

**Board of Trustees of the Hingham Public Library**  
**March 15, 2023**  
**Fearing Conference Room**  
**66 Leavitt Street, Hingham, MA 02043**

**MINUTES**

**Present:**

Trustees Charles Abbott, Margaret Adams, Aylene Calnan (Vice Chair), Eric Haskell (Secretary), Meredith Hollander (Assistant Treasurer), David Janey, Alyson Molloy Hussey, Mirela Izmirlic, David Mehegan (Chair), Jeremy Parker (Treasurer), and Mona Pohl

Library Director Linda Harper Stone; Assistant Library Director Anna Byrne; Library Business Administrator Dina Johnson; Young Adult Librarian Megan McCusker (items 1-3 only)

**Absent:**

Trustees Thomas Carey, Elizabeth Eldredge, Arthur Garrity, Lori Magner, JoAnn Mitchell, and William Ramsey

**1. Call to Order**

Mr. Mehegan called the meeting to order at 7.05pm.

**2. Approval of Minutes**

Mr. Abbott proposed to correct several officer titles as they appear in the minutes of the January 18, 2023, meeting to omit the suffix “of the Board.” With that amendment, on the motion of Ms. Izmirlic, seconded by Ms. Calnan, the Board VOTED unanimously to adopt the minutes of the meeting of January 18, 2023.

**3. Report on upcoming children’s/YA programs**

Ms. McCusker described recent Young Adult programming, including programs on “gap years,” the “history of Nintendo,” and first aid. Upcoming programming will include programs on financial literacy and credit, to be given by representatives of Quincy Credit Union in April, as well as programming to mark Pride Month in June. Ms. McCusker also spoke about her efforts to reconvene the HPL’s Teen Advisory Board (“TAB”) following a period of decreased activity during the coronavirus pandemic; the TAB will next meet on March 29.

Ms. McCusker and Director Stone indicated their intention to maintain additional Library hours on Monday June 12 and Tuesday June 13 to correspond to final examinations at Hingham High School, an intention that was unanimously supported by the Board.

#### **4. Finance Committee Report**

Mr. Parker reported that, on February 23, 2023, the finance committee met to recommend a contingency municipal budget request for F\Y24 to be used in the event that the proposed Proposition 2½ override is unsuccessful and the municipal appropriation to the HPL must be reduced. Such a reduction was expected to total \$285,000. The committee recommended the following, which Director Stone subsequently recommended to the Town Administrator:

- Eliminate the HPL’s existing Sunday hours;
- Eliminate certain part-time salaries by not filling two positions that are contemplated in the FY23 appropriation, but which have not yet been filled;
- Eliminate the municipal appropriation for books and materials, and make a corresponding reduction to the appropriation for book supplies. The Board of Trustees’ appropriation for books and /materials (which totals \$215,568 for FY23) would remain available to support the HPL’s needs. Although the reduction in the municipal books/materials appropriation would require the HPL to seek a waiver from the Massachusetts Board of Library Commissioners (“MBLC”), Director Stone was confident that such a waiver would be forthcoming.

Director Stone noted that the HPL’s programming is underwritten exclusively by the Board of Trustees’ appropriation, which would remain available to support the HPL’s needs.

Director Stone also reported that information received from the Town Administrator since the committee held its meeting on February 23 indicated that a \$285,000 reduction in the HPL’s municipal appropriation represented a “worst case” scenario and that any actual reduction, in the event that the proposed Proposition 2½ override is unsuccessful, might not be so high.

#### **5. Treasurer’s Report**

Mr. Parker reported that the Trustees’ investment portfolio has been subject to significant fluctuations recently, which are expected to continue in the wake of the failure and receivership of Silicon Valley Bank. Nonetheless, Mr. Parker reported that sufficient assets, of sufficient liquidity, remain available to support the HPL’s operating needs. Copies of the Treasurer’s Report, Balance Sheet, and Income Statement distributed by Mr. Parker in connection with the meeting are attached as Appendices A, B, and C, respectively.

Mr. Parker projected that proceeds of the annual fundraising drive are expected to fall \$10-15,000 short of budgeted expectations. Ms. Hollander inquired about making follow-up requests as part of the annual drive, in order to bridge the gap. Ms. Hussey noted that fundraising has been somewhat limited by the lack of dedicated fundraising staff, the lack of a donor database, and the corporation’s lack of 501(c)(3) status under the internal revenue code. Mr. Haskell asked Ms. Hussey, going forward and to the best of her ability, to track the specific amounts of donations that were not able to be made due to the corporation’s tax status, for purposes of evaluating whether the corporation should seek 501(c)(3) status.

