

**TRUSTEES OF FORBES LIBRARY**  
**Meeting of October 17, 2005**

**Present:** Mr. Bloomberg, Mr. Carrier, Ms. Downing, Ms. Harding, Mr. Morin, Ms. Moulding, Ms. Barone. **Also Present:** Charleene DeAngelo and Charles Leach, representatives of Banknorth; Christine Nolan, observer for the Friends of Forbes Library; Hillary Garrett, observer for the Forbes Library Employee Association; Marjorie Hess; Peter Rowe. **Absent:** None.

The meeting was called to order at 3:55 PM in the Watson Room.

**Banknorth Report**

Charleene DeAngelo and Charles Leach, representatives of Banknorth, presented the 3rd quarter report for the period ending September 30, 2005. Ms. DeAngelo pointed out some key figures including: total market value of \$2,915,205, and total income that has not yet been distributed of \$18,649. Estimated annual income less bank fees for 2005 is \$84,743, and monthly distributions for 2005 will total \$93,400, leaving a shortfall of approximately \$8,657. Ms. DeAngelo then reviewed Forbes Library investment objective which emphasizes the "total rate of return." In response to a question from Mr. Carrier, Mr. Leach said that the investment objective has not changed, but that while Forbes Library had philosophically agreed to the total return approach, it had never been implemented. Mr. Leach also said that the shortfall of \$8,657 represented .33% of the total market value of the portfolio, which has appreciated 12% in the last year. The total return approach would shift more money to stocks and emphasize the growth in the value of the portfolio, while permitting the expenditure of principal to make up the shortfall. Mr. Morin asked how the recent rise in interest rates would affect the portfolio, and Mr. Leach replied that it would have minimal impact because the rise in interest rates was in short-term rates and not long-term rates.

Ms. Harding requested that the Banknorth quarterly reports be delivered prior to the meetings so that the Trustees would have more time to read them and formulate questions. Mr. Morin suggested that Mr. Leach send the reports to him sometime after the 10<sup>th</sup> of the month but before the Trustees' meetings, and that he would deliver them to the Trustees.

Mr. Leach then presented his thought on the market, noting that his concerns centered on consumer discretionary because of the high costs of gasoline, heating oil, and natural gas, and that he had reduced exposure in this area. On the positive side, he said that the cost of capital was still low, and that many companies were sitting on a lot of cash which could be used for acquisitions or to pay dividends. He noted that there was not a lot of "air" in the market, and that it was not over-valued as it was in 2000. In response to a question from Ms. Harding about how decisions were made in terms of investing in various market sectors, Mr. Leach said that his decisions were shaped by a consensus of opinion with other Banknorth investment managers. Mr. Leach said that the Forbes portfolio emphasized staples, energy, healthcare, industrials, information technology, and utilities, while de-emphasizing consumer discretionary, financials, and telecommunications. In response to a question from Ms. Harding about investing in Lowes or Home Depot following the hurricanes in the south, Mr. Leach said that he did not believe in chasing trends and that the price of those stocks already reflected the impact of the hurricanes. He said he would prefer to set a target asset allocation mix and to stick to it.

**Banknorth Report** (continued)

Mr. Leach said that the current portfolio consisted of 55.39% equities, 41.14% fixed income, and 3.47% cash, and that in view of the total return approach the Trustees should consider increasing the stocks to 60-65%. There are 2 bonds maturing in the near future, \$100,000 on November 1, and \$200,000 in December 2006. By shifting the \$100,000 coming due in November from bonds to stocks, it would add 3.5% to the stock asset allocation. In response to a question from Mr. Bloomberg, Mr. Leach said the shift to increase the stock allocation could happen either by shifting money from bonds to stocks, or by an increase in the stock market which would grow the stock values and thereby their allocation percentage.

The trustees agreed by consensus to set the target asset allocation mix in the Forbes portfolio to 60% equities, 35% fixed income, and 5% cash. The trustees also agreed to move in the direction of the total return approach, allowing for the limited expenditure of principal to make up for the shortfall in cash distributions. In response to a question from Mr. Carrier, Mr. Leach said that in the past endowment funds had been spending 5-6% of their value, but that more recently the target spending limits for most endowment funds was 3-4%.

