

Minutes of the Jones Library and the Town Libraries Board of Trustees

September 3, 2009 at 7:00 p.m. in the Trustees' Room

Trustees Present: Patricia Holland, Louis Greenbaum, Chris Hoffmann, Sarah McKee, Carol Gray (at 7:25 p.m.). Absent: Kathleen Wang.

Also Present: Chris Milne, Judeth Rainville, Elizabeth Roberts from Gage-Wiley and Co.; Bonnie Isman, Library Director; Tina Swift; Bob Saul observing for the Finance Committee.

The meeting was called to order at 7:05 p.m.

Consideration of Aug. 11 minutes: Add: Association of Library Trustees, Advocates, Friends and Foundations before the acronym ALTAFF; on page 2 correct 'referred' to 'preferred.'

**Motion:** To accept the August 11, 2009 minutes as amended. Motion by: McKee. Second by: Chris Hoffmann. **Vote:** Unanimous.

Treasurer's Report: The current invested funds total \$7,116,728.87.

The Gage-Wiley investment firm participants introduced themselves. Chris Milne said he wanted to change the Trustees' thinking. He brought a binder with 5 or 6 key pages from the original Gage-Wiley proposal. He recognized the fact that the Trustees don't have to change, but he feels that the Trustees should leave Vanguard (and use Gage-Wiley) because this firm is smaller, local, and can give more attention to the Jones Library's investments.

He said there are three levels of decisions: at the Board level, asset manager level, and fund manager level. He said Vanguard is a closed system – they use only Vanguard products. Gage-Wiley is an independent asset manager and can choose from many different products to use as investment vehicles. He did not dispute Vanguard's good reputation, but he said his firm offers more choices. He promised investment policy revision, quarterly meetings, emails and face to face meetings.

He spoke of the investment process as outlined in the distillation of the original Gage-Wiley proposal and continued on in the same vein, discussing each chart and page. Mr. Milne said Vanguard's fees are low because it's passive investing. His fees are higher because he actively manages investments. He pointed to his report which is a commentary on the previous market. Ms. Gray asked why his fees are so high. He said fees are 'a function of value for your dollar.' He said what the Jones pays Vanguard is expensive for what we get. His fee would be six tenths of a percent of assets. Judeth Rainville said she would draft an investment policy for the Trustees if they hired her firm. Mr. Milne said he will always underperform in a good market and outperform in a bad market. Rather than 22% losses, he has had 11% losses over a five year period.

Mr. Greenbaum said, 'We have a fiduciary responsibility to maintain this equity.' Mr. Milne said the goals of this institution are in perpetuity. They left at 8:35 p.m.

Alan Snow (Tree Warden) spoke to the group at 8:36 p.m. regarding the Princeton elm that has been planted in front of the Library. Some people with the Friends of the Jones Library wish to move the tree. He would rather not move the tree since it would be a big shock to the tree. He feels the perennials will pass on long before the tree gets big enough to shade them in ten years. Mr. Snow specifically chose that location for the maximum energy saving and cooling potential. He said it will also provide beauty and aesthetics. He feels it will provide a cornerstone to the Library, much as the sycamore at the History Museum. If he had to move the tree, he would wait until the leaves dropped. By consensus, the Trustees decided to take up this discussion again next month.

The next endowment committee meeting is on Sept. 22 at 2:30 p.m. and Ms. Gray cannot attend. Ms. Gray said she is willing to try another firm (other than Vanguard) for one year to see how they do.

Trustees' Meetings:

The next meeting will be **October 13, at 7:00 p.m.**

The next meeting will be **November 10, at 7:00 p.m.**

The next meeting will be **December 1, 2009 at 7:00 p.m.**

Ms. Holland, Ms. Gray, and Ms. Isman met with Town Manager Larry Shaffer and Finance Director John Musante. The Town will waive the \$400 building inspection fee, they will waive the \$80 banner, and if meters are put into the Library's driveway, the Town will plow the Library's driveway in the winter. Larry Shaffer gave Ms. Holland the names of people who can assist in 'greening the Library.' Mr. Shaffer supported the Library's raising fines. The Trustees asked for a waiver of the \$6,500 Munson Memorial Library rent. Mr. Shaffer felt the books in the Munson's attics are a hazard, but the Town facilities manager does not. Mr. Shaffer was very interested in putting parking meters in the Jones Library driveway. Mr. Musante asked the Trustees to have their budget submitted by January. He is hoping the Budget Coordinating Group will propose an override of varying amounts, without splitting it between specific departments. Then you wouldn't have the Library competing against police officers.

Director's Report: Tabled.

Staff Appreciation: Ms. Holland offered her house for a staff party if such a party were catered. Ms. Gray feels it is the wrong time to spend money on staff appreciation. The Friends have voted funds for the staff party food.

The Trustees will all sell tickets to the All You Can Eat BBQ for Books (October 4, 2009).

**Motion:** To do a 2.5 hours telethon to raise money for the Library by asking former donors who have not donated in the past year to give money. Motion by Ms. Gray. Second by Ms. McKee. **Vote:** Motion withdrawn.

Ms. Gray found a geothermal company to do an estimate for the Library. Mr. Greenbaum liked Ms. Isman's fact sheet of FY10 Library changes and losses due to budget cuts. Ms. Gray suggested adding a pitch for donations and Mr. Greenbaum agreed. Ms. Gray suggested putting a flyer for the BBQ for Books on the flip side of the fact sheet.

Ms. Isman has been talking with Scott Merzbach who is putting together a special insert for the Daily Hampshire Gazette about Amherst's 250<sup>th</sup> celebration. Ms. Gray wants a party for newly sworn in citizens.

The meeting adjourned at 10:05 p.m.

Respectfully submitted,

Sarah McKee, Clerk

Tina Swift, Note Taker