

WOODFORD COUNTY LIBRARY DISTRICT MEETING BOARD OF TRUSTEES
Minutes of Regular Board Meeting
January 20, 2021
5:00 p.m.

Present: President Gerald Wuetcher, Vice President Bill Shanks, Treasurer Patrick Hall, Member Annie Denton, Member Maurice Bakke, Susan Buffin (Woodford County Historical Society Representative to the Board), Karen Kasacavage (Director), John Crawford (Assistant Director), Stacy Thurman (Midway Branch Manager)

Guests: Tom Smith, Sherman-Carter-Barnhart Architects
Jared Noble, Craft, Waninger, Noble & Company PLLC – Auditor
Louis Ragusa, Compass Municipal Advisors
Christian Juckett, Rubin & Hayes – Attorneys at Law

CALL TO ORDER

President Gerald Wuetcher called the meeting to order at 5:00 p.m. This meeting was conducted via Zoom and broadcast live on the Woodford County Library's YouTube channel.

GUEST – LOUIS RAGUSA

Louis Ragusa updated the Board on the bond market. He was pleased that the Library received an AA-3 credit rating from Moody's, and he expects interest rates to remain low. If the Library borrowed \$3 million at the current interest rate, Mr. Ragusa estimates that the Library would have an annual debt service of \$160,000 over 25 years.

GUEST – CHRISTIAN JUCKETT

Christian Juckett prepared and reviewed a draft of a resolution to declare the Board's intent to follow all IRS regulations.

Patrick Hall made a motion to approve the RESOLUTION REGARDING IRS REGULATIONS. Annie Denton seconded the motion. The Board approved the motion by a vote of 5-0.

Christian Juckett prepared and reviewed a draft of a resolution to declare the Board's intent to follow all SEC disclosure rules.

Maurice Bakke made a motion to approve the RESOLUTION REGARDING SEC DISCLOSURE RULES. Patrick Hall seconded the motion. The Board approved the motion by a vote of 5-0.

The approved resolutions are appended at the end of the minutes.

The tentative date for the bond sale is March 2, 2021 at 11:00 a.m.

GUEST – JARED NOBLE

Jared Noble reviewed the FY 2019-20 audit with the Board. He noted that the audit was a clean, unmodified opinion.

Patrick Hall made a motion to accept and approve the audit report. Bill Shanks seconded the motion. The Board approved the motion by a vote of 5-0.

GUEST – TOM SMITH

Tom Smith updated the Board on the expansion project. He will share drawings with Codell Construction by Friday. They will begin reviewing the plans to put together packages to put out for bid when the Library is ready to proceed.

Mr. Smith suggested the Library consider a dedication plaque to acknowledge the expansion project. He also reviewed lighting options. In particular, he noted plans to include a more contemporary pendant near the front entrance that would use LED lights.

Mr. Smith noted that the owners of the property adjacent to the construction have agreed in principle to an easement.

Matt Siebold is in the process of conducting a survey for the purposes of preparing a deed that will consolidate the Library's property holdings.

Mr. Smith submitted the revised drawings to Pattie Wilson for final approval.

Mr. Smith suggested that the Library set aside \$20,000 as an allowance to cover unexpected costs during the expansion project.

APPROVAL OF DECEMBER MINUTES – REGULAR BOARD MEETING – DECEMBER 16, 2020

President Wuetcher submitted a draft of the minutes from the regular meeting on December 16, 2020 for the Board's consideration. Annie Denton moved to approve the minutes as submitted. Patrick Hall seconded the motion. The Board approved the motion by a vote of 5-0.

A. Approval of Special Board Meeting Minutes – January 8, 2021

President Wuetcher submitted a draft of the minutes for the special meeting on January 8, 2021 for the Board's consideration. Bill Shanks made a motion to approve the minutes as submitted. Annie Denton seconded the motion. The Board approved the motion by a vote of 5-0.

FINANCIAL REPORT

The budget remains on target. Karen will consult with Patrick Hall next month about a Certificate of Deposit scheduled to mature on February 28, 2021.

Patrick Hall made a motion to accept the financial report and approve the payment vouchers. Annie Denton seconded the motion. The Board approved the motion by a vote of 5-0.

