommendation of the Committee that the ‘Design, Bid, Build with Owner’s Representative’ option would be the best fit for the Library. Either would be fine, however, the unanimous consensus of the Committee was that ‘Design, Bid, Build with Owner’s Representative’ was the best option. The Board concurred with the Committee’s recommendation. Tom asked if anyone from Studio GC had any comment. They did not. Becky Masik moved that we choose ‘Design, Bid, Build with Owner’s Representative’ as the project delivery option for the Library Renovation and Expansion project and Ann Kakacek seconded the motion. On a roll call vote: James Santi, aye; Peter Mazzetta, aye; Ann Kakacek, aye; Becky Masik, aye; and Thomas Hausman, aye. Rick McCarthy from Studio GC stated they would come up with a successful project and will prepare the request for proposal for Owner’s Representatives. Rick will get that to Jennifer within a few days. Studio GC will work to get the documentation ready to send out to prospective partners. It will be after that process that the Board or the Committee will have an opportunity to interact with those individuals or companies. Studio GC thanked Tom Hausman for moving them up on the agenda and they left the meeting at 7:16pm.**

Before resuming the agenda, Tom Hausman asked everyone to introduce himself or herself in order for their names to be recorded in the Minutes by Kathy Deaner.

#### **I. Secretary's Report/Approval of Minutes of Last Meeting**

James Santi moved and Peter Mazzetta seconded a motion to approve the December 2020 Minutes of the Antioch Public Library District Board of Trustees Meeting. Thomas Hausman asked for a roll call vote: Ann Kakacek, aye; Becky Masik, aye; Peter Mazzetta, aye; James Santi, aye; and Thomas Hausman, aye.

Becky Masik moved and Ann Kakacek seconded a motion to approve the December 8, 2020 Renovation & Expansion Committee Minutes. Thomas Hausman asked for a roll call vote: James Santi, aye; Peter Mazzetta, aye; Ann Kakacek, aye; Becky Masik, aye; and Thomas Hausman, aye.

#### **III. Approval of Bills and Payroll**

Peter Mazzetta moved and James Santi seconded a motion to approve the bills and payroll for the month of January 2021. On a roll call vote: James Santi, aye; Becky Masik, aye; Ann Kakacek, aye; Peter Mazzetta, aye; and Thomas Hausman aye.

#### **IV. Treasurer's Report**

Peter Mazzetta stated there was \$1,734,591.28 in our four bank accounts at the end of business today. On January 14, we received a property tax disbursement from the county for \$24,260.95.

#### **V. President's Comments**

Thomas Hausman thanked everybody with this topsy turvy thing we've just gone through and everything that we still have to do to get this ball rolling. Tom said one big decision was made tonight, and he thanked everyone for supporting that. Next we have the approval of the bonding agency. Tom told the Board instead of having a holiday party for our staff and Board members, because of Covid and not being able to celebrate together, a decision was made to give special gift cards to staff to Piggly Wiggly. Tom wanted the Board to know what was done instead of throwing the annual holiday party.

The Board concurred it was a good way to show appreciation to the staff. Tom announced March 3 at 7pm would be Meet the Candidates night at the Library. Anyone who is running for the Board will have a chance to speak to the public before they vote. Tom commented the Library puts out a newsletter four times a year and he would like Board members to write a column/letter periodically in the newsletter. Tom stated he would kick it off by writing a column for the 'March, April, May' newsletter and would like Becky Masik to follow for the 'June, July and August' newsletter. We will decide later which other Board members would write letters as part of the newsletters. This way, the public gets to know the Board of Trustees by hearing directly from them. Tom said he hopes the Board agrees. The Board concurred and thought it was a good idea. Tom also reported Scott Zalatoris and his wife, Angie, presented the Library with a donation for one thousand dollars to have the name of Scott's mother, Margaret Zalatoris, placed on our Giving Tree in the lobby of the Library. It is a welcome gift and a very nice gesture and Tom wishes to publicly thank Scott and Angie Zalatoris for doing this. Tom stated on a personal note he and his wife were getting their Covid vaccinations next week.

## **VI. Notices and Communications**

### **A. 2021 Legal Calendar**

Jennifer Drinka stated the 2021 Legal Calendar for Library Districts was in everyone's Board packet.

### **B. *The Dog's Ear* staff e-newsletter**

Tom Hausman stated the latest edition of *The Dog's Ear* staff e-newsletter was also in everyone's Board packet and encouraged everyone to read it at his or her leisure.

### **C. Holiday Thank You card from Sally Rodgers**

Tom Hausman read a holiday thank you card from Sally Rodgers to all staff and volunteers.

