

Peterborough Town Library Trustees  
Meeting Minutes – April 22, 2010

*Present:* Trustees Randy Brown, Diane Burnett, Karen Peterson, David Simpson, David Weir; Library Director Michael Price; Town Finance Director Nancie Vaihinger, and Sheila Kirkpatrick and Duffy Monahan from the Heritage Commission.

The meeting opened at 3:00 p.m. with a review of minutes from last week's meeting with Terry Knowles; multiple corrections and changes were discussed. DS moved to accept as corrected, DB seconded, approved. KP will send to Linda Kepner to post.

Treasurer's Report includes Trustees' monthly checking and quarterly financial summaries, which appear at the end of the minutes. DS asked if funds recently moved to Charter Trust had been put to work yet in an interest bearing account; RB wasn't certain, since this has just occurred in the past week. He will follow up to see what's what. DS moved to accept the Treasurer's Report as presented, KP seconded and all approved.

Randy asked and received approval to pay for Library Volunteer gifts and MP's credit card bill from Public Library Association meeting in Portland last month.

Further to MP's quarterly financial update last week, KP noted that moving our monthly meeting to the 4<sup>th</sup> week will make it possible to get the Town's financial reports for the most recent month, keeping us on track in doing a quarterly review of Library finances. She asked MP to provide Trustees with the quarterly report (and other reports) electronically a few days prior to the meeting so there is time to review the material. She asked if the Town's IT person could update the Library computers with pdf capability. LK will follow up with Fash.

Regarding content of MP's quarterly financial updates, KP would like him to provide the Trustees with brief narrative financial report (based on the Town financial summary and with a copy of that report) which explains where we are relative to budget (both revenue and expense), where we might need to redirect expenses, what areas the Trustees can help with. In non-quarterly report months, Trustees are on their own to pull the monthly financial reports from the Town website. On the topic of reports, monthly circulation reports are now being put into spreadsheet form, and KP offered to help Linda K in any way possible so that Trustees and Library staff have more useful reports that reflect ongoing operating statistics.

MP brought up the EBSCO prepaid invoice situation, which he tried to encumber last June. That expense had to be returned to prior fiscal year costs because it was for that previous fiscal year. As a result he has less to spend this year on periodicals (several thousand dollars). RB asked and was told by Nancie that the auditors were following generally accepted accounting standards, and have the right (and the responsibility) to make that ruling.

Money reverting to the general fund at yearend can only apply to tax money, not to Trust money. Trust money left over doesn't go back to the Town, per Terry Knowles. If we have \$10,000 left over at the end of the year that has been going back to the Town, RB wonders how we don't know that it's not Trust money, which should stay with the Library. This could become significant with additional Trusts we have taken on. How do we know if any leftover money is Trust vs. town funds?

Nancie explained that in our situation only \$30,000 is coming in from Trust Funds vs. around \$100,000 in expenses designated for books, building, maintenance etc., which are what Trust

funds are designated for. The Library expends around \$100,000 for these purposes, which means we spend more than that \$30,000. There is no hierarchy for taxes vs. Trust funds, particularly when the expenses exceed the amount of Trust Funds being put in. Trustees via funds don't give as much as the Town spends in the categories for which the Trusts were set up. MP gave a specific example of the Grimshaw Trust, which is designated for visually impaired. That Trust provides approximately \$2,000 per year, but we spend more than that for audio books on CD and large print books, so we're OK.

RB wants to be sure going forward that we comply with all reporting requirements for the Trusts we manage, that we're following rules and laws and intent of the Trusts we manage. His concern is that if asked by auditors/legal representatives, "Where did the Trust money go?" we would have to say we don't know, we only know it goes to the Town. KP suggested that in fact we could say we sent these funds to the Town for them to pay for books, materials, etc. We do know what we're spending money on, per our budget and financial reports.

