

Clinton-Macomb Public Library

Board of Trustees Meeting Minutes

March 16, 2022

- I. **Call to Order** – The regular meeting of the Board of Trustees of the Clinton-Macomb Public Library was called to order at 6:30 p.m., March 16, 2022, in the Board Room at 4090o Romeo Plank Road, Clinton Township, Michigan. The presiding officer was Amy Wille.  
  
A quorum was present, including the following: Cheryl Cannon; Ruth Cummins; Lynda Locke; Michael Lotito; Elizabeth Pugh; Camille Silda; Amy Wille; and ex-officio member Larry Neal.  
  
Guests Bobby Bendzinski, Bendzinski & Co., Tom Colis and Miller Canfield were in attendance.  
  
Macomb Township resident Tom Welsh was in attendance.
- II. **Adoption of the Agenda** – On a motion from Mrs. Cannon and seconded by Mr. Lotito the agenda was adopted as presented.
- III. **Presentation** – Mr. Colis and Mr. Bendzinski provided an overview of the process, costs and benefits of refunding the 2013A and 2013B bond issues. Although the bond market is becoming less favorable it is anticipated that the library can still reduce annual bond expenditures by \$15K a year if the current rates hold. Should they not the library still has the option not to proceed.  
  
On a motion from Mrs. Cannon and seconded by Mr. Lotito on a unanimous roll call vote the following preamble and resolution were approved as presented:  
  
“WHEREAS, the Clinton-Macomb Public Library, County of Macomb, State of Michigan (the “Library”), has previously issued its Library Building and Site Bonds, Series 2013A (Limited Tax General Obligation), dated as of May 29, 2013 (the “2013A Bonds”), and its Library Building and Site Bonds, Series 2013B (Taxable) (Limited Tax General Obligation), dated as of May 29, 2013 (the “2013B Bonds” and together with the 2013A Bonds, the “Prior Bonds”); and  
  
WHEREAS, the Library has been advised that it may achieve interest cost savings through the issuance of bonds to refund all or a portion of the Prior Bonds; and  
  
WHEREAS, the Revised Municipal Finance Act, Act 34, Public Acts of Michigan, 2001, as amended (“Act 34”), authorizes the Library to refund or advance refund all or any part of its outstanding securities; and  
  
WHEREAS, the Library desires to issue refunding bonds pursuant to Act 34, in an aggregate principal amount of not to exceed Four Million Five Hundred Thousand Dollars (\$4,500,000) to refund all or a portion of the

Prior Bonds in order to achieve interest cost savings for the benefit of the Library and its taxpayers; and

WHEREAS, the Library desires to negotiate the sale of the bonds to Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) within the parameters established by this resolution.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Authorization of Bonds; Bond Terms. Bonds of the Library designated 2022 Refunding Bonds (Limited Tax General Obligation) (the “Bonds”) are authorized to be issued in the aggregate principal amount of not to exceed Four Million Five Hundred Thousand Dollars (\$4,500,000), as finally determined upon sale thereof, for the purpose of paying the cost of refunding all or a portion of the Prior Bonds and paying costs incidental to the issuance, sale and delivery of the Bonds.

The issue shall consist of bonds registered as to principal and interest of the denomination of \$5,000 or integral multiples thereof, not exceeding for each maturity the aggregate principal amount of such maturity, dated as of the date of delivery or such other date as determined by the Library Director at the time of sale of the Bonds, numbered as determined by the Transfer Agent (hereinafter defined), and shall mature April 1 of such years and in such amounts as shall be determined at the time of sale. The Bonds shall bear interest at a rate or rates to be determined upon sale, payable on April 1 and October 1 of each year, commencing October 1, 2022 or such other date as may be approved by the Library Director at the time of sale of the Bonds.

The Bonds may be issued as serial or term bonds or both and shall be subject to optional or mandatory redemption prior to maturity at the times and prices determined by the Library Director, at the time of sale and in the manner as set forth provided in the form of bond set forth in paragraph 5 of this resolution.

The Bonds shall be sold at negotiated sale at a price not less than 98% of the principal amount thereof.