In response to a question from Mr. Bloomberg about other sources of funding for the book fund, Ms. Moulding reminded the trustees that spending for the book fund could not be reduced because certification required that the library spend 13% of its budget on books and materials. In fact, book fund spending will need to be increased since the operating budget is increasing.

Mr. Carrier then asked Mr. Leach to respond to the question as to why the Friends of Forbes portfolio had performed so well in comparison to the Forbes Library portfolio. Mr. Leach agreed that the Friends of Forbes portfolio has out-performed the Banknorth strategy recently, but going back 5-10 years, Banknorth has performed better. He also said that the focus of the two portfolios was very different, with the Forbes Library portfolio being invested in large high-quality stocks, while the Friends' portfolio includes more small and mid-cap stocks, especially in growth and emerging markets, which have performed very well recently. Mr. Leach said that if the Trustees were interested, he could rework the Forbes Library investment objectives to include a provision for allocating no more than 5% to international or small-cap investments. The benefit of this approach would be an increase in diversification. The small-cap investments would be in funds that included many different stocks, not in a single stock, so the risk would be relatively low. Mr. Carrier asked Mr. Leach to send the Trustees a revised investment strategy that includes this provision, to be discussed the next time that Banknorth attends the Trustees' meeting in January. Ms. DeAngelo and Mr. Leach left the meeting at 5:00 p.m.

**Public Comments**

Ms. Marjorie Hess said that many people did not seem aware that the library was now open on Sundays and suggested that the library do more to publicize it. Ms. Moulding thanked Ms. Hess for her suggestion and said she would write another press release. In response to a question from Mr. Carrier, Ms. Moulding said that there were signs in the library advertising the Sunday hours. In response to a question from Mr. Bloomberg, Ms. Moulding said that Sunday attendance was increasing.

### **Secretary's Report**

Mr. Bloomberg asked for a typographical correction on page 4. Ms. Harding asked that the section on the Directors Evaluation on page 5 be changed to read that "she had gathered evaluations from 5 people" instead of "11 or 12 different sources." Also on page 7 under Sales/Gifts/Bequests, Ms. Harding requested that it read "thirteen signed Leonard Baskin prints from Joseph Donohue on behalf of the Friends of Forbes Library."

Mr. Bloomberg moved that the minutes of the September 19, 2005 meeting be accepted with the above corrections and placed on file. Ms. Harding seconded the motion, which was passed unanimously.

In response to a question from Mr. Carrier, Ms. Moulding said she had not contacted the City Solicitor about the Forbes Library's legal ability to support the Books Building Bridges project presented at the last Trustees' meeting because she was waiting for a revised letter from the group. Ms. Garrett replied that the letter and the request for support were not changing. Ms. Moulding said she would now contact the City Solicitor.

### **Treasurer's Report**

Mr. Carrier noted that the RCCF and Bisailion funds listed on the first page of Mr. Morin's notes were 2 separate funds, and that the RCCF fund could not be spent below the amount of the original gift of \$17,200. Mr. Carrier asked Mr. Morin to try to schedule the meeting with the auditors for November, and to let the Trustees know the date. In response to a question from Mr. Carrier, Ms. Moulding said that the surplus in the Book fund would take care of itself by fiscal year-end. In response to a question from Mr. Bloomberg, Ms. Moulding said that income from the sale of daily parking passes was included in the Richard C. Garvey book fund. In response to a question from Mr. Carrier, Ms. Moulding said that there was not a deficit in the Programming fund, and that it would be corrected before the next report.

Ms. Harding suggested that the library increase charges for photocopying, since there is a deficit in the Watson Copier Fund. Ms. Downing said that she had conducted a survey and that the average rate charged by libraries for photocopying is \$.10, and that she feared an increase in the charge for photocopying would result in vandalism and theft of the collection. Ms. Moulding said that the deficit was due to the microfilm readers and not the photocopiers, and that she had suggested at the last meeting that microfilm and copier costs be incorporated into the operating budget, as she considers these to be services and not a self-sustaining fund.