FRIENDS OF THE LIBRARY REPORT

The Friends have not yet appointed a new representative to serve on the Board.

WOODFORD COUNTY HISTORICAL SOCIETY REPORT

The Historical Society reopened to the public on January 4, 2021. The volunteers have been putting together a quarterly newsletter and responding to research requests.

VERSAILLES REPORT

John Crawford discussed how the pandemic has likely accelerated patron use of digital resources. Before the pandemic, approximately 3,900 digital books, audiobooks, and songs were checked out monthly. During the pandemic, this number has increased 5,100 checkouts. John speculated that this might reflect a permanent change in how some patrons borrow materials from the Library.

Craft programs remain very popular. Patrons are particularly appreciative of our efforts to continue to offer these programs virtually.

The Library kicked-off its second annual "Winter Reading Bingo." Participants are encouraged to read a "Bingo" by reading books of various genres and types. Bingo winners will receive a mug.

MIDWAY REPORT

Stacy Thurman will be hosting a program with Ouita Michel on January 25, 2021 at 6:30 p.m. Ouita and two of her colleagues will discuss her new cookbook *Just a Few Miles South*. Stacy also hosted the Library's first Town Hall meeting with the Chamber of Commerce. The program was on Community Based Resources. Viewed live by nearly 40 people, Stacy was very pleased with the discussion and the thoughtful questions asked by viewers.

DIRECTOR'S REPORT

- A. Audit Draft Review
See discussion and action taken under GUEST – JARED NOBLE.
- B. Resolution Regarding SEC Disclosures and Resolution Regarding IRS Regulations
See discussion and action taken under GUEST – Christian Juckett
- C. Library Expansion – update
See discussion under GUEST – TOM SMITH
- D. Reopening the Library to the Public
Jessamine County Public Library reopened to the public on January 19, 2021. All other area public libraries remain limited to curbside service.

The daily incident rate for Woodford County remains very high. As elementary schools, restaurants, and other retail business reopen, however, there is a growing expectation

amongst the public that the Library should also reopen. Karen suggested that the Board consider reopening the Library on February 1, 2021.

The Board agreed to authorize the Library Director to reopen to in-person service on February 1, 2021. Karen and the Board will monitor and reassess this decision as needed.

E. President's Day - Discussion

The Library is typically closed to the public on President's Day to have a staff in-service day. Karen asked that the Library not have a staff in-service, but remain open to public on President's Day.

The Board agreed that the Library should remain open to the public on President's Day.

NEW BUSINESS

Karen presented the Board with a list of computer equipment to be declared surplus so that they might be disposed of and recycled.

Bill Shanks made a motion to declare the listed items as surplus. Maurice Bakke seconded the motion. The Board approved the motion by a vote of 5-0.

Karen informed the Board of her intentions to ask a part-time cataloger to return to work in the next month so that she can be onboard to help catalog materials from the Historical Society.

The Library has not charged fines for overdue materials since first closing in March 2020. The formal suspension of overdue fines, however, expired on December 31, 2020.

Patrick Hall made a motion to suspend the assessment and collection of fines on overdue materials through June 30, 2021. Annie Denton seconded the motion. The Board approved the motion by a vote of 5-0.

ADJOURN

Patrick Hall made a motion to adjourn the meeting. Bill Shanks seconded the motion. The Board approved the motion to adjourn by a vote of 5-0. The meeting adjourned at 6:56 p.m.

ATTEST:

President

Secretary

Date: _____

RESOLUTION REGARDING IRS REGULATIONS

RESOLUTION OF THE WOODFORD COUNTY PUBLIC LIBRARY DISTRICT ADOPTING CERTAIN PROCEDURES IN CONNECTION WITH THE ISSUANCE OF TAX-EXEMPT OBLIGATIONS; AND OTHER MATTERS RELATING THERETO.