Interest on the Bonds shall be paid by check drawn on the Transfer Agent mailed to the registered owner of the Bonds at the registered address, as shown on the registration books of the Library maintained by the Transfer Agent. Interest shall be payable to the registered owner of record as of the fifteenth day of the month prior to the payment date for each interest payment. The date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the Library to conform to market practice in the future. The principal of the Bonds shall be payable at a bank or trust company to be selected by the Library Director to act as registrar and transfer agent for the Bonds (the “Transfer Agent”).

2. Execution of Bonds; Book-Entry-Only Form. The Bonds shall be signed by the manual or facsimile signatures of the President and Secretary of the Board of Trustees of the Library. No Bond shall be valid until authenticated by an authorized signatory of the Transfer Agent. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by it to the purchaser in accordance with instructions from the Treasurer upon payment of the purchase price for the Bonds in accordance with the offer therefor when accepted. Executed blank bonds for registration and issuance to transferees shall simultaneously, and from time to time thereafter as necessary, be delivered to the Transfer Agent for safekeeping.

The Bonds may be issued in book-entry form through The Depository Trust Company in New York, New York ("DTC"), and the Library Director is authorized to execute and deliver such custodial or other agreements with DTC as may be necessary to accomplish the delivery of the Bonds in book-entry-only-form and to make such changes in the form of the Bonds within the limitations and requirements of this resolution as may be required to accomplish the foregoing.

Unless waived by any registered owner of Bonds to be redeemed, official notice of redemption shall be given by the Transfer Agent on behalf of the Library. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate numbers (and in the case of partial redemption) the called amounts of each certificate; the redemption date; the redemption price or premium; the place where Bonds called for redemption are to be surrendered for payment; and that interest on Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

3. Transfer of Bonds. The Transfer Agent shall keep the books of registration for this issue on behalf of the Library. Any Bond may be transferred upon such registration books by the registered owner of record, in person or by the registered owner's duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the Library shall execute and the Transfer Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The Transfer Agent shall require the payment by the bondholder requesting the transfer

of any tax or other governmental charge required to be paid with respect to the transfer.

4. Debt Retirement Fund; Limited Tax Pledge; Defeasance of Bonds. The Treasurer is hereby authorized to open a separate depository account with a bank or trust company designated 2022 REFUNDING BONDS DEBT RETIREMENT FUND (the "Debt Retirement Fund"), the moneys to be deposited into the Debt Retirement Fund to be specifically earmarked and used solely for the purpose of paying principal of and interest on the Bonds as they mature. The Library hereby pledges its limited tax full faith and credit for the prompt payment of the Bonds. The Library shall each year budget the amount of the debt service coming due in the next fiscal year on the principal of and interest on the Bonds and shall advance as a first budget obligation from its general funds available therefor, or, if necessary, levy taxes upon all taxable property in the Library subject to applicable constitutional and statutory tax rate limitations, such sums as may be necessary to pay such debt service in said fiscal year.

In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay the principal of and interest on the Bonds when due, shall be deposited in trust, this resolution shall be defeased and the owners of the Bonds shall have no further rights under this resolution except to receive payment of the principal of and interest on the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

5. Issuance Fund; Use of Proceeds; Escrow Agreement. The proceeds of the Bonds shall be used to pay the costs of issuance of the Bonds and to secure payment of the Prior Bonds as provided in this paragraph. Upon receipt of the proceeds of sale of the Bonds, the accrued interest, if any, shall be deposited in the Debt Retirement Fund for the Bonds. From the proceeds of the Bonds there shall be set aside a sum sufficient to pay the costs of issuance of the Bonds in a fund designated 2022 REFUNDING BONDS ISSUANCE FUND (the "Issuance Fund") established by the Library or the Escrow Agent (defined below). Moneys in the Issuance Fund shall be used solely to pay expenses of issuance of the Bonds. Any amounts remaining in the Issuance Fund after payment of issuance expenses shall be transferred to the Debt Retirement Fund for the Bonds.

