

Simon Fairfield Public Library  
Trustees Meeting  
March 22, 2022

Present: Morrow, Anderson, VanReed, Chesebrough, Holden, Fontaine, Harvey, and Snook  
Absent: Socrat

Vice-Chair Anderson called to order the meeting at 5:08 pm.

It was moved, seconded and passed unanimously to accept the minutes for the February 22, 2022 meeting.

**Financial Report**

**Town Appropriated Operating Funds**

	Appropriated	Expended	Balance	% spent YTD
Compensations	181,932.00	121,362.82	60,529.18	67%
Electricity	5,754.00	3,037.60	2,716.40	53%
Oil	876.00	1,135.70	-259.70	130%
Water	465.00	159.20	305.80	34%
Repairs/Maintenance	4,000.00	2,612.52	1387.48	65%
Alarms	815.00	540.55	274.45	66%
C/W MARS	8,520.00	7,281.00	1,239.00	85%
Telephone	495.00	179.06	315.94	36%
Postage	80.00		80.00	
Wowbrary service	400.00	375.00	25.00	94%
Office/Other supplies	2,943.00	1,253.46	1,689.54	43%
Custodial supplies	305.00	205.72	99.28	67%
Library materials	57,000.00	37,009.22	19,990.78	65%
<b>Total</b>	<b>263,585.00</b>	<b>175,151.85</b>	<b>88,393.15</b>	<b>66%</b>

**Trustees' Funds**

	Opening Balance	Added	Expended	Reserved for Capital	Balance
Building	11,519.83	35.00		11,554.83	0.00
Building w/ Interest	25,339.35	15,448.23		40,787.58	0.00
LIG/MEG Grant	31,647.89	8,273.90	2,771.60	13,722.54	23,427.65
Mone Historical	166.04		83.26		82.78
Regular donations	56,920.55	5,172.24	3,020.65	50,500.00	8,572.14

Fines Revolving	97.32	92.30			189.62
RS Douglas Principal	10,000.00				10,000.00
RS Douglas Interest	2,061.04	76.91			2,137.95
TRUST (Old LIG/MEG)	1,645.24	3.94		1,649.18	0.00
Carrick Fund	1,237.34	966.00			2,203.34
<b>Total</b>	<b>140,634.60</b>	<b>30,068.52</b>	<b>5,875.51</b>	<b>118,214.13</b>	<b>46613.48</b>
Friends 2021	4,225.00		1,523.85		2,701.15

**Town Administrator’s memo on Library earnings:**

The Trustees have posed the question to me, as it appears above, in connection with their ongoing efforts to raise funds for the design and, possibly, implementation of a building improvement project at their building.

Clearly the Library building and the operation there are under the control of the Trustees. This was a bargain struck in 1903 and ratified / accepted by Douglas Town Meeting on December 4, 1903. The Town accepted the gift of land and building and agreed to move its' Library into the facility.

The Town accepted the duty of maintenance of the building and associated lot of land as well as providing operational funds for the Library in exchange for the donation. The terms of the donation dictate the appointment and structure of the Board of Trustees. There seem to be associated “by-laws,” which appear in the file as undated, old-style typewritten text of uncertain provenance.

While this unique donation and acceptance means that this Board of Trustees is not technically a Chapter 78, Section 10 Board, there is no reason to believe that it is not operating under the relevant provisions of Chapter 78, Section 11, which follow:

*Section 11. The board shall have the custody and management of the library and reading room and of all property owned by the town relating thereto. All money raised or appropriated by the town for its support and maintenance shall be expended by the board, and all money or property which the town may receive by gift or bequest for said library and reading room shall be administered by the board in accordance with the provisions of such gift or bequest....*

Great care must be given to the precise words of the statute. Representation has been made that there is nothing in the General Laws preventing a Library Board of Trustees from investing funds they have raised with a professional fund manager. The statute says that a Library Board of Trustees may administer gifts under the provisions of such gift. Only another specific authorization in law can allow for departure from that rule.

A gift that specifies that monies be placed in an interest bearing account means exactly that – a demand account for which a financial institution pays a nominal rate of interest that may fluctuate over time with general interest rate benchmarks.

A donation directing the Board to invest the money to achieve the most favorable rate of return available to a prudent investor would mean something else. One can imagine that those are the general parameters of retirement investments or similar instruments.

A gift that is made with a specific authorization that the funds donated will be put at risk in an investment account that may increase or decrease with the market value of securities, is another thing entirely.

It is fair to raise the provisions of Chapter 44, Section 55B as a requirement that donations that do not have a specific authorization and which accrue over time must be invested in accordance with sections 54 and 55 of the same chapter, at the highest rate reasonably available. I do not believe, however, that this is a particularly strong argument.

Most of the verbiage in these sections refers to the payment of interest, not return on investment. It would be absurd to construe that 55B requires (or even allows) investment of public funds in Bitcoin, for example, even if that investment vehicle over time has a very high total return, huge losses of value along the way notwithstanding. I believe this statute was meant to distinguish between passbook accounts and certificates of deposit or money market funds, which maybe covered by deposit insurance but achieve a higher rate of interest than simple savings accounts.