Tom also read a thank you card from Circulation Assistant Marie Fischer for the staff holiday gift card.

Jennifer Drinka reported the Library made national news and was mentioned in the American Library Association's newsletter after the referendum passed. We were the only library listed that won in the November general election for public libraries.

## VII. Library Director's Report

### A. Overview of Reports

#### i. Overdue Fines

Jennifer Drinka said ever since the pandemic started we have been waiving overdue fines. She said the management team has been discussing if we want to start reinstating the fees. Jennifer put before the Board her thought, which is something the Board had been previously talking about; since the referendum passed and the Library is finished paying off the bonds, we can absorb the approximate \$25K a year in overdue fees and would like to continue to be fines free. Jennifer said she would bring it to the Board's Budget Committee; however, in the meantime, she would not want to reinstate fines right now and asked the Board to start thinking about it. Jennifer thanked Amy Blue for filling in for her for the last month while she was out on medical leave. She did a tremendous job. Jennifer also reported the Library received about \$24K in monies from the CARES Act grant. This was possible from work Kathy Deaner and Suzanne Jones did gathering and reporting the required information requested by Lake County. Jennifer congratulated both. Jennifer said the Library's plan for now is to stay open for patrons from 1 – 5pm for the near future. Right now, we are one of the only libraries in the County open at all. We have people that really appreciate us being open. We still have staff who work some hours from home and in the building, which allows us to spread out a little bit more and be a little bit safer. Jennifer reported, even being open forty one percent of our regular hours, our physical items circulate, and the digital materials are at seventy two percent of normal. Reference questions that we have been answering are only down 18 percent. We are working gangbusters answering questions and helping people in person and on the phone. The number of pages that people have come in to print are up seven percent. We have been waiving the fee for printing, because of Covid, but we are planning to go back to charging because we have had people printing some lengthy documents. Jennifer said our staff is just amazing and she really appreciates everything that the staff and the Board do to support all of us. She is proud to be a part of it and glad to be back. James Santi asked if we have any numbers/reports on how much

reciprocal borrowing we have. Jennifer responded we have data in order to get the information.

**B. Personnel Changes**

**i. Suzanne Jones (15 year award)**

**Thomas Hausman thanked Suzanne Jones, Business Associate, for 15 years of outstanding service. Suzanne was joining the meeting via Zoom so Jennifer Drinka will present Suzanne with a Certificate of Appreciation for 15 years of service along with a check for \$150.00 when they meet next at the Library. Kathy Deaner reminded the Board the Board packets they receive prior to the Board meetings are emailed by Suzanne. Suzanne also assists with the annual audit.**

**ii. Carla Roinas (15 year award)**

**Thomas Hausman thanked Carla Roinas, Circulation Assistant, for 15 years of outstanding service. Carla attending the Board meeting in person so Tom presented Carla with a check for \$150.00 for her service. Both Certificates of Appreciation needed one additional Board member's signature then Jennifer will present the certificates to Carla and Suzanne.**

**iii. Janes Connors-Geddes, Adult Services Program Coordinator retirement**

**Jennifer reported, Jane Connors-Geddes, our Adult Services Program Coordinator has retired.**

**iv. Todd Williams, Adult Services Technology Instructor resignation**

**Jennifer said, Todd Williams, our Adult Services Technology Instructor, had his last day yesterday and Samantha Hall, Page, will be leaving. She is currently thinking about these positions and what to do. Right now, they will be left open.**

## **VIII. Public Comment**

### **A. Board Corner**

**James Santi – No comments**

**Peter Mazzetta – No new comments. One thing he forgot to mention during the Treasurer's report is that on Tuesday of this upcoming week, Jennifer and Peter will be meeting with a personal banker at State Bank of the Lakes to get a new deposit account set up for the bond revenue that will be coming in.**

**Becky Masik – No comments**

**Ann Kakacek – She is impressed with this meeting and the agenda.**

### **B. Citizens' Comments**

**Courtney Kotloski – She is excited to learn a lot and contribute her skill sets and to get to know what is happening at the library a little bit better. She is grateful that she was part of the committee to make the referendum happen and really grateful to Jennifer and all for reaching out to her. So very excited for what is ahead.**

**Chris Riter - Looks forward to meeting everybody and discussing how he can be of service to the district going forward.**

**Aldo Jimenez - Really appreciates the transparency. Learning a few things he was not aware of. He lives right down the street and was not aware that other libraries really may not be as accessible. Aldo said he really appreciates the work that the Library does and the information that is provided without hesitation. He looks forward to continuing understanding the progress of the renovation and being a part of it.**

**Chad Holbrook - Happy to be here and listen to what's going on and interested in the project more to get more information as we move forward and see how his company might be of assistance in some way. Also, from a personal standpoint, just to see the community continue to get better and improve a place that that his family comes to quite frequently.**

**C. Staff Comments**

No staff comments.

