

## Meeting of the Jones Library System Board of Trustees

July 14, 2009 in the Trustees Room

Trustees Present: Patricia Holland, Sarah McKee, Louis Greenbaum, Chris Hoffmann, Kathleen Wang (arrived 7:16 p.m.), Carol Gray (arrived 7:17 p.m.)

Also Present: Bonnie Isman, Library Director; Tina Swift, Library Business Manager; Scott Merzbach, Press; Arrived at 7:10 p.m.: Sondra Radosh, Carolyn Platt, and Sue Hugus (Library staff); Public .

The meeting was called to order at 7:01 p.m.

David Farnham thanked the Board for his opportunity to show what a broker-dealer can do vs. Vanguard Management. If the Trustees choose Wells Fargo (his company), he would propose quarterly meetings.

Greenbaum: Is there any advantage to using a local broker? David Farnham: Yes, as you can see I'm here right now and we have more of an investment into the whole process, rather than 'from afar.'

Greenbaum: Is there such a thing as greater familiarity by dint of being a local person? Do you feel that purely from an operational view, it's best to have a local person?

Farnham: I think that's the case, although I have clients far away and I pay them the same amount of attention. I had no intention of representing you going into this, but I wanted to educate you on some investment points. Lots of firms would like to do business with the Jones Library.

Isman: I called other libraries and one was in the town of Weston which is a smaller town but has larger trust funds. They have "Commissioners" who are unpaid finance investment consultants. All investments go through this volunteer Board of Commissioners. Fin. Dir. John Musante said his funds were much smaller and wouldn't keep such a commission busy.

Farnham: I haven't had experience with that but you have done some good research and you now know the difference between active and passive investment management. "There's a lot of intellectual capital in resources in our business ..." He spoke of not being wedded to a particular investment group.

McKee: Originally, you recommended 80 or 90% for bonds (before seeing the investment policy). Do you suggest modifying the policy?

Farnham: I would suggest this (modifying your policy) down the road, but looking back, your portfolio has done well in the past. Currently, I think it will be a choppy return on the stock side for six months or so and you should take the maximum allowable on the fixed income side. You'll get the steady income on a month by month basis on the fixed income if it's reinvested. He suggested operating within the current investment policy with some changes of the allocations to stocks or bonds. He thanked the Trustees for the opportunity to speak.

Postponement: Consideration of the Minutes of June 30, 2009.

Treasurer's Report: The investments' current value is \$6,574,687.28 as of today. This is down from \$6.7 Million at the beginning of the month

Investment Policy: Ms. McKee said Stakeholders Capital (a local firm) people have been very helpful. They are local, with an excellent background, and they are Jones Library aficionados. Their expertise is in socially responsible investing. Mr. Milne from Hampshire College will be invited, along with Stakeholders Capital, on Thursday, July 30.

**Motion:** If the Dow Jones Industrial average drops by 5.5% or more in a day, any Trustee may request a meeting as soon as legally allowable. Motion by Chris Hoffmann, second by Carol Gray. **Vote:** 5 ayes, 1 abstain (Greenbaum)

Director's Report: WMECO is trying to meter our electric usage to ascertain why the bills have increased after energy saving measures were installed. We have plans for FY2010 that were passed last December. We will have more staff training to increase communication and build staff morale. We have disaster planning ongoing with the help of the Curator and the Maintenance Supervisor. Ms. Isman talked about more of the Library's long term goals. Ms. Gray suggested a program on obtaining jobs might bring stimulus money to the Library. Ms. Isman noted that the Children's Room is too small for adding more computers. Ms. Gray volunteered to be on the Long Range Planning Committee.

Mr. Greenbaum asked if the Eric Carle Museum has siphoned off Children's Room patrons. Ms. Radosh said no, but that is the most used museum pass. Ms. Gray said the passes should go out for two days rather than a week. It was suggested that perhaps the Friends of the Library could purchase more passes. Ms. Isman discussed the revised 2010 budget chart (green). The beige chart is last fiscal year's ending numbers.

**Motion:** Establish a subcommittee called Cost and Energy Saving Committee. Non-Trustees can be on this committee. Motion by Ms. Gray, Second by Ms. McKee. **Vote:** Unanimous.

Ms. Holland showed the Town Meeting handouts. The back will be a letter from Molly Turner (2008) and the front's header is "Please Support YOUR Amherst Libraries." Discussion of the wording followed. During the discussion, Mr. Greenbaum said the essential problem is, "The Library is underfunded." He feels the only reason the Town can underfund the Library is because the Library endowment contributes 30% of the Library's expenses.

**Motion:** The Jones Library System Trustees resolve to support town Meeting Article 1 Local Option Meals tax, Article 2 Local Option Room Occupancy Excise tax. Motion by: Carol Gray, Second by Chris Hoffmann. **Vote:** Unanimous.

Ms. Gray suggested a Trustee letter to the editor to inform people of the previous vote. Ms. Holland will write a letter to the editor. Ms. Gray will create a flyer to get people to Town Meeting.

Parade Committee: No report. Ms. McKee needs to query Town Counsel about a release for parade participants.

Investment Committee: No report.

Fundraising Committee: Will meet again in a month. The Committee will move forward to create plaques to honor memorial contributions to the Library. They will have a capital campaign to “go green.” Ms. Gray said the woman who runs the café at the Forbes is not interested in running another. Ms. Gray will further research the possibility of a café at the Jones Library.

Personnel Board: They approved the 3.5% increase for professionals, but not at the managerial level, which would be 2% (such as the Library Director). Now the COLA's must be approved by the Select Board.

The next Trustees' meeting will be in the large meeting room on July 27 (Monday) at 6 p.m.

The meeting adjourned at 9:35 p.m.

Respectfully submitted,

Sarah McKee, Clerk

Tina Swift, Stenographer