The balance of the proceeds of the Bonds, together with any moneys transferred by the Library at the time of sale of the Bonds from the debt retirement funds for the Prior Bonds, and any other available funds of the Library, shall be held as cash or invested in direct obligations of or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America or other obligations the principal of and interest on which are fully secured by the foregoing (the

“Escrow Fund”) and used to pay principal, interest and redemption premiums, if any, on the Prior Bonds. The Escrow Fund shall be held by a bank or trust company to be selected by the Library Director to serve as escrow agent (the “Escrow Agent”) pursuant to an escrow agreement (the “Escrow Agreement”) which shall irrevocably direct the Escrow Agent to take all necessary steps to call for redemption any Prior Bonds specified by the Library upon sale of the Bonds, including publication and mailing of redemption notices, on any call date, as specified by the Library. The investments held in the Escrow Fund shall be such that the principal and interest payments received thereon will be sufficient, without reinvestment, to pay the principal, interest and redemption premiums, if any, on the Prior Bonds as they become due pursuant to maturity or the call for redemption required by this paragraph. Following establishment of the Escrow Fund, any amounts remaining in the debt retirement funds for the Prior Bonds shall be transferred to the Debt Retirement Fund for the Bonds.

6. **Bond Form.** The Bonds shall be substantially in the following form:

UNITED STATES OF AMERICA  
STATE OF MICHIGAN  
COUNTY OF MACOMB

CLINTON-MACOMB PUBLIC LIBRARY  
2022 REFUNDING BOND  
(LIMITED TAX GENERAL OBLIGATION)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	April 1, _____	_____, 2022	

Registered Owner:

Principal Amount:                      Dollars

The Clinton-Macomb Public Library, County of Macomb, State of Michigan (the “Library”) acknowledges itself to owe and for value received promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America on the Maturity Date specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360-day year consisting of twelve 30-day months) from the Date of Original Issue specified above, or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on October 1, 2022 and semiannually thereafter. Principal of this bond is payable at the [principal corporate trust] office of \_\_\_\_\_, \_\_\_\_\_, Michigan, or such other transfer agent as the Library may hereafter designate by notice mailed to the registered owner hereof not less than sixty (60) days prior to any interest payment date (the “Transfer Agent”). Interest on this bond is payable by check or draft mailed by the Transfer Agent to the person or entity who or which is as of the 15th day of the month prior to each interest payment date, the registered owner, at the registered address. For the prompt payment of

this bond, both principal and interest, the full faith and credit of the Library are hereby irrevocably pledged.

This bond is one of a series of bonds of even Date of Original Issue aggregating the principal sum of \$\_\_\_\_\_, issued under and in pursuance of the provisions of Act 265, Public Acts of Michigan, 1988, as amended, and Act 34, Public Acts of Michigan, 2001, as amended, and pursuant to a resolution duly adopted by the Board of Trustees of the Library on March 16, 2022 for the purpose of refunding all or a portion of the Library's outstanding Library Building and Site Bonds, Series 2013A (Limited Tax General Obligation) and Library Building and Site Bonds, Series 2013B (Taxable) (Limited Tax General Obligation).

This bond, including the interest thereon, is payable as a first budget obligation from the general funds of the Library, and the Library is required, if necessary, to levy ad valorem taxes on all taxable property in the Library for the payment thereof, subject to applicable constitutional and statutory tax rate limitations.

Bonds of this issue maturing in the years 2023 through 2032, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds of this issue in multiples of \$5,000 maturing in the year 2033 and thereafter shall be subject to redemption prior to maturity, at the option of the Library, in any order of maturity and by lot within any maturity, on any date on or after April 1, 2032, at par and accrued interest to the date fixed for redemption.

[Insert Mandatory Redemption provisions if needed]

Notice of redemption of any bond shall be given at least 30 days prior to the date fixed for redemption by mail to the registered holder or holders at the registered addresses shown on the registration books kept by the Transfer Agent. Bonds shall be called for redemption in multiples of \$5,000, and bonds of denominations of more than \$5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bond by \$5,000, and such bonds may be redeemed in part. The notice of redemption for bonds redeemed in part shall state that upon surrender of the bond to be redeemed a new bond or bonds in aggregate principal amount equal to the unredeemed portion of the bond surrendered shall be issued to the registered holder thereof. No further interest shall accrue on the bonds or portions of bonds called for redemption after the date fixed for redemption, whether or not presented for redemption, provided funds are on hand with the Transfer Agent to redeem the same.