It is therefore my opinion that the Board has the authority to direct that donated funds be placed in an investment vehicle of their choosing, provided that, the donor(s) has so directed.

I also believe (you must get qualified legal counsel to consider this) that, if the Board in raising the funds discloses prominently and frequently that it will manage donated funds in an investment account, donors therefore are made aware that their gifts will be invested in securities and can be assumed to agree to that treatment of their gifts. Further, I also believe it would be acceptable for the Board of Trustees to adopt an investment policy (which could mirror the Town's policy) for the building fund that specifies acceptable investment vehicles and risk management and makes that policy available in donation materials and on the Board's website.

I believe it could be very risky for the Board to raise funds and then put them at risk without any disclosure to the donor(s) that the gift made may lose value and the project, therefore, never completed. Frankly I think certain theories of financial liability begin to play into this discussion. Operating without qualified legal counsel in this area is not recommended.

Finally, I believe it is incorrect to insist that the Board must create a trust or foundation in order to benefit from professional financial management of its fund. I believe, however, that if the Board were to create a trust fund that disclosed to donors the management method for monies given, the Town Treasurer would have the authority under the investment provisions of Chapter 44, Section 54 to invest that Fund with the same manager used for our other trust funds. The statute requires that the aggregate of all trust funds exceed \$250,000, not each individual account taken alone, in order for the Treasurer to have this option.

In the final analysis, it is my view that progress can be made to garner better returns for the money raised to date and those that come in until the project is initiated. I strongly recommend steps as noted above to protect the Trustees from any ramifications arising from managing the funds in a manner not consistent with the instructions given by donors at the time of their gift or consistent with a policy that

has been vetted for compliance with prudent investment practices.

Treasurer Cheryl Vaidya noted that the Board of Trustees may vote to take a more middle of the road investment strategy with individual securities, stocks and bonds or they may also vote to take a more long term approach investing under 203C investing in Mutual Funds and Securities. It was moved, seconded and tabled to support Vaidya's recommendation. Discussion included

- some feeling that it was too risky in that the fund may return less than what has been put in it
- others felt that following what the Town currently does with the stabilization fund is correct
- others felt that with current inflation money is losing value.

It was moved, seconded, and passed unanimously to form a Trustee sub-committee to investigate options with Bartholomew. Harvey, Morrow, and Chesebrough agreed to serve on this committee.

**Director’s Report**

- Eleven books were adopted as Valentine books.
- Foot traffic in the Library is increasing.
- Reactions to the budget presentation to the Finance Committee positive. There seems to be no issues asking for the additional \$2,000 to cover longevity bonuses.
- With Rebecca LaVallee back from maternity leave, work on the archives has resumed. Shelves were repaired to allow for better use.
- Spring storytime begins April 25.
- A new dog, Gabby, listens to children reading to him on Thursday nights.
- Free LGBTQ books were added to the collection as a result to issues at the Millbury Public Library when a library patron decided not return books dealing with this subject and the Friends president bought copies of the books using donations given for this purpose and distributing the titles to other libraries.
- Both nationally and locally in library ethics and culture away from neutrality is experiencing change. This is a result of the ease with which people can presently self-publish or use vanity presses to create digital content. Publishers and vendors will pick up that content. Libraries have begun to vet not only the quality, but also the content itself when making collection development decisions. But now, the corpus of digital content out there (especially as CPC licenses in Overdrive and Hoopla) is becoming full of questionable materials.

**Circulation Report for the month of February**

Year	Books	Audio	Periodical	Video	Other	Digital	Computer	Total
2016	1828	137	189	918	54	296	112	3534
2017	1432	155	111	787	38	285	193	3001
2018	1657	98	100	765	13	380	184	3197
2019	1462	101	83	647	41	768	427	3529
2020	1839	95	142	755	41	804	216	3892
2021	843	22	49	238	6	1036	56	2221
2022	1489	28	83	235	31	995	140	3001

**Old Business**

**Building Projects**

**Handicapped Access using ramps**

Gary Moyer will provide a menu of proposals for getting plans put together that,

while not official engineering documents, would be detailed enough that a professional estimator could provide a cost estimate on a finished project.

**Interior plastering**

It was moved, seconded, and passed unanimously to accept the bid for the interior plastering solicited by Town Administrator Wojcik

**Grants**

**Capital Campaign**

The total to date is \$\$126,488.03, 31.6% of the \$400,000 goal

- \$11,554.83 in building donations
- \$40,787.58 in INT building donations
- \$21,996.44 reserved from library grants
- \$50,500.00 reserved from regular donations
- \$1,648.58 in the trust fund. 31.6% there

**Other**

Snook plans on applying for a reduce, reuse, and repair \$5,000 microgrant from the MassDEP to create a library of tools and things. Since storage would be in the basement, designing a space is necessary. The Library circulates quite a few non-literary items like hotspots, ukuleles, and e-readers.

**New Business**

**Legislative Day**

Morrow noted that Library Legislative Day will be held virtually on April 6. Both Senator Fattman and Representative McKenna will be attending.

The next meeting is scheduled for April 26 virtually at 5 PM.

The meeting adjourned at 6:25 PM

Respectfully submitted,  
Ellie Chesebrough, Secretary