As long as we're not spending less on books, materials, etc. than we're receiving in Trust funds, we should be all right. As further clarification, DS suggested that if money to buy books from Trust Funds exceeds money actually spent to buy books, then that money should come back to the Trustees (not that we're anywhere near that situation). Nancie agreed with his point, and said the Auditors would know to look for that. DS wants to be sure that if Trustees begin a capital campaign and solicit donations that those funds are not mixed in with Town funds, so that the intent of the donors is honored. Nancie said the Town doesn't normally collect donations, that the Trustees would hold that money, manage it, send out acknowledgements, then would transfer those funds over to the Town as construction costs were incurred.

Re: Town bonding for a large capital project, the normal procedure is for the entity (Library for example) to come up with a plan for costs, timing, etc. then work with the Town on how much of the cost (if any) would be anticipated to come from a bond. We must be sure we have all money lined up (donations, grants, etc.) before any building can begin. When we're set on our project plan and timeline, we should then work with Carol Ogilvie and the CIP to begin setting aside funds each year in a capital reserve account for approval at Town meeting. That money would go to the Trustees of the Trust Fund to hold until the project begins.

DS reminded us that the Trustees will need to hire a consultant to begin putting together our long-range plan, to help us make the case. The NHCF offers planning grants for this very purpose, so when the Trustees finish their strategic planning work with Jane L. and have put together our plan, we should move forward to write a grant for that purpose.

Duffy Monahan reminded us that Library is on the State inventory of historic resources (Section 106), and is declared eligible for National Register, although we haven't yet taken that step. Because of this status, we could be eligible to get grant funding for historical resources for bricks and mortar as we move ahead. These could provide additional sources of funding.

Concerning the Town Bridge Project, Duffy and Sheila Kirkpatrick, representing the Historic Commission came to the meeting to bring us up to date on what they see as issues. There is no rush right now, things are moving very slowly, with review under Section 106 as to what the impact on historical resources might be, which is a federal issue. Duffy says an inventory of downtown merchants will be conducted, and nothing will happen until that's completed. The Library has an important stake in this project, and it is in Library's best interest to be involved in the process. Duffy suggested we put in writing our concerns and needs to those managing the project. Randy is our liaison on this project, and Duffy will provide him the contact information

for people to whom we should communicate our concerns. Duffy asked to come back to our next meeting to present her documents for further discussion, as she had to leave for another meeting.

At 3:55, Duffy, Sheila and DW left the meeting.

RB confirmed he had sent in registrations for the upcoming NHLTA meeting in Portsmouth. There are several Friends also attending. Those going will meet in the Library parking lot at 6:30 a.m. on Monday, May 3<sup>rd</sup>. Who rides in what car will be sorted out that morning.

Nancie V left the meeting at 4:05. DS asked her to communicate to the Town the Trustees' appreciation for attendance at our meetings, and for assistance in bettering our working relationships. Going forward, someone from the Town will be at our meetings to serve as a Town presence and to answer questions, given the complexity of some of these issues we're discussing.

Upon a motion made by Trustees, the Board unanimously voted to go into a non-public session under RSA 91-A:3,II(a) to discuss a personnel issue. The Board went into session at 4:05 p.m.

*Roll Call Vote:*

Trustee Brown	Yes
Trustee Burnett	Yes
Trustee Peterson	Yes
Trustee Simpson	Yes

Upon a motion duly made and seconded by Trustees, the Board unanimously voted to seal the minutes of this non-public session held under RSA 91-A:3,II(a).

*Roll Call Vote:*

Trustee Brown	Yes
Trustee Burnett	Yes
Trustee Peterson	Yes
Trustee Simpson	Yes

Upon a motion duly made and seconded by Trustees, the Board unanimously voted to close this non-public session held under RSA 91-A:3,II(a) at 4:35 p.m.

*Roll Call Vote:*

Trustee Brown	Yes
Trustee Burnett	Yes
Trustee Peterson	Yes
Trustee Simpson	Yes

By unanimous vote, the meeting was adjourned at 4:35 p.m.