Any bond may be transferred by registered owner, in person or by the registered owner's authorized attorney or legal representative, upon surrender of the bond to the Transfer Agent for cancellation, together with a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any bond is surrendered for transfer, the Transfer Agent shall authenticate and deliver a new bond or bonds, in like aggregate principal amount, interest rate and maturity. The Transfer Agent shall require the owner requesting the transfer to pay any tax or other governmental charge required to be paid with respect to the transfer.

It is hereby certified and recited that all acts, conditions and things required to be done, exist and happen, precedent to and in the issuance of this bond and the series of bonds of which this is one, in order to make them valid and binding obligations of the Library have been done, exist and have happened in regular and due form and time as provided by law, and that the total indebtedness of the Library, including this bond and the series of bonds of which this is one, does not exceed any constitutional or statutory limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the Clinton-Macomb Public Library, County of Macomb, State of Michigan, by its Board of Trustees has caused this bond to be signed in the name of the Library by the facsimile signature of the President and to be countersigned

by the facsimile signature of the Secretary of the Board of Trustees, all as of the Date of Original Issue.

Clinton-Macomb Public Library  
County of Macomb  
State of Michigan

By \_\_\_\_\_ [Facsimile] \_\_\_\_\_  
President

Countersigned:

By \_\_\_\_\_ [Facsimile] \_\_\_\_\_  
Secretary

[FORM OF TRANSFER AGENT'S CERTIFICATE OF AUTHENTICATION]

Certificate of Authentication

This bond is one of the bonds described in the within-mentioned resolution.

Transfer Agent \_\_\_\_\_, Michigan

By \_\_\_\_\_  
Authorized Signature

Date of Authentication \_\_\_\_\_

*End of Bond Form*

7. Negotiated Sale. The Library has considered the option of selling the Bonds through a competitive sale and a negotiated sale and, pursuant to the requirements of Act 34 and based on the advice of the Library's municipal advisor, hereby determines that a negotiated sale of the Bonds will result in the most efficient and expeditious means of selling the Bonds and will result in the lowest interest cost to the Library.

8. Bond Purchase Agreement; Delegation to Library Director; Sale Order. The Library Director is authorized to negotiate the sale of the Bonds with the Underwriter, negotiate and execute a bond purchase agreement, execute a sale order specifying the final terms of the Bonds and take all other necessary actions required to effectuate the sale, issuance and delivery of the Bonds; *provided* that the maximum interest rate on the bonds shall not exceed 6.00% per annum, the Underwriter's discount on the Bonds shall not exceed 0.70% of the par amount of the Bonds, and the Bonds shall be sold at a price not less than 98.00% of the par value.

9. Adjustment of Bond Terms. The President of the Board and the Library Director are each hereby individually authorized to adjust the final bond details set forth herein to the extent necessary or convenient to complete the transaction authorized herein, and in pursuance of the foregoing are authorized to exercise the authority and make the determinations authorized pursuant to Section 315(1)(d) of Act 34, including but not limited to, determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, designation of series, and other matters, all subject to the parameters established in this resolution. The President of the Board and the Library Director are each authorized to do all other acts and take all other necessary procedures required to effectuate the sale, issuance, and delivery of the Bonds.

10. Continuing Disclosure. The Library agrees to enter into a continuing disclosure undertaking for the benefit of the holders and beneficial owners of the Bonds pursuant to Rule 15c2-12 of the Securities and Exchange Commission and the Library Director is hereby authorized to execute such undertaking prior to delivery of the Bonds.

11. Official Statement; Qualification for Insurance; Ratings. The Library Director is hereby authorized and directed to cause the preparation and circulation of a preliminary and final Official Statement with respect to the Bonds; to procure a policy of municipal bond insurance with respect to the Bonds or cause the qualification of the Bonds therefor if, upon the advice of the municipal advisor to the Library, the acquisition of such insurance would be of economic benefit to the Library; to obtain ratings on the Bonds; and to take all other actions necessary or advisable, and make such other filings with the Michigan Department of Treasury or with other parties, to enable the sale and delivery of the Bonds as contemplated herein.