In response to a question from Ms. Harding, Ms. Moulding said that the library purchased its oil through the city, and that the library had no control over the oil supplier or the cost of oil. Mr. Carrier asked if Ms. Moulding could try to find out the price of heating oil this winter, and Ms. Moulding agreed to ask the City for this information. Also in response to a question from Ms Harding, Mr. Morin said he would bring the management letter from the auditors to the next Trustees' meeting

Mr. Bloomberg moved that the Treasurer's Report be accepted and placed on file. Ms. Harding seconded the motion, which was passed unanimously.

### **Director's Report**

Ms. Moulding presented her report noting that the need for space in the library for programming has been growing. The Friends of Forbes are very generously considering renovating the bound periodical room for programming

**Director's Report** (continued)

use as their 25<sup>th</sup> anniversary gift to the library. The renovation would include installing new flooring, lighting, a sink, some ventilation, and soundproofing. Jason Petcen, Jerry Budgar of the Friends, and Ms. Moulding are studying the feasibility of the project now and will submit a proposal at the next Trustees' meeting in November. The Trustees agreed by consensus that this is a wonderful idea, and that Ms. Moulding should move forward with the project. Ms. Harding agreed to serve as a liaison for the Trustees with the project.

In response to a question from Mr. Carrier, Ms. Moulding said that Ms. Faith Kaufmann would be on maternity leave from November 14 through February 2006. On behalf of the Trustees, Mr. Carrier commended Mr. Novitt and Ms. Downing for their programming efforts that have brought so many people into the library.

Ms. Harding moved that the Director's Report be accepted and placed on file. Mr. Bloomberg seconded the motion, which was passed unanimously.

**Friends of Forbes Meeting**

Mr. Carrier reported on the October Friends of Forbes Library meeting, noting that the highlight of the meeting was the discussion of the new programming room. The Friends are also working on plans for their 25<sup>th</sup> anniversary celebration, and will once again participate in the Florence Savings Bank Customers' Choice Community Grant program.

**Next Meetings**

The next regular meeting of the Trustees was scheduled for Monday, November 21, 2005 at 4:00 PM in the Watson Room, with a backup date of Wednesday, November 16.

The next meeting of the Friends of Forbes Library will be November 2, 2005 at 6:30 PM.

**Communications**

Mr. Carrier noted several upcoming library workshops and conferences including: MBLC's Basic Steps for Successful Fundraising on November 5, Ms. Harding and either Ms. Moulding or Ms. Downing will attend; Massachusetts Library Trustees Association and Massachusetts Friends of Libraries annual joint conference on October 29, Ms. Downing will attend with possibly Ms. Kari Knapp of the Friends; and a Marketing workshop at the Smith College Art Museum atrium on October 25, interested persons should let Ms. Moulding know if they would like to attend.

**Finances**

Mr. Carrier reported that the \$10,000 outstanding pledge has been received; now leaving only \$200 in pledges uncollected. After payment of contracted amounts to contractors, the fund will contain about \$3,600, which could be used in completing the landscaping project.

Ms. Moulding reported on the FY06 operating Budget, noting that water and sewer expenses were more than anticipated due to the washing of the exterior of the building, and the watering of the lawn and plantings.

**Library Signage**

Ms. Downing reported that she and Ms. Vanessa Vargas had formed a sub-committee of the Information Services Committee to study exterior signage in

**Library Signage (continued)**

the library. Ms. Downing submitted a proposal to the Trustees featuring three main areas of signage needs. First, an "Open" sign clearly visible from the street to be displayed above the front door of the library. Secondly, banners to be hung on the three light posts in front of the library that could be changed seasonally or to highlight library programming. Ms. Downing reported that Mr. Petcen said that hardware to hang the banners was standard and easily obtainable. And thirdly, a welcoming sign clearly defining Forbes as a public library. Ms. Downing suggested a contest amongst local artists to design the sign, which would go on the front lawn. Mr. Carrier asked Ms. Downing to pursue all three ideas by obtaining cost estimates and presenting them at the next Trustees' meeting.

In response to a question from Mr. Bloomberg about whether it was necessary to obtain approval from the City to put up signs, Ms. Moulding said that she had been in contact with the City already about installing street signs directing drivers to the library. Mr. Bloomberg said that he would check with the Zoning Board, of which he is a member, about whether approval is needed for the banners and lawn sign.