RECITALS:

1. The Board of Trustees of the Woodford County Public Library District (the "Library") has previously issued, or intends to issue, general obligation bonds the interest on which is excluded from the gross income of the holders thereof for federal income tax purposes (the "Bonds"); and
2. Federal income tax law requires that issuers of tax-exempt obligations comply with certain post-issuance requirements set forth in the Internal Revenue Code; and
3. To maximize the likelihood that certain applicable post-issuance requirements of federal income tax law needed to preserve the tax-exempt status of the Bonds are met, the Library desires to adopt the Written Procedures Related to Tax-Exempt Obligations, attached hereto as **Exhibit A**;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE WOODFORD COUNTY PUBLIC LIBRARY DISTRICT:

Section 1. Approval of Written Procedures. The Written Procedures Related to Tax-Exempt Obligations attached hereto as **Exhibit A** are hereby incorporated into this section as if expressly set forth herein. The Library hereby covenants that unless it receives an opinion of bond counsel to the effect that failure to comply with such policies will not adversely affect the exclusion from gross income of interest on the applicable Bonds, it will comply with the Procedures to the extent necessary to maintain the exclusion from gross income of interest on the Bonds for purposes of federal income taxation.

Section 2. Amendment of Procedures. The Board of Trustees hereby delegates to the Library Director, in consultation with legal counsel, the authority to amend the Procedures on a case-by-case basis, as deemed necessary.

Section 3. Applicable Provisions of Law. This Resolution shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky.

Section 4. Authorizations. All officials and employees of the Library, including the Library Director, are authorized and empowered, collectively or individually, to take all other actions and steps as they shall deem necessary or desirable in connection with the adoption and compliance with the Procedures.

Section 5. Effective Date. This Resolution shall take effect immediately upon its adoption.

Introduced, read, adopted and enacted by the Board of Trustees of the Woodford County Public Library District, at a duly convened meeting held on January 20, 2021, signed by the President indicating approval, and attested by the Secretary.

WOODFORD COUNTY PUBLIC
LIBRARY DISTRICT



President

Attest:



Secretary

CERTIFICATE OF SECRETARY

I, the duly qualified and acting Secretary of the Board of Trustees of the Woodford County Public Library District, do hereby certify that the foregoing is a true, complete, and correct copy of a Resolution read, adopted and enacted by the Board of Trustees of the Library on January 20, 2021, executed by the President and attested by the Secretary, and that said Resolution has been duly recorded in the official records of the Library, as shown by the official records of said Library in my custody and under my control.

IN TESTIMONY WHEREOF, witness my signature as Secretary of the Library this January 20, 2021.



Secretary

WOODFORD COUNTY PUBLIC LIBRARY DISTRICT

WRITTEN PROCEDURES RELATED TO TAX-EXEMPT OBLIGATIONS

The Internal Revenue Code of 1986, as amended (the “Code”) and the regulations promulgated thereunder (the “Regulations”) impose certain requirements on tax-exempt obligations, including but not limited to, restrictions on the use of bond proceeds and bond-financed property, arbitrage yield restrictions, and the arbitrage rebate requirement. These requirements are generally applicable throughout the period that the bonds remain outstanding.

References herein to a “bond” or to “bonds” apply to all forms of tax-exempt obligations including, but not limited to, notes and lease/purchase agreements.

The September 2018 revision to the Form 8038-G, Information Return for Tax Exempt Governmental Obligations (“Form 8038-G”) requires the issuer to represent whether it has established written procedures to (a) monitor the requirements of Section 148 of the Code, including, but not limited to, the arbitrage rebate and arbitrage yield restriction requirements; and (b) ensure that any nonqualified bonds (within the meaning of Section 1.148-12(j) of the Regulations) are remediated in accordance with the Code and the Regulations.

In addition to the above-described Form 8038-G representations, the Woodford County Public Library District (the “Library”) has been advised that additional procedures are recommended for the Library to document compliance with the applicable federal tax requirements. Actions pursuant to these procedures (collectively referred to as post-issuance tax compliance) are intended to assist the Library in documenting compliance with the applicable federal tax requirements. Post-issuance tax compliance begins with the process of issuing bonds itself and includes a continuing focus on investment of bond proceeds and use of bond-financed property. Post-issuance tax compliance requires identifying the responsible people and the applicable procedures.

