Brooks Memorial Library  
Asset Development Committee  
Minutes  
January 12, 2017 4:30-5:30 PM  
Local History Room - Brooks Library  
224 Main St.

1) Call to Order / 4:30 PM  
2) Agenda/Changes or additions  
3) Public Comment  
4) Old Business  
   - Final Questions about the Annual Appeal  

Currently, we have raised over 10,000.00. Hoping that enough  
more will trickle in for a couple more thousand.

Questions about the appeal: there is now one appeal and  
membership drive combined. Any donation to the annual appeal is  
considered a donation for membership. The donations to the appeal  
are considered donations to the friends, rather than the library.  
Anyone who donates does have Friends Membership. We could  
consider calling it the annual membership appeal or Friends  
Membership Drive.

It is not clear on the response envelope that the 15$ option is  
membership. We should have a “basic friends membership” line on  
the envelope so long-time donors can continue doing the same  
donation.

Bequests really can be planned for the library. We also accept  
individual donations for the small gifts fund. We can consider in the  
future an endowment drive.

Now that we have the database combined - it can be as cleaned  
up as possible.
We can feed the list through google to catch bad addresses - obituary list for the year? People we can compare the list to? These are components to remember for next year’s appeal.

**Follow-up:** Adam will prepare a short statement for the report at the next trustee meeting answering the pertinent questions.

- Update on public acknowledgement of donors

  Jen has not composed a text...we will ask to get that moving.

  We need someone to look around for who makes such plaques and how we can list major donors.

  We need a threshold or we will have an excessively full board. A correlated idea would be to have the book of names with people who have donated anything - especially those in honor of anyone else. We could have the plaque for those donors of $500 or more, then the book contains all those donations. In the end, though, the threshold will be random and might be best set by figuring out how many people we are talking about.

**Follow-up:** Starr and Adam will go through the historical funds and see how many funds and how many people have donated and try to use the actual numbers to get a possible cutoff dollar amount. Follow-up with Jen to get the plaque text.

5) New Business

- Beginning Review of Prentiss Smith and Co.

  Questions: is stock picking the right direction for our endowment. Our increased endowment call for a newer approach like ETF’s instead of specific stock work. What do we want to do moving forward. Do we want more of a “passive” investment strategy?

  Similarly, how heavily should we be using funds that pay dividends? (Susan Troy asked this at a previous full trustees meeting.)
What do we need to know to make this work? Is there someone we can invite in to talk to us who is not someone who might actually invest for us or who will be part of the actual investment process?

We don’t have their philosophy or the breakdown of the industries that we own or the particular profit margins that we have for each of our stocks - these are things that we can request from Prentiss for the annual review. On the philosophy side: Is it a “value portfolio” or “growth portfolio”? Is the goal total return or is it long term 6% growth?

Similarly, we should get a five year history of his performance of the measures we have started getting. Three five and ten year performance measures would give us a good sense of how we have progressed over the previous years. At this point, we can use a set of numbers (1/3/5 year) that doesn’t include the financial collapse. We should ask for the numbers from 2009-2016. This could include all the years post-financial collapse.

It’s likely that any investor we bring in will want to create their own portfolio out of the money rather than relying heavily on mutual funds. The presentation of new investors (assuming an RFP) should demonstrate how they would spread out the endowment and how they would generate a sustained 6% increase.

Fee that we pay? Is it appropriate or should we be looking for something cheaper? What is the industry rate? It appears that we pay 0.5% which is quite low by most standards.

We initially hired a manager so that the direct fiduciary responsibility was not fully on the board. Having a manager means we are somewhat insulated from the direct responsibility of picking stocks ourselves.

**Follow-up:** Adam will request full numbers from Prentiss (1/3/5 year - industry breakdown - balance between dividend and growth stocks?) John O. will ask a friend to look over our portfolio and perhaps offer us his thoughts on our holdings and strategy.

- Meeting Room Chairs
Demco chairs - several options but the higher quality are for $6,200.00. Starr will visit with Demco at the ALA and perhaps sit in the chairs to try them out.

Check if we have $6000.00 or $12,000.00. If it’s a revenue line, we need to check with the town.

- Loud Fund Questions

There appears to be no file for the Loud fund - we have no specific guidance about the quantities we are allowed to use.

Committee agrees that using the $6,600.00 in cash from the fund is perfectly reasonable - it is an exceptional year and the amount leaves over $20,000.00 still in the Loud capital which will continue to generate revenue in the coming years.

6) Adjourn

Next Meeting: TBA