**D. Friends' Report**

Nothing to report from the Friends.

**IX. Unfinished Business**

**A. Project Delivery Options: Construction Manager or Design, Bid, Build with Owner's Representative**

This was moved to earlier in the meeting.

**B. Schedule next Renovation & Expansion Committee**

The next Renovation & Expansion Committee has been scheduled for Thursday, February 11 at 7pm. Tom Hausman stated being the chair of this committee is very important. Tom asked to go on record for everyone to know, especially at this regular meeting, that Becky Masik has done an outstanding job and she has taken a lot of the load off a lot of the other Trustees by handling this job. He thanked Becky again for being the chairperson.

**C. Thank Outgoing Board Member Scott Zalatoris**

This was moved to the beginning of the meeting

**X. New Business**

**A. Ordinance 21-1: An ordinance providing for the issue of not to exceed \$9,600,000 General Obligation Bonds of the District for the purpose of repairing, improving, remodeling and expanding the existing Antioch Public Library District building and furnishing necessary equipment and acquiring electronic data storage and retrieval facilities in connection therewith, providing for the levy of a direct annual tax sufficient to pay the principal and interest on the bonds and authorizing the sale of the bonds to Bernardi Securities,**



**Inc.**

**Becky Masik moved to pass Ordinance 21-1, which reads an ordinance providing for the issue of not to exceed \$9,600,000 General Obligation Bonds of the District for the purpose of repairing, improving, remodeling and expanding the existing Antioch Public Library District building and furnishing necessary equipment, and acquiring electronic data storage and retrieval facilities in connection therewith, providing for the levy of a direct annual tax sufficient to pay the principal and interest on the bonds and authorizing the sale of the bonds to Bernardi Securities Inc. Ann Kakacek seconded the motion.**

**Jennifer Drinka introduced Bob Vail of Bernardi Securities, Inc. to address the purpose of the Ordinance. Bob Vail said he wanted to briefly discuss the purpose of the Ordinance, as well as give a quick update on timing and the financing information in regards to the bond issue and then he would turn it over to Kyle Harding of Chapman & Cutler. The bond issue that was approved by referendum and the parameters in this Ordinance set forth the security of the bonds payable from the property tax levy as approved by the voters, the parameters of not to exceed \$9,600,000 for the bond issue, a 20 year length of amortization period. A 20-year term and then other parameters in regards to the interest rate not being over five percent as a maximum principal and every year not being over seven hundred thousand. Then the total levy on an annual basis, not over seven hundred and fifty thousand where we are at today as well underneath those parameters. Currently, we are looking at about no more than \$600,000 per year in principal, an interest rate of about two point one percent to actually come down about five basis points since about two weeks ago when he was in front of the Renovation & Expansion Committee and then the annual debt service annual payment, we are maxing out at approximately \$620,000. All those numbers are well below what we looked at back in August. We are getting towards the finish line in regards to the timing of the bond issue where we are at currently. Bernardi Securities has set the rating call for next week Thursday. The District officials and Bob Vail will get together with Standard and Poor's, go through the rating process next, and get the rating back by February 11. Finalize the documents, offering documents to go to market on**

February 12 and then look to price the bond issue the week of February 15. At that point is when we will lock in the interest rates and sell the bonds to the bond market. That will be done the week of the 15th, and then we will be scheduled to close the week of March 1. At that point, the bond issue would close. The money would then be disbursed to the District for the project. Bob said that is a quick timeline on where we are at in the process. Bob turned the discussion over to Kyle Harding of Chapman & Cutler for anything additional to add. Kyle stated as our bond counsel, he prepared the Ordinance that is in front of the Board now. It authorizes the issuance of all of the bonds, which were approved by the voters in November. The use of those sale proceeds is limited to the project description that we had on the ballot. This is the fourth and final Board action that was necessary in order to issue the bonds going all the way back to late July when the Board adopted the Election Ordinance to put the ballot question to the voters in August and in October. The Board took action to approve a plan of finance for the project, which was the issuance of the voter approved bonds. The District has also hired Bernardi Securities firm to underwrite the bonds, and they are named investors in the bond Ordinance. By adopting the Ordinance tonight, the Board is approving the subsequent sale, but that sale would have to fit within those parameters Bob Vail highlighted, not to exceed 20-year maturity, five percent coupon debt service, annual debt service of no more than \$750,000. As the sale fits within those sale parameters, we will not have to come back to the Board and the designated representatives being the President and the Library Director can sign off on that sale. James Santi asked how are the bonds advertised. Bob Vail said he spoke to Jennifer about this because we wanted to open it up to district residents if they would like the opportunity to purchase bonds that are sold in five thousand dollar increments. We can put general information on the District's website or other avenues where we post information for the public and give enough lead-time where residents would then have the ability to call Bernardi Securities if they are interested in purchasing bonds. Bernardi would give their contact information, phone numbers, et cetera, where individuals that were interested could contact them and then they could make those funds available to the residents. Becky Masik asked to clarify and put it on the record in case anybody listens to the minutes or wants to see the minutes, are these municipal bonds because they are for a library. Bob Vail