Procedures

The **Library Director** (hereinafter referred to as the “Library Representative”) of the Library is designated as being responsible for post-issuance tax compliance. The Library Representative may delegate to her staff or contract with independent contractors (such as an arbitrage/rebate consultant or a consulting engineer) responsibility for different aspects of post-issuance tax compliance. For example, coordinating and documenting the expenditure of bond proceeds on projects may be delegated to the consulting engineer. However, the Library Representative will be ultimately responsible for implementing the procedures described herein.

Issuance of Bonds – The Library Representative will:

(a) Confirm the filing of the Form 8038-G (or applicable successor form) with Internal Revenue Service (“IRS”). Filing of the applicable Form 8038-G is usually overseen by bond counsel at or soon after the closing of a bond issue.

(b) Obtain and store the Transcript of Proceedings prepared by bond counsel (which typically includes the applicable Form 8038-G and the Federal Tax Certificate containing the Library’s expectations as of the date of issuance of the bond issue).

Recordkeeping – The Library Representative will:

- (a) Establish a plan for keeping relevant books and records as to the investment and the expenditure of bond proceeds.
- (b) Keep accurate records including:
- Basic records relating to the bond transactions (including the bond resolutions, loan agreements, and bond counsel opinion, which should be found in the Transcript of Proceeding, above);
 - Documentation evidencing the expenditure of bond proceeds (e.g., construction contracts, purchase orders, invoices, trustee requisitions and payment records);
 - Documentation evidencing use of bond-financed property by public and private sources (e.g., copies of management contracts, and leases);
 - Documentation evidencing all sources of payment or security for the bonds; and
 - Documentation pertaining to any investment of bond proceeds (including the purchase and sale of securities, SLGS subscriptions, investments, investment agreements, guaranteed investment contracts, yield calculations for each class of investments, actual investment income received from the investment of proceeds, and rebate calculations).
- (c) Keep all records in a manner that ensures their complete access to the IRS so long as they are material. While this is typically accomplished through the maintenance of hard copies, records may be kept in an electronic format if certain requirements are satisfied, in accordance with the guidelines in Revenue Procedure 97-22, 1997-1 C.B. 652.

(d) Keep the relevant records for each issue of bonds for as long as such issue of bonds is outstanding (including any bonds issued to refund such issue of bonds) plus three years after the final redemption date of the bonds.

Arbitrage Rebate and Arbitrage Yield Restriction – The Library Representative will:

- (a) Engage the services of an arbitrage/rebate consultant for assistance in compliance with arbitrage related issues.
- (b) Work with the Library's bond counsel, financial advisor and/or arbitrage/rebate consultant to monitor compliance with "temporary period exceptions" for expenditure of bond proceeds, typically three years for new money bonds, and provide for yield restriction of investments or "yield reduction payments" if exceptions are not satisfied.
- (c) Work with the Library's bond counsel and financial advisor to ensure investments acquired with bond proceeds are purchased at fair market value. This may include use of bidding procedures under the regulatory safe harbor of the Regulations.
- (d) Consult with the Library's bond counsel prior to the creation of funds that would reasonably be expected to be used to pay debt service on tax-exempt bonds to determine in advance whether such funds must be invested at a restricted yield.
- (e) Consult with the Library's bond counsel and financial advisor before engaging in post-issuance credit enhancement transactions (e.g., bond insurance, letter of credit) or hedging transactions (e.g., interest rate swap, cap).

(f) Consult with the Library's bond counsel, financial advisor, and/or arbitrage/rebate consultant to identify situations in which compliance with applicable yield restrictions depends upon subsequent investments and monitor implementation.

(g) Work with the Library's arbitrage/rebate consultant to arrange for timely computation of rebate/yield reduction payment liability and, if an amount is payable, for timely filing of Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate (or applicable successor form), and payment of such liability.

(h) Rebate payments are required no later than 60 days after each 5-year anniversary of the issue date of the bonds, and no later than 60 days after the last bond of each issue is redeemed.

Private Use of Bond-Financed Facilities - The Library Representative will:

(a) Create and maintain records of which proceeds of bond issues were used to finance which facilities. These records shall incorporate the refunding or partial refunding of any bond issues.

(b) Record the allocation of bond proceeds to expenditures, including reimbursements. These records will be consistent with the expenditures used for arbitrage purposes.