## **6. Director's Report**

Director Stone reported that the project to re-roof the “connector” portion of the HPL building, including remediation of any water damage beneath the existing roof, has progressed through an on-site walkthrough for potential bidders. Bids will close later in March. The work is expected to last about 3 days, and to be completed in spring 2023.

Director Stone also reported that the HPL has submitted to the Town, for inclusion in the 2022 Town Report, statistics and information about the HPL's operations and programming during 2022.

Director Stone also discussed upcoming programming and art exhibitions at the HPL. In response to Ms. Hussey's question, Ms. Byrne noted that the HPL's cost for each program runs between \$100 and \$300 and that, if additional funding were available beyond the current annual budget of \$14,000 (FY23), the HPL would be interested to host programs costing around \$500-600.

## **7. Report of Development Committee**

Ms. Hussey reported that the development committee had, to date, secured \$53,000 in sponsorships for the 2023 Beyond the Books event. Ms. Johnson added that, of the 200 available tickets for the event, fewer than 50 remained to be sold as of today.

Ms. Pohl added that the committee had secured a caterer and decorations for the event, and is working to create a more prominent media, and social media, presence. The Garden Club will be involved in creating floral displays and preparing the HPL's courtyard for the event. Ms. Pohl also discussed a number of auction and raffle items that will be available at the event.

## **8. Report of Strategic Planning Committee**

Mr. Haskell reported that, on February 7, 2023, the strategic planning committee met to discuss the upcoming round of the MBLC's Public Library Construction Program. Although the committee recognized the significant continued needs of the HPL building, its members reached the consensus recommendation that the HPL ought not pursue a grant under the upcoming round. This recommendation was due chiefly to the grant round's aggressive schedule, which would require the Town to commit to a statement of intent as soon as April 2023.

Mr. Haskell further reported, though, that the committee's research into the MBLC grant program revealed that the MBLC intends to offer another construction grant round in approximately 4-5 years. The committee intends to work with the MBLC and others to identify and take the steps necessary to preserve the HPL's option to submitting a strong application in connection with that round.

## **9. Report of Operations Committee**

Ms. Izmirlie reported that, due to an unexpected increase in the projected cost of the parking lot project from \$600,000 to \$1,600,000, that project could no longer be pursued through the capital budget process and would instead need to be pursued as a warrant article. Director Stone added that the Town's capital outlay committee recently chose to defer funding of construction documents related to the parking lot project (estimated at \$75,000) to the FY25 capital plan, meaning that an article could be placed on the warrant of the 2026 Annual Town Meeting at the earliest.

Ms. Izmirlie further reported that the capital outlay committee, however, has funded a new maintenance shed for the HPL in its proposed FY24 capital plan.

Ms. Izmirlie observed that, at a national level, libraries have increasingly experienced challenges to their programming and materials choices, reflecting current divisions over social issues. Ms. Izmirlie and Director Stone expressed confidence that the HPL has policies in place to address how citizens can complain about a program, book, or material, as well as a strong collaborative relationship with the Hingham Police Department geared toward ensuring the safety of the HPL.

**10. Matters not anticipated within 48 hours of the meeting**

No attendee raised any matter not anticipated within 48 hours of the meeting.

**11. Adjournment**

On the motion of Ms. Hussey, seconded by Mr. Abbott, the board VOTED unanimously to adjourn the meeting at 8.36pm.

Respectfully submitted:

Eric Haskell, Secretary

Approved by Board of Trustees:

May 17, 2023

A

Hingham Public Library  
Board of Trustees-Treasurer's Report  
March 15, 2023

Balance Sheet as of February 28, 2023

As of 2/28/23, investments totaled \$ \$2,791,149; a month-over-month decrease of \$85,430 and a year-over-year decrease of \$314,966. Adjusting for a \$60,000 cash distribution and management/custodial fees of \$25,056, the portfolio decreased 7.40% in the 12 months ending 2/28/23. The S&P 500 Index decreased 9.46% for the same period and the BofA/ML US Corp 1-3-year bond index was down 2.33%. For the full year 2022, total return for the portfolio was -18.7% while the S&P 500 benchmark total return was -18.1% and fixed income benchmark indices showed total returns in the negative 5%-6% range. The total portfolio slightly underperformed relative benchmarks in 2022 and has been slightly outperforming relative benchmarks in 2023 year-to-date. Annual interest and dividends from the portfolio are estimated to total \$46,515, or 1.67%. The rapid rise in interest rates and the increased allocation to short term fixed income has driven the interest and dividends well ahead of the FY23 budget forecasted interest and dividends of \$27,000.