Respectfully submitted,  
Karen Peterson, Secretary

***Next Trustees Meeting: Thursday, May 27th at 3:00 p.m.***

***NHLTA Annual Conference – Monday, May 3, 2010 Portsmouth NH  
(meet at Library Parking Lot at 6:45 a.m. for carpool)***

***Town Meeting – Saturday, May 8, 2010***

**Peterborough Town Library Trustees' Quarterly Operating Report**

**4/22/2010**

<b>Income - Expense Statement</b>				
<b>Quarter ending:</b>	<b>9/30/2009</b>	<b>12/31/2009</b>	<b>3/31/2010</b>	<b>6/30/2010</b>
<b>Income</b>				
Gifts	300.00	750.00		
Bequests		83.33		
Interest				
NHHC Sponsorship	480.00			
Grants				
Interlibrary Loan Receipts				
Adopt-A-Book Receipts	70.00		80.00	
Town Trust Funds		4,500.00	4,500.00	
Gain from Sale of Assets		596.07		
Other		1.00	668.55	
<b>Total Income</b>	<u>850.00</u>	<u>5,930.40</u>	<u>5,248.55</u>	
Note: Reinvested dividends and interest are not considered income				
<b>Expenses</b>				
Speaker Fees	480.00			
Town Trust Funds to Library			9,000.00	
Expenditures for Library			146.22	
Capital Improvements				
Interlibrary Loan Fees				
Adopt-A-Book Remissions				
Gifts / Donations				
Memberships / Conferences	650.00	1,016.62		
Supplies				
Loss from Sale of Assets				
Publicity				
Other		1,350.00	139.98	
<b>Total Expenses</b>	<u>-1,130.00</u>	<u>2,366.62</u>	<u>9,286.20</u>	
<b>Account Balances</b>				
<b>Quarter ending:</b>	<b>6/30/2009</b>	<b>9/30/2009</b>	<b>12/31/2009</b>	<b>3/31/2010</b>
Checking	10,182.88	9,902.88	13,466.66	9,429.01
Oppenheimer Funds	160,890.25	183,655.55	187,988.74	195,738.90
Oakmark Fund	9,487.66	10,489.04	10,962.79	11,477.88
T. Rowe Price Fund	9,064.00	10,066.05	10,567.34	11,184.16
Dreyfus Fund	184,535.67	196,762.46	195,837.40	200,639.35
<i>Total investment funds</i>	<i>363,977.56</i>	<i>400,973.10</i>	<i>405,356.27</i>	<i>419,040.29</i>
Ocean Bank CD 1	40,902.56	40,902.56	41,186.09	41,186.09
Ocean Bank CD 2	25,990.75	25,990.75	26,187.71	26,187.71
Monadnock Bank CD 1	89,234.08	89,459.28	89,580.69	89,961.00
Monadnock Bank CD 2	<u>76,575.40</u>	<u>76,768.65</u>	<u>76,872.73</u>	<u>76,968.00</u>
<b>Total</b>	<b>606,863.23</b>	<b>643,997.22</b>	<b>652,650.15</b>	<b>662,772.10</b>
<b>Beginning balance</b>	406,286.25	606,863.23	643,997.22	652,650.15
Plus: Income	181,339.52	850.00	5,930.40	5,248.55
Less: Expenses	(6,529.46)	-1,130.00	-2,366.62	(9,286.20)
Unrealized Gains/(Losses)	25,766.92	37,413.99	5,089.15	14,159.60
Ending Balance	606,863.23	643,997.22	652,650.15	662,772.10
<b>Less: Actual Ending Balance</b>	(606,863.23)	(643,997.22)	652,650.15	662,772.10
<b>Variance</b>	<b>-</b>	<b>0.00</b>	<b>0.00</b>	<b>-</b>