

Hamtramck Public Library
Library Board
2360 Caniff Ave., Hamtramck, MI 48212
Minutes from January 26, 2022

Special Meeting between Hamtramck Library Board and Hamtramck City Manager

Board Members present at the meeting: George Gorday, Raymond Bittner, Kathy Kristy and E. Tamara Sochacka.

Other participants: Kathleen Angerer, Manager for the City of Hamtramck and Susan Hendricks, Controller for the City of Hamtramck. Greg Kirchner who prepared documents explaining the issues was excluded from the meeting at request of Ms. Angerer.

The meeting started at 2:00 PM in the City Hall conference room. Ms. Angerer opened the meeting asking all present to introduce themselves. The purpose of the meeting was to discuss the issues of concern to the library (summary of the issues was submitted to the City Manager ahead of the meeting.)

Discussion developed around the increase in accounting charges (charged by the city to the library) from \$12,000.00 a year to \$68,000.00 per year. The contention was that the Library Board was not informed of the change in the 2021-22 budget (submitted to the city) from \$12,000.00 which was approved for accounting fees.

Ms. Angerer claimed that she called the library early in 2021 and left messages. Ms. Angerer, however, did not know whom she spoke with or the date of the calls. In subsequent email (November 10, 2021) she wrote *"I did leave messages. Not voice mail. I know it was during the heights of COVID, so maybe it was missed."*

On the November 9, 2021, Ms. Angerer forwarded to the library, an allocation spreadsheet, how the \$68,000.00 in accounting charges would be allocated on advice of Plante and Moran. She also wrote *"If you want further information to explain the document, please see Susan"*. Acting on this advice, library director sent multiple emails and left several messages on controllers voice mail asking for the suggested meeting, however there was no response to any of the meeting requests (copies of emails are on file in the library).

Ms. Kristy, asked if we can find a record of phone calls made from the City Manager's office to the library. After that request, the discussion about the phone calls ended. The fact remains, that the Library Board was not informed about the change in charges until Ms. Angerer's email of November 9, 2021. Increase in charges did not appear on reports from the city accounting system until October 31, 2021 report (with a withdrawal from the Library Fund of \$17,000.01 done without the knowledge or approval of the Library Board).

Mr. Bittner asked why, in the current fiscal year, the income from the library millage is not being posted to the credit of Library Fund, as was the practice in past years. Ms. Angerer and Ms. Hendricks provided long explanations about delayed

receipts from the county, about lack of personnel in the accounting department, and that accounting systems used by the city are different from business accounting.

Mr. Bittner also asked about the negative income from the delinquent tax receipts. Ms. Anger explained that county did not hold property auction sales for two years and that is the reason for negative income. However, there is an auction sale scheduled for this year.

The next questions raised by Mr. Bittner was for an explanation why the Energy Cost Savings Program, that was imposed on the library without approval or knowledge of the Library Board, adds over \$400.00 to the energy cost. According to DTE investigations (performed twice) it could save no more than \$100.00 per month, at most, in use of electricity. Ms. Angerer had no answer to that question.

Ms. Angerer asked how was the \$1000.00 fee for accounting services set during the Emergency Manager, Kathy Square administration. Mr. Bittner explained that it was agreed to during negotiations between the library and Ms. Kathy Square.

In response to the question “why Ms. Hendricks was not responding to emails that detailed mistakes in the city accounting”, Ms. Angerer stated that she instructed Ms. Hendricks not to respond, since the emails were considered by her disrespectful. Copies of emails are available, and the only information they contain is the date of error, amount removed from the Library Fund and account numbers so the mistakes would be easy to find.

During the one hour and thirty minutes meeting none of the points for discussion were resolved, however willingness was perceived to open a separate bank account for Library Fund monies, in order to comply with the State Law.

Ms. Angerer agreed to inform Mr. Bittner as to the date of next meeting where further details of library requests will be discussed. She needs some time to gather information and familiarize herself with the State Laws.

It must be noted that the Hamtramck Public Library operates under the laws which govern libraries set up under Michigan Act 164, which established the Board of Directors as the sole authority to spend library funds. The Mayor appoints members to the Library Board which acts as an autonomous entity controlling all aspects of the operations of the Library. This is in contrast to the libraries set up as a city department, where the City Council funds all library expenditures and has complete control over library’s financial matters.

The meeting ended at 3:30 PM

Minutes prepared from recollection of Library Board Members

___ George Gorday _____

___ Kathy Kristy _____

___ Raymond Bittner _____