**Director's Evaluation**

In response to a question from Mr. Carrier, Ms. Harding said that she had completed the draft evaluation form for the director's position, and that she would give a copy to Ms. Moulding to review, who would then pass it on to the other Trustees. Mr. Carrier also requested that Ms. Moulding write up her short, medium, and long-term goals as part of the evaluation process.

**Gifts to be Deposited**

Ms. Harding moved that the gifts received be deposited as recommended by Ms. Moulding, \$925 received in memory of Judith Moriarty and Ken Freyer and \$50 received in honor of the birthday of Ruth Cohen into the Book Fund, and the \$500 received from Barry Schechter and Kathy Hibshman to the Second Century Fund. Mr. Bloomberg seconded the motion, which was passed unanimously.

**Funding Request to Friends of Forbes**

Mr. Bloomberg moved that the Trustees approve the request for funding from the Friends of Forbes Library for the purchase of puppets for the Children's Room for \$822.10, and also \$500 for the pre-school story time programming in the Children's Room. Ms. Harding seconded the motion which was passed unanimously.

**HVAC Modification**

Ms. Moulding reported that Mr. Jason Petcen has recommended the purchase and installation of a switch to the fan unit on the first floor which would enable the blower unit to be turned off manually. The ability to turn off the fan will result in energy savings, and the cost of the switch will be recovered in about one year. Ms. Moulding recommended that the cost of the switch be paid from the operating budget since that is where the energy savings will be realized.

Ms. Harding moved that the switch be installed at a cost of \$1,869.07 to be paid from the General Aid Fund. Mr. Bloomberg seconded the motion which was passed unanimously.

**Outdoor Maintenance Tools**

Ms. Moulding reported that Mr. Jason Myers has recommended the purchase of several outdoor maintenance items including a sweeper attachment for the lawn

**Outdoor Maintenance Tools** (continued)

tractor to clear snow, leaves, and sand from the sidewalks and parking lot (\$1,785.24), and a string trimmer and a back blower for leaves and other debris (\$479.92 for both). Ms. Moulding said that these items would permit Mr. Myers to more efficiently clean the sidewalks and parking lot. Mr. Morin said that if the sweeper could be used to clear the parking lot, it would save several hundred dollars per year. Mr. Carrier said that the library had spent significant funds to renovate the building and grounds, and should now maintain them properly. Ms. Moulding recommended that \$1,265.16 come from the Second Century Fund and \$1,000 from the Equipment line item of the Aid Fund to pay for the maintenance tools.

Ms. Harding moved that the maintenance equipment listed above be purchased and paid for as recommended by Ms. Moulding. Mr. Bloomberg seconded the motion, which was passed unanimously.

**Parking Project**

Ms. Moulding reported that she had been in communication with the architect about Mt. View completing the rest of the parking and grounds project and that Mt. View was slow in responding. Items left to be completed include finishing the fence, installing the pilasters, replacing the benches, installing the bike racks, completing the handicap fence, and other punch list items including replacing uneven paving stones. In response to a question from Mr. Bloomberg, Ms. Moulding said that the library has retained \$10,000 yet to be paid to Mt. View. Mr. Carrier said that part of the problem was that Mt. View was having a difficult time obtaining the proper stone work. Ms. Moulding obtained the permission of the Trustees to send a strongly worded letter to Mt. View asking for completion of the project.

**Repointing Project**

Ms. Moulding reported that only one bid had been received for Phase II of the repointing project, but that bid was well below the architect's estimate. Because the bid was so low, there will also be enough money from the City to repair the reading room alcove roof and stabilize the walls of the north elevation. Additionally, the bid was from Monaco Restorations of Southbridge, MA, the same firm that did Phase I, and the library has been very happy with their work. Ms. Moulding said that it was important to maintain a steady temperature while doing work of this nature, and that the contractor would set up heated enclosures near the walls to maintain the proper temperature. In response to a question from Mr. Carrier, Ms. Moulding said that there had been no damage to the Calvin Coolidge Presidential Library and Museum as a result of the leak during the recent heavy rains, and that the problem had been caught in time.

**Handicap Lift Project**

Ms. Moulding reported that the contract for the handicap lift is at City Hall waiting to be signed, and that as soon as it is, the contractor will order the lift. The estimated delivery time is ten weeks, with a few days needed to install the lift.