As of March 10, 2023, the investment portfolio had a balance of \$2,767,026 Current holdings are allocated as follows:

<b><u>Policy Range</u></b>	<b><u>Current Allocation</u></b>
Equities 65-85%	74% - 41 total positions; top 10 positions represent 31% of total equity allocation (Top 5 holdings - Apple, Exxon, Alphabet, Amazon, O'Reilly Automotive)
Fixed Income 5-30%	23% 7 positions; US T-Bills/Notes, floating rate bond funds, Danaher Corp
Cash 0-20%	3% – State Street Institutional US Treasury Fund

As of March 10, 2023, the operating account at Rockland Trust had a balance of \$47,658.

Income Statement through February 28, 2023

For the eight months ending February 28<sup>th</sup>, revenue totaled \$147,338 (71% of full year budget) and expenses totaled \$142,876 (53% of full year budget) for net operating income of \$4,462. Any monthly operating income shortfall has been met from the available cash in the checking account and no distributions from the investment portfolio have been made in this fiscal year. The first payment of state aid has been received totaling \$26,674. Other key revenue items of note include Bookstore revenue \$9,340 and Art Show revenue of \$1,751. Combined, these revenue sources are on pace to generate \$16,637 annually, slightly ahead of full year budget. This year's annual appeal has generated \$57,553 through the end of February, \$10,590 lower than same period prior year and \$18,447 behind the FY23 budget. While additional donations are expected, it appears that the annual appeal will fall short of plan this year. Additionally, other unrestricted gifts are currently \$13,000 below budget. In total donations and gifts are approximately \$31,000 below budget year to date. Good progress has been made in securing sponsorships for the April fundraiser with some promising signs that the event will help close this \$31,000 gap to budget from donations and gifts. On the expense side, the remaining \$112,404 of the Trustees books and materials expense is the primary remaining expense for FY23. The town books and materials budget of \$110,456 has been fully spent.

The FY23 budget forecasts a full year net loss of \$63,499 or 2.3% of the current investment portfolio market value. In FY22, \$60,000 was distributed from the portfolio or approximately 1.9% of the average market value of the portfolio. The investment portfolio currently holds approximately \$190,000 of cash or cash equivalents that could be distributed without risk of market value changes.

Respectfully submitted,

Jeremy Parker  
Treasurer

**B**



**Hingham Public Library**  
**Balance Sheet**  
**February 28, 2023**

	<u>Current Year</u>	<u>Prior Year</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
PETTY CASH	\$ 232	232
OPERATING - ROCKLAND	36,462	32,055
CASH - HELD BY TOWN (SA)	4,274	3,352
INVESTMENTS - MIDDLETON	900,140	940,948
INVESTMENTS - MARKET ADJ	1,891,009	2,165,166
	<b>2,832,117</b>	<b>3,141,753</b>
<b>Total Current Assets</b>		
<b>Property and Equipment</b>		
COMPUTER EQUIP.	58,961	58,961
FURNITURE & FIXTURES	338,212	338,212
BOOKS	154,036	154,036
ACC. DEP'N COMPUTER EQUIP.	(58,961)	(58,961)
ACC. DEP'N FURNITURE & FIXTURE	(338,212)	(338,212)
	<b>154,036</b>	<b>154,036</b>
<b>Total Property and Equipment</b>		
	<b>\$ 2,986,153</b>	<b>3,295,789</b>
<b>Total Assets</b>		
<b>LIABILITIES AND CAPITAL</b>		
<b>Current Liabilities</b>		
ACCOUNTS PAYABLE	\$ 13,768	10,800
	<b>13,768</b>	<b>10,800</b>
<b>Total Current Liabilities</b>		
<b>Long-Term Liabilities</b>		
	<b>0</b>	<b>0</b>
<b>Total Long-Term Liabilities</b>		
	<b>13,768</b>	<b>10,800</b>
<b>Total Liabilities</b>		
<b>Capital</b>		
PLANT & OTHER UNREST. NET ASS	240,410	240,410
UNRESTRICTED DESIGNATED - BREW	7,437	7,437
UNRESTRICTED DESIGNATED - DEPR	32,504	32,504
TEMPORARILY RESTRICTED-CONTRIB	23,132	23,284
RETAINED EARNINGS	1,442,776	1,872,173
TEMPORARILY RESTRICTED NET ASS	829,154	829,154
PERMANENTLY RESTRICTED - BOOKS	32,549	32,549
TEMPORARILY RESTRICTED BLDG FU	0	10,450
PERMANENTLY RESTRICTED NET ASS	298,017	298,017
Net Income	66,406	(60,989)
	<b>2,972,385</b>	<b>3,284,989</b>
<b>Total Capital</b>		
	<b>\$ 2,986,153</b>	<b>3,295,789</b>
<b>Total Liabilities &amp; Capital</b>		

