

Minutes of the Board of Trustees  
The Town of Amherst and the Jones Library, Inc.  
September 20, 2007  
At the Munson Memorial Library

Present: Kathleen Wang, Anita Page, Patricia Holland, Molly Turner, Ann Grose.  
Also Present: Bonnie Isman, Library Director; Susan Hugus, Branch Librarian; Tina Swift, Administrative Assistant ; Peter Shea, Treasurer of Amherst College; Kay Moran, Town of Amherst Finance Committee; Members of the general public.

The meeting was called to order at 7:10 p.m. Acquisitions were sold at Christie's for \$133,806 with more lots to be sold later.

Long Term Financial Planning: The Budget Coordinating Group has been talking about involving the whole Town in long term planning. Ms. Isman suggested financial planning of more than one year at a time would be beneficial. She distributed a financial planning outline titled, "Topics for Discussion." Peter Shea has agreed to speak about endowments and Kay Moran, Town Finance Committee, also joined the Trustees.

Peter Shea: Ten years ago, when Peter Shea was a Trustee, the Town was in financial trouble and there was no set policy for spending the Jones' endowment. At that time, he spent time educating people about not spending the endowment's principal. The best return of long term investments is generally thought to be 5%, therefore, it is prudent to spend no more than 5% of the return of the invested funds. Mr. Shea told the Trustees that if they continue to spend 5.6% of the endowment, it will disappear quickly and it will not earn 5%. It was noted that the Trustees have pledged to reduce their rate of spending by 0.01% per year.

The discussion centered on long term goals needed to preserve the endowment. Mr. Shea reiterated that the Trustees should keep to their adopted investment policy and not spend more than 5%. He agreed that Vanguard should show an excellent return for this fiscal quarter.

The fundraising goal for 2007 was \$45,000/ for 2008, it is \$55,000. The percentage of the Jones Library's budget from fundraising is 2.9%.

Ms. Moran noted that the Finance Committee has also advised the Jones Library Trustees to spend less of the endowment than it currently spends.

The discussion moved to the advisability of hiring a fund raising professional. Fundraising efforts (such as the annual fundraising and developing a planned giving brochure) by the Trustees have been proceeding while they have tried to lower the percentage of usage of the endowment.

Ms. Isman projected needing an \$11 Million endowment by the year 2010 in order to support the current level of spending. This question was posed by Anita Page: Are the Trustees willing to take the spending down by \$16,000 (shaving 0.2 off the rate of

spending) and spending 5.3% rather than the current amount? Mr. Bridegam had started the Trustees on reducing the endowment usage by one tenth of a per cent per year. No formal vote was taken. Ann Grose was inclined to reduce the percentage by 0.1% for next year rather than cutting more hours. Kay Moran advised not spending more than we plan to take in.

The Four Boards meeting is on Sept. 24<sup>th</sup>. Ms. Moran stated that all Town departments are facing severe budget cuts. She noted that the Regional School budget has increased, so other Town departments had a smaller budget to utilize. Ms. Moran told the Board that the Finance Committee is trying to establish prudent financial goals and maintain a certain level of Town reserves. She said the Finance Committee is trying to not plan on spending more than its expected revenue. The long term problem is that expenses increase faster than revenues.

Ms. Isman suggested surveying patrons to ascertain what community service levels are desired. Ms. Isman will work on a draft of a survey for the meeting after next.

The Trustees will discuss long term spending on November 1, 2007 (at 7:00 p.m.).

**Motion:** To appoint Molly Turner as representative to the CPC (Comprehensive Planning Committee). Motion by Kathleen Wang, Second by Ann Grose. **Vote:** Unanimous.

Ms. Alex Leras has expressed an interest in becoming a Trustee. She would have to declare her status as a part time Library employee. Chris Hoffman has expressed an interest in becoming Trustee.

Friday, Oct. 19<sup>th</sup> is the deadline to declare interest in becoming a Trustee (through March until the next Town elections). Tina Swift will send a press release announcing the vacancy. Ms. Isman will be on vacation after this meeting. The Trustees will request a meeting with the Select Board on November 5<sup>th</sup> in order to choose a new Trustee. The suggestion was made to invite candidates to our November 1<sup>st</sup> meeting.

The November 29<sup>th</sup> Jones Library Trustees' meeting will be at the North Amherst Library.

Ms. Turner said the Trustees' handbook says the committee to review the Director should have the President as a member. The current committee is Ms. Turner and Ms. Grose. The committee must be small enough so that a quorum of Trustees is not met.

The meeting adjourned at 9 p.m.

Respectfully submitted,

Ann Grose, Clerk

Tina Swift, Stenographer