(c) Record the allocation of bond proceeds, and funds from other sources, in connection with any bond funded project. Review expenditure of bond proceeds with bond counsel and/or consulting engineer to ensure bond proceeds are used for qualifying costs.

(d) Review with bond counsel prior to the sale or lease of a bond-financed facility, or the granting of a license or management contract, or any other arrangement allowing private use of a bond financed facility, the terms of such arrangement.

(e) Keep records of private use, if any, of bond financed facilities to monitor the amount of private use of bond financed facilities. Private use of bond-financed facilities shall be reviewed once a year (in connection with the preparation of the annual financial statements). If a change in private use occurs, bond counsel will be consulted to determine if remedial action is necessary.

Reissuance – The Library Representative will:

(a) Consult with bond counsel to review any post-issuance modification to the terms of bonds which could be treated as a current refunding of "old" bonds by "new" bonds, often referred to as a "reissuance."

(b) Consult with bond counsel to determine whether any "remedial action" (see item (e) under "Private Use of Bond-Financed Facilities" above) in connection with private use must be treated as a "reissuance."

These Procedures are dated January 20, 2021, the date of its approval by the Board of Trustees.

RESOLUTION REGARDING SEC DISCLOSURE RULES

RESOLUTION OF THE WOODFORD COUNTY PUBLIC LIBRARY DISTRICT, ADOPTING CERTAIN GUIDELINES AND PROCEDURES TO COMPLY WITH RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION

RECITALS:

1. In accordance with the requirements of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission (the "SEC"), the Woodford County Public Library District (the "Library") is required to provide or cause to be provided, in a timely manner, to the Electronic Municipal Market Access system ("EMMA") at <http://www.emma.msrb.org>, annual financial information and/or audited financial statements (collectively the "Annual Report") of the Library generally consistent with the information contained in Official Statements used in the marketing of bonds or other obligations (the "Library's Bonds"), as well as material events as set forth in the Rule. Such Annual Report will be made available in accordance with the Library's continuing disclosure certificates (collectively the "Disclosure Certificates") relating to the sale or underwriting of the Library's Bonds.

2. To assure ongoing compliance with the Rule and the Disclosure Certificates, the Library desires to adopt the Guidelines and Procedures (the "Procedures"), attached hereto as **Exhibit A**.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE WOODFORD COUNTY PUBLIC LIBRARY DISTRICT:

Section 1. Approval of Procedures. The Procedures for SEC Rule 15c2-12 attached hereto as **Exhibit A** are hereby approved and incorporated into this section as if expressly set forth herein. The Board of Trustees hereby covenants that unless it receives an opinion of bond counsel to the effect that failure to comply with such Procedures will not cause a violation of the Rule and Disclosure Certificates, it will comply with the attached Procedures.

Section 2. Amendment of Procedures. The Board of Trustees hereby delegates to the Library Director, in consultation with legal counsel, the authority to amend the Procedures on a case-by-case basis, as deemed necessary.

Section 3. Applicable Provisions of Law. This Resolution shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky.

Section 4. Authorizations. All officials and employees of the Library, including the Library Director, are authorized and empowered, collectively or individually, to take all other actions and steps as they shall deem necessary or desirable in connection with the adoption and compliance with the Procedures.

Section 5. Effective Date. This Resolution shall take effect immediately upon its adoption.

Introduced, read, adopted and enacted by the Board of Trustees of the Woodford County Public Library District, at a duly convened meeting held on January 20, 2021, signed by the President indicating approval, and attested by the Secretary.

WOODFORD COUNTY PUBLIC
LIBRARY DISTRICT



President

Attest:



Secretary

CERTIFICATE OF SECRETARY

I, the duly qualified and acting Secretary of the Board of Trustees of the Woodford County Public Library District, do hereby certify that the foregoing is a true, complete, and correct copy of a Resolution read, adopted and enacted by the Board of Trustees of the Library on January 20, 2021, executed by the President and attested by the Secretary, and that said Resolution has been duly recorded in the official records of the Library, as shown by the official records of said Library in my custody and under my control.