C

**Hingham Public Library**  
**Income Statement**  
**June 30, 2022**

	TOWN					HPL				
	2/28/23	2/28/22	BUDGET FY 23	ACTUAL FY22	ACTUAL FY21	2/28/23	2/28/22	BUDGET FY 23	ACTUAL FY22	ACTUAL FY21
<b>Revenues</b>										
OPERATING - TOWN	1,314,937	1,240,294	2,190,497	1,915,177	1,617,530					
CAPITAL - TOWN	5,776	17,694	114,000	163,068	23,114					
ENCUMBERANCE - TOWN	4,711	65,413		138,786	487					
ADJUSTMENTS										
UNRSTD CONTRIB- ANNL DRIVE						57553	68,143	76,000	78,313	79,969
UNRSTD CONTRIB - OTHER						3,137	3,215	12,000	5,707	10,539
UNRSTD CONTRIB -BURR						3,865	4,135	3,000	4,135	3,000
TEMP RESTD CONTRIB-HERSEY								1,500	1,759	1,390
TEMP RESTRICTED CONTRIB								3,500		1,000
STATE GRANTS						26,674	19,925	38,619	39,869	45,202
OTHER GRANTS										
INTEREST AND DIVS - PORTFOLIO						31,703	20,285	27,500	32,218	30,761
OTHER INTEREST INCOME						2	2		4	4
FINES						320	513		719	325
LOST MATERIALS						2,575	2,050	4,000	3,796	685
VENDING INCOME						374	277	1,500	275	24
COPY AND RELATED INCOME						3,393	1,892	5,000	3,825	200
SPECIAL EVENTS INCOME						6,500		20,000	54,347	
BOOKSTORE						9,340	2,591	15,000	5,030	5
ART SHOWS						1,751	1,159	1,000	1,221	45
OTHER RENTAL INCOME										4
MUSEUM PASS INCOME							680		877	
OTHER INCOME						151	60		60	32
<b>Total Revenues</b>	1,325,424	1,323,401	2,304,497	2,217,031	1,641,131	147,338	124,927	208,619	232,155	173,185
<b>Expenses</b>										
PAYROLL	1,024,978	1,000,893	1,779,363	1,582,689	1,337,303					
GRANT EXPENSES										
EXP ENCUMBERANCE - TOWN	4,711	65,413		138,786	487					
BOOKS AND LIBRARY MATERIAL	110,456	73,603	110,456	75,866	49,995	103,164	100,261	215,568	210,928	161,713
BOOK SUPPLIES	1,239	2,769	7,000	3,426	3,228					
MUSEUM PASSES										
MAINTENANCE CONTRACTS	13,461	12,135	27,000	31,427	19,015					
ELECTRIC	58,202	44,764	91,200	73,724	62,309					
GAS	13,804	17,660	35,100	30,292	22,200					
WATER	3,121	2,995	6,577	3,820	3,693					
EQUIPMENT AND FURNISHINGS	913		2,500	1,976	2,480					
REPAIRS, MAINT & SUPPLIES	25,865	27,454	47,768	40,794	45,050				35	(88)
COMPUTER SVC AGREEMENTS	1,524	550	3,400	3,319	1,070					
DIGITAL MARKETING						851	917	1,000	917	2,105
TRAINING AND EDUCATION	3,118	365	12,000	3,879	4,474					
OFFICE SUPPLIES	1,838	602	3,600	2,407	3,709					
COMPUTER SUPPLIES	1,020	1,761	6,000	6,101	5,236					
TELEPHONE	1,090	1,080	1,800	1,612	1,593					
TRAVEL	53	160	1,500	240	120			1,500		
POSTAGE	1,298	1,281	1,800	1,382	1,534	(32)	(15)		(9)	21
ADULT PROGRAM EXPENSE						4,844	3,061	7,000	6,293	4,046
CHILDRENS PROGRMS + SUPPLIES						4,828	3,510	7,000	5,295	8,615
STAFF ROOM SUPPLIES						340	387	500	594	73
SPECIAL EVENTS EXPENSE						18	8,821		38,020	
OCLN ASSESSMENT	51,433	50,186	51,433	50,186	49,946					
MISC. EXPENSE		237	500	237	75	662	1,552	5,000	815	1,589
AUDIT EXPENSE	1,500	1,800	1,500	1,800	4,500	3,300	3,000	3,300	3,000	
INVESTMENT MGT. FEES						18,119	19,320	25,000	25,645	22,747
FUND RAISING EXPENSE						6,678	5,248	5,000	5,248	4,553
CAPITAL OUTLAY EXP	5,800	17,694	114,000	163,068	23,114					
TOWN REIMBURSEMENT						104	582			
<b>Total Expenses</b>	1,325,424	1,323,402	2,304,497	2,217,031	1,641,131	142,876	146,644	270,868	296,781	205,374
<b>Net Income</b>	0	(1)	0	0	0	4,462	(21,717)	(62,249)	(64,626)	(32,189)