12. Tax Covenant; Qualified Tax-Exempt Obligations. The Library hereby covenants that, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exclusion of the interest on the Bonds from adjusted gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code") including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of bond proceeds and moneys deemed to be bond proceeds. The Library hereby designates as the Bonds as "qualified tax-exempt obligations" for purposes of deduction of interest expense by financial institutions.

13. Bond Counsel. The representation of the Library by Miller, Canfield, Paddock and Stone, P.L.C. as bond counsel is hereby approved, notwithstanding Miller Canfield's periodic representation in unrelated matters of the Underwriter and potential parties to the 2022 Refunding Bonds transaction.

14. Municipal Advisor. The Library hereby appoints Bendzinski & Co. Municipal Finance Advisors, to act as registered municipal advisor with respect to the Bonds.

15. Rescission. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded."

Mr. Colis and Mr. Bendzinski left the meeting at 6:56 p.m.

IV. **Approval of Consent Agenda Items** – On a motion from Mrs. Silda and seconded by Mrs. Locke the Consent Agenda items were approved/received and filed:

- February 16, 2022 board meeting minutes
- February 2022 treasurer's report
- Updated service policies:
  - o Table of Contents
  - o CUS-2 Code of Conduct
  - o GSV-1 Library Sponsored and Co-Sponsored Programs
  - o INF-4 Internet Access, Use and Safety
  - o MGT-11 Study and Cannon Conference Room Use (with post approval clerical corrections as noted)
- Updated Library Director job description
- Updated Library Board roster
- Letter in support of Macomb Township TAP grant application
- Letter recommending Ted Bolak for Library Board position
- Letter to Michelle Kren regarding request for reconsideration
- Letters from Governor Gretchen Whitmer regarding reading month
- Thank you note from Immanuel Preschool
- Letter to Kenneth Birch regarding memorial donation
- Letter notifying Michael Galle of memorial donation

- Letter from Ron, Colleen, and Darlene Nichols regarding memorial donation
- Letter notifying Michael Galle of memorial donation
- Letter to Diane Anklam regarding memorial donation
- Letter notifying Joe Nanny of memorial donation
- Letter notifying Joe Riley of memorial donation
- Letter to Elizabeth Bauman regarding memorial donation
- Letter to Stephanie Pety notifying of memorial donation
- March 2022 *Digital Download*
- March 2022 *Early Lit Tips*
- March 2022 *Library Matters Monthly*
- Customer comment cards
- Press coverage

- V. **Approval of Monthly Bills** – On a motion from Mrs. Cannon and seconded by Ms Pugh the February checks totaling \$238,797.26 and electronic payments totaling \$773,986.18 were approved.

On a motion from Mrs. Cannon and seconded by Mrs. Silda the February North Branch bond fund checks totaling \$1,876.00 and electronic payments totaling \$270,920.06 were approved.

- VI. **Public Comment** – Mr. Welsh introduced himself as an applicant for the opening on the Library Board to be appointed by Macomb Township.

- VII. **Reports** –

*Library Director* – Mr. Neal will draft a resolution regarding honoring the Friends of CMPL at a reception on June 14 at the North Branch.

Mr. Neal will let Macomb Township know that the Library Board is interested in having directional signage for the library included on the monument sign being proposed at the corner of 25 Mile and Broughton and perhaps a contract for advertising library events if a digital sign component is included but that a cost estimate is needed before a final commitment can be made.

The report was received, reviewed and filed.

- VIII. **Other Business**

*Proposed policy updates* – On a motion from Ms Pugh and seconded by Mrs. Silda the following policy updates were approved as presented:

- CIRC-1 Library Card
- BENR-3 Vacation Leave
- BENR-4 Sick Leave

*Request to award switch bid* – On a motion from Mrs. Cannon and seconded by Mrs. Locke the Board authorized Mr. Neal or his designee in consultation with the Library Board President to sign a contract for a systemwide switch replacement with a vendor to be selected after the

conclusion of the E-Rate bidding process as a partially out-of-budget expenditure in an amount not to exceed \$350K.

- IX. **Adjournment** – On a motion from Mrs. Silda and seconded by Mr. Lotito the meeting was adjourned at 7:43 p.m.

Approved: April 20, 2022  
Elizabeth Pugh, Secretary