**Outreach Car**

Ms. Moulding reported that the new outreach car, a Chrysler Concorde, has been purchased and registered. It will be lettered to say "Forbes Library Outreach." The mechanic who looked it over recommended new rear brakes, which were installed. In response to a question from Mr. Bloomberg, Ms. Moulding said that the car was registered to "The Trustees of Forbes Library" and also insured under that name. The insurance policy includes major

**Outreach Car (continued)**

liability, but not collision. The two outreach employees are the designated drivers on the policy.

**Japanese Prints**

The library sent seventy-three Japanese prints to Eldred's Auctioneers in East Dennis, MA for sale at their Japanese Arts Auction held August 25, 2005. The sale netted the library \$19,468.45. Five prints did not sell and will be offered again at the August 2006 auction. The sixteen prints retained by the library are currently with Geoffrey Oliver of Pittsford, NY for restoration. He reported that restoration is going very slowly because of the difficulty of removing the prints from their backings without degrading the colors. He hopes they will be finished in about six months. In response to a question from Mr. Bloomberg, Ms. Moulding said that the restorer was charging \$75/hour, but that he was only working for a few minutes at a time, then letting the print sit for a week to see how the work was affecting the colors and the paper.

Ms. Harding moved that the funds from the sale be deposited into the Special Collections fund. Mr. Bloomberg seconded the motion, which was passed unanimously.

**Highland Valley Grant**

Ms. Moulding reported that the library had received a \$6,000 grant from the Highland Valley Elder Care Services for the creation of an oral history initiative. Mr. Adam Novitt wrote the grant application which was awarded on October 4, 2005. The grant will provide training and resources for patrons to create oral histories on a digital video format and provide a computer for senior citizen access to the internet and for the Kurzweil reading machine for the blind. Training will be provided by Northampton Community Television and Clio Associates. The grant will fund a new high-speed computer to handle video edition (\$2,200), a digital video camera for recording histories (\$1,500), training with Clio Associates (\$700), new books about recording life histories (\$500), and video editing software (\$500). Revan Schendler, oral history specialist at Smith College, has agreed to be a mentor and is designing and implementing the project. On behalf of the Trustees, Mr. Carrier commended Mr. Novitt for writing the grant application.

**Workshops/Meetings/Activities**

Ms. Moulding reported that she had attended a workshop on Planned Giving presented by Bill Schaiffe on September 20, and distributed her notes from the workshop.

Ms. Downing attended the CWMars Users Council Meeting in September in their new facilities at the Worcester Business Center. A review of usage of the new downloadable audio and e-book services, Overdrive, revealed that it is already catching on with patrons in popularity. In other updates, new circulation software will be released later this year, which will result in downtime where the library will need to use the auxiliary system.

**Gifts/Bequests/Sales**

The following gifts were received since the last Trustees' meeting: \$100 from the Institute for Training and Development, Amherst to Book Fund; \$500 from Barry Schechter and Kathy Hibshaman, Florence; \$25 from Jean Rogers, Leeds, in memory of Judith Moriarty; \$100 from Marianne Moriarty, Northampton, in memory of Judith Moriarty; \$500 from Carolyn Moriarty, Northampton, in memory of Judith Moriarty; \$50 from Robert F. Mitchell, Tallahassee, FL, in memory

**Gifts/Bequests/Sales** (continued)

of Judith Moriarty; \$100 from Robert J. Mitchell, Williston Park, NY, in memory of Judith Moriarty; \$25 from Kathleeen M. Moriarty, East Falmouth, MA, in memory of Judith Moriarty; \$25 from Elizabeth Giles, East Falmouth, MA, in memory of Judith Moriarty; \$75 from Judith and Michael Malinowski, Kennett Square PA, in memory of Judith Moriarty; \$25 from Florence Haas, Leeds, in memory of Ken Freyer; \$50 from Marty and Dianne Conway, Granby, to honor the birthday of Ruth Cohen; and a photograph of Paradise Pond from Judy Messer.

The following receipts from sales/rents were received since the last Trustees' meeting: \$19,468.45 from Eldred's Auctioneers for sale of Japanese Prints to Special Collections Fund.

The meeting was adjourned at 6:05 PM.