IN TESTIMONY WHEREOF, witness my signature as Secretary of the Library this January 20, 2021.



Secretary

EXHIBIT A

WOODFORD COUNTY PUBLIC LIBRARY DISTRICT

GUIDELINES AND PROCEDURES RELATING TO COMPLIANCE WITH RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION

BACKGROUND

In accordance with the requirements of Rule 15c2-12 (the “**Rule**”) promulgated by the Securities and Exchange Commission, the Woodford County Public Library District (the “**Library**”) is required to provide or cause to be provided, in a timely manner, to the Electronic Municipal Market Access system (“**EMMA**”) at <http://www.emma.msrb.org>, annual financial information and/or audited financial statements (collectively the “**Annual Report**”) of the Library generally consistent with the information contained in Official Statements used in the marketing of the Library’s bonds or other obligations (the “**Library’s Bonds**”), as well as material events as set forth in the Rule. Such Annual Report will be available in accordance with the Library’s continuing disclosure certificates (collectively the “**Disclosure Certificates**”) relating to the sale or underwriting of the Library’s Bonds.

The Library may engage, as appropriate, disclosure agents (collectively the “**Disclosure Agent**”) with expertise in matters relating to the Rule. These Guidelines and Procedures (the “**Procedures**”) have been approved by the Board of Trustees.

The primary responsibility for compliance with the Procedures will rest with the Library Director of the Library (the “**Compliance Officer**”).

GENERAL REQUIREMENTS, PROCEDURES AND RESPONSIBILITIES

Responsibility of Compliance Officer. The Compliance Officer is responsible for coordinating compliance with the provisions of these Procedures, the Disclosure Agreement and the Rule. The Compliance Officer will consult with the Disclosure Agent (if any) as necessary to effectuate compliance with these Procedures.

The Compliance Officer is the individual and officer responsible for complying or causing compliance with the filing requirements of the Rule. The Compliance Officer will:

- (i) be responsible for updating, compiling and providing or causing the update and compilation of and to provide to the Disclosure Agent (if any) the information to be filed with EMMA;
- (ii) by **February 1** of each year consult with the independent auditor for the Library to determine if the audited financial statements for the Library will be completed on or before **March 31** of each year;
- (iii) within 15 business days of the receipt and completion of the Annual Report, file or cause to be filed the Annual Report with EMMA;

(iv) in the event that the Annual Report is not expected to be completed on or before **March 31** of any year, file or cause to be filed with EMMA a notice that the Annual Report will not be completed and filed with EMMA by **March 31**;

(v) create an internal tickler system to cause compliance with the reporting requirements of the Rule;

(vi) report on an annual basis to the Board of Trustees that the reporting requirements of the Rule have been met or if unable to be met the reasons therefor and the information reported to EMMA relating to the failure to meet the reporting requirements of the Rule; and

(vii) file or cause to be filed any in a timely manner not in excess of ten (10) business days after the occurrence of a “**Material Event**”, notice of each Material Event to EMMA. “Material Event” has the meaning provided in the Disclosure Agreement for the relevant bond issue of the Library.

Annual Report Availability. The Library agrees to make publicly available its Annual Report. Such information regarding the Library can be obtained from the Library Director, Woodford County Public Library District, 115 N. Main St., Versailles, KY 40383, Phone: (859) 873-5191.

It is the intention and expectation of the Board of Trustees that the Annual Report with respect to each fiscal year will be either transmitted to a Disclosure Agent with the request that the information be immediately filed with, or shall otherwise be filed directly with, EMMA, as required under the Rule and the Disclosure Agreement, no later than **March 31** of each calendar year for the fiscal year of the Library ended June 30. If the Board of Trustees appoints a Disclosure Agent to undertake the filing requirements of the Rule and the Disclosure Agreement, the Compliance Officer shall request confirmation from the Disclosure Agent that the Annual Report has been timely and appropriately filed with EMMA, as required under the Rule and the Disclosure Agreement.

Reporting Compliance. As of the date of these Procedures, the Library is in compliance with the reporting requirements of the Rule for all undertakings for which they are an “obligated person” as defined in the Rule.

These Procedures are dated January 20, 2021, the date of its approval by the Board of Trustees.