responded, yes. They are considered municipal bonds, federally tax-free bonds. Tom Hausman asked if there is a resale market for them, if somebody buys them now but wants to sell them before 20 years. Bob responded - there is a secondary bond market where bonds are traded every day. If individuals are looking to trade those bonds, sell those bonds or buy additional bonds, there is definitely a secondary market after the bonds are sold. Somebody would not necessarily have to hold them for the whole 20-year term if they chose not to.

On a roll call vote: James Santi, aye; Becky Masik, aye; Ann Kakacek, aye; Peter Mazzetta, aye; and Thomas Hausman aye.

#### **B. 2020 Audit presentation: Kathy Naughton**

Jennifer Drinka introduced the Library's auditor Kathy Naughton of Eder, Cassella & Co. Kathy Naughton said she is here to give an update on the audit that took place earlier in the fall. Kathy said what she does is give an overview of the contents of the report so it assists the reader in understanding what they are looking at. The audit went really well. She said the staff at the library is always extremely organized and helpful, especially Jennifer, Kathy Deaner, and Suzanne. Everybody that is involved in the process is cooperative, helpful, and responsive. Many times there are people that think, oh, the auditors here, this is not good. This is uncomfortable for people. Not at the Library. There is never an adversarial relationship at all here. That is greatly appreciated as part of the audit. Eder, Cassella & Co. evaluates the internal controls of the District and look at procedures and processes, make sure they are designed and implemented properly. They test those internal controls. Kathy said it is their opinion that the internal controls in place at the Library are properly designed, implemented, and functioning well. Along with the evaluation of the internal controls, Eder, Cassella & Co. make recommendations if they come across something they think could be done better. Usually they are small, little changes. Kathy stated their experience with the Library District is that they are always willing to implement and take into consideration any kind of recommendations that are made. Another big part of the audit is to make sure there are no reportable conditions, things that that are significant to warrant some kind of communication to management in a formal sense. In the current year, there were no management comments. That is really positive as far as the operation of the District and of their controls. It is

difficult in a small organization, the size of Library District to have proper segregation of duties. They find that is not an issue. One of the things the Library District has implemented in response to that issue, of having a difficult segregation of duties, is hiring the outside accountant. That takes a lot of that responsibility out of the hands of the office staff. That outsourcing actually benefits the District. Eder, Cassella & Co. is pleased with that situation. The financial statements are free of material misstatement. They are not saying that the financial statements are perfect, but there are no material misstatements involved there. The financial statements present fairly in accordance with accounting principles, generally accepted accounting principles(GAP). Kathy Naughton proceeded to show the Board page by page of the audit with explanation of all numbers. When Kathy finished she asked for any questions. Becky Masik asked if there is a requirement, in government accounting standards for the audit for an auditor to rotate or not. Kathy responded it is not required. In their firm, what they do is implement a rotation among their staff. Kathy has been out conducting the audit, supervising or training on the audit off and on. They have a different partner that reviews the audit, not every year, but they rotate partners reviewing the audit and they rotate audit staff. That is how they accomplish audits, just to make sure there is that familiarity. That is Eder, Cassella and Co's policy. However, it is not one of the standards at this point. Kathy said the Library is in a good position too, because we have an outside accountant. Michael Wall has been with the District for a while now, has an auditing background and auditing exposure. That can provide you with some level of comfort in terms of reviewing Eder, Cassella and Co's work or any auditor's work. It does not just fall on Jennifer and the Board to understand the audit report as Michael Wall is a resource. The Board thanked Kathy Naughton and she left the meeting.

## **XI. Closed Session**

**Ann Kakacek moved and Becky Masik seconded the motion to go into closed session to discuss the selection of open seats at 8:57pm. All voted aye.**

**Ann Kakacek moved and James Santi seconded the motion to go out of closed session at 9:23pm. All voted aye.**

**XII. Adjournment**

**Peter Mazzetta moved and James Santi seconded the motion to adjourn at 9:24p.m. All voted aye.**



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**Becky Masik, Secretary**

