

Meeting of the Jones Library and the Town Libraries' Board of Trustees

January 26, 2010 at 7:00 p.m.

Large Meeting Room of the Jones Library

Present: Sarah McKee, Chris Hoffmann, Carol Gray, Patricia Holland, Louis Greenbaum., and Kathy Wang. Also Present: Bonnie Isman, Library Director; Tina Swift, Library Office Manager.

The meeting was called to order at: 7:10 pm.

Consideration of Heating Ventilation Air Conditioning (HVAC) engineering proposal. See: Lindgren & Sharples, P.C. proposal written by Julia G. Weatherby, P.E. The money for this study is on hand, but the solutions chosen might be partially funded by the Woodbury bequest.

Mr. Greenbaum wants to meet with Ms. Weatherby while the study is being completed. Ms. Gray wants to give a heads up to the Budget Coordinating Group about this study. Ms. McKee thinks the total HVAC is in bad shape and needs repair. Ms. McKee proposed thinking of a future expansion toward the History Museum, but Ms. Isman indicated that land must be left open. Currently, the Jones has a special easement.

Motion: To accept Ms. Weatherby's proposal with the proviso that she meet with the Trustees to review the interim report at the time of the submission of the interim report. Motion by: Patricia Holland. Second by: Carol Gray.

Discussion: Ms. Isman noted that this might not be the final allocation due to the historic nature of some parts of the building.

Vote: Unanimous.

Budget Coordinating Group (BCG) Meeting: Chris Hoffmann and Patricia Holland attended. After hearing the Governor's proposal and attending a Mass. Municipal Association meeting, Finance Director Musante is recommending a 5% (not 10%) budget cut for all Town departments. This change will bring us to a Municipal Appropriation Requirement (MAR) level. This, however, is not confirmed. There will still be an override vote, but not for as much money. The Trustees will meet on Feb. 2, two days before Feb. 4th's Finance Committee meeting and should discuss the new Town appropriation. The Finance Committee wants FY12 projections.

Patricia Holland and Chris Hoffmann said that the Friday closing figure of savings will move to Tier 3, but they need to clarify the figures. Further budget discussion was tabled until the BCG meets in two days. The discussion turned to override possibilities and Ms. Gray favored a menu override. Mr. Hoffmann said if, for instance, \$3 Million was voted (authorized) for an override, but it was not needed, that authorization would be saved for next year. The lower amount needed would be used.

Ms. Gray wanted the Board to urge the Select Board to employ a menu override. The Board moved on to speaking with New England Capital. Judeth Rainville and Chris Milne of New England Capital arrived at 7:30 p.m.

Consideration of the Woodbury bequest. Ms. Holland asked where the Woodbury bequest is located. She noted that the Library Trustees can only use the money within certain parameters. Ms. Gray is very concerned because this money is only earning a quarter of a percent, and it may be months before the money can be used. Mr. Greenbaum expressed concern about the ownership of the bequest. Ms. McKee said Attorney Hart had made it very clear that the money was given to the Jones Library, Inc. and they are to invest it. Atty. Hart said the Woodburys wanted the Friends of the Library involved, but in a limited way.

Ms. Gray asked what the ~\$283,000 is earning vs. the rest of the endowment. It was determined that it is earning less than the endowment in its current segregated account. The endowment is earning approximately 2%, but New England Capital could not give an exact figure due to the ups and downs of the market. Ms. Gray wants to put the bequest into the endowment in order to earn more interest. Ms. McKee averred that puts the principle at risk due to the vagaries of the market. Chris Milne suggested the Board determine a purpose for the \$283,000. He told the Board that there are more risks associated with obtaining a higher rate of return. Ms. Gray said that the bequest may not be touched for three months and she is concerned that it did not earn \$1,000 in the month since we have had the money. Mr. Greenbaum suggested consulting with the Friends of the Library before doing anything with the bequest. Chris Milne of New England Capital said the, "...money is in a holding pattern, earning less but with no risk." Ms. Gray asked if there would be any fees associated with putting the money into the endowment for three months and then withdrawing the whole amount. Chris said the fees would be inconsequential. Chris cautioned that not only might that money earn \$3,000, it could also lose \$10,000 during that three months.

Currently, the endowment is: \$7, 832,923 (including the Woodbury bequest and any withdrawal). Chris Milne's recommendation: Put the \$283,000 into a very short term treasury fund with little volatility or a fund that invests in a 3 to 7 year treasury fund. Even if this were part of the whole endowment, it represents 3% of the whole monies and it's prudent to stay with low risk.

Mr. Greenbaum thinks the money should be parked in the endowment. Chris Hoffmann would like to listen to New England Capital and put it into a low risk account. He does not feel an urgent need to figure out a way to put the money into something risky.

Motion: That the Trustees leave the Woodbury gift in the investment vehicle in which Gage Wiley has placed it – in cash or cash alternatives – until such time as the Trustees wish to use it. Motion by: Sarah McKee. Second by: Patricia Holland. Vote: Unanimous.

Judeth Rainville asked for signatures on the investment profile so that New England Capital has it for their biannual SEC audit. Ms. Holland and Mr. Hoffmann signed the document. Ms. Rainville and Chris Milne left at 8:30 p.m.

This coming Monday, Feb. 1, at 7:45 a.m. is the next Friends of the Jones Library meeting. Ms. Gray asked Ms. Swift to post this as a Trustees meeting. Ms. Wang suggested showing the Friends the Library's appreciation for donating money in the past and actively ask the Friends for suggestions of uses for the Woodbury bequest. She also suggested using some of the money to replace staff who are in danger of being laid off.

Mr. Greenbaum asked Ms. Wang how she felt about cutting Friday hours. Without the bequest, she would say "cut the hours." But she feels some of the bequest should be used to retain staff. Ms. Wang suggested rebuilding the "emergency roof money" with some of the bequest.

Ms. McKee told the group that the Friends had practically no publicity about the 10% donation from Amherst Books. She suggested that a single email list would benefit the Friends and she advocates getting software with opt-in email addresses. Ms. McKee would like to hire a part time with benefits copy writer to produce press releases and newsletters.

Ms. Wang suggested asking the Friends if they would like to sponsor a "Woodbury Poetry Series" or some type of program with the Woodbury name.

Ms. Swift, as a member of the public, advocated that some of the Woodbury bequest be used to restore staff cuts. She spoke of the whole staff's perception of the latest cuts affecting the core mission of the Library. She said the staff had recommended closing on Friday afternoons in an effort to keep quality library services, rather than quantity.

Ms. Holland read a letter from Yankee Candle which states that they will donate \$250 to the ESL Center. This is in response to a solicitation letter from the ESL Center. Ms. Gray suggested asking Yankee Candle to be partners with the Library and charge them for flying a Yankee Candle banner. Ms. Isman announced that the Amherst Cultural Council has given a \$900 grant to the Jones Library to collaborate with the Emily Dickinson Museum on a program in April.

Ms. Gray requested that Ms. Isman craft a three year budget. Ms. Isman will bring that to the BCG.

Motion: That nothing be sent to the BCG unless the full Board has seen and approved it. Motion by: Carol Gray. Motion withdrawn.

Ms. Gray feels it would disempower the Trustees if Ms. Isman formulated budget information and gave it to the BCG before the Board had voted on it. Ms. Holland said the budget could be labeled as 'for consideration only, not voted.'

Motion: That the new budget be at least the MAR level. Motion by Carol Gray. Second by: Patricia Holland. **Vote:** 2 ayes, 3 nays, 1 abstention (McKee).

The meeting adjourned at 9:20 p.m.

Respectfully submitted,

Sarah McKee, Clerk