LEBANON LIBRARY BOARD OF TRUSTEES
JANUARY 26, 2021 - 7:00 PM
REMOTE VIA MICROSOFT TEAMS
LEBANONNH.GOV/LIVE

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1. Call to Order

2. Approval of Minutes

A. Approve the November 24, 2020 minutes

3. New Business

A. Approve the financial report

4. Committee Reports

5. Other Business

A. Director's Report

B. Deputy Director's Report

C. Reopening discussion and vote

6. Adjournment

Due to the current situation with the COVID-19 Pandemic, the City of Lebanon is offering its meetings via Microsoft Teams. Members of the public are encouraged to attend by going to LebanonNH.gov/Live where you will find instructions on how to enter the meeting. Members of the public will be able to participate and ask questions through the Microsoft Teams software or by phone. Please visit LebanonNH.gov/Live for full details.

THE AGENDA, IN ITS ENTIRETY IS AVAILABLE ON THE CITY'S WEBSITE AT LEBANONNH.GOV

DRAFT

LIBRARY BOARD OF TRUSTEES
REGULAR MEETING AGENDA
Remote via Microsoft Teams
LebanonNH.gov/Live
TUESDAY, November 24th, 2020
7:00 PM

MEMBERS PRESENT: Francis Oscadal (Chair), Stephen Taylor (Treasurer), Susan Desrosiers, Susan Weber Valiante (Secretary), Ann Sharfstein, Laura Barrett, Emma Wunsch (Alt.), Donna Hartford (Alt.)

MEMBERS ABSENT: Morgan Swan

STAFF PRESENT: Sean Fleming (Library Director)

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1. CALL TO ORDER: Chair Francis Oscadal called the meeting to order at 7:02 PM

- **Chair Oscadal reviewed the meeting procedures for remote meetings and NH RSA 91-A "Right to Know" requirements.**
- **During the absence of Morgan Swan, Donna Hartford was given voting privileges for this meeting.**

2. APPROVAL OF MINUTES:

- **October 27th, 2020**

Ms. Barrett MOVED **to approve the October 27th, 2020 Minutes as presented in the November 24th, 2020 agenda packet.**
Seconded by Ms. Valiante.

Roll Call Vote:
Francis Oscadal, Stephen Taylor, Susan Desrosiers, Ann Sharfstein, Donna Hartford, Susan Weber Valiante, and Laura Barrett all voting Yea.
None voted Nay.
**** The Vote on the MOTION was approved (7-0).***

- **November 10th, 2020**

Ms. Sharfstein MOVED **to approve the November 10th, 2020 Minutes as presented in the November 24th, 2020 agenda packet.**
Seconded by Ms. Desrosiers.

Roll Call Vote:
Francis Oscadal, Stephen Taylor, Susan Desrosiers, Ann Sharfstein, Donna Hartford, Susan Weber Valiante, and Laura Barrett all voting Yea.
None voted Nay.
**** The Vote on the MOTION was approved (7-0).***

3. APPROVE THE FINANCIAL REPORT:

Treasurer Taylor reported he will send out his finance reports by e-mail when he receives them. Director Fleming implemented a plan to spend some of the surplus funds the Library had from this year. He spent close to $44,000.00 in October on repairs and small tools. The surplus is down to a little over $100,000.00. A little over $11,000.00 has been spent adding to the collection at the Library.

Director Fleming reported that when he realized there was going to be a large surplus of funds for this year, they decided to go forward with a renovation project at Kilton Library. The $80,000.00 work was originally going to be done through a CIP, but the City Manager took it out because of the surplus. Even with that work being done there will still be a surplus of approximately $50,000.00.

A MOTION was made by Ms. Desrosiers to approve the Financial Report as presented. Seconded by Ms. Sharfstein.

Roll Call Vote:
Francis Oscadal, Stephen Taylor, Susan Desrosiers, Ann Sharfstein, Susan Weber Valiante, Donna Hartford, and Laura Barrett all voting Yea.
None voted Nay.
**** The Vote on the MOTION was approved (7-0).***

4. COMMITTEE REPORTS: NONE

5. OTHER BUSINESS:

A. Director's Report: Director Fleming spoke on the upcoming budget year, especially regarding the request for the Library renovation funding. He asked the Board if they could reach out as citizens to City Councilors to show their support for the Library Renovation. Chair Oscadal said he would be speaking to the City Council at the December 2nd, 2020 meeting and will be talking about the survey that the Library conducted earlier in the year about the renovation project.

Director Fleming said that the Library Foundation had a goal to raise $300,000.00 for the Library Renovation by the end of the year. The Foundation decided to move the goal end date to the end of 2021. The City Manager thought that would be OK to do since the money would not be needed until then for the bond payments.

If the renovation takes place, most of the books from the Lebanon Library would be placed into storage. The Teen Librarian would like to have some of those books moved to the Kilton Library. Chair Oscadal asked if there was anyway that the books could be accessible at the off-site location? Director Fleming replied that would not be cost effective or practical. Other Board members asked if the Kilton Library might be able to absorb some of the books? Director Fleming said he could investigate that. Chair Oscadal will help with looking over the books to decide what would go to storage and what might be able to be moved to Kilton Library.

At the City Manager's urging, Director Fleming worked with Milestone to determine the cost of adding additional parking at Kilton Library. The cost would be $200,000.00, which would be tearing down the building at Atwood Avenue and putting parking on that piece of property. The amount did not include the cost of purchasing the property.

Lastly, Director Fleming asked if the Board would mind having the Library closed on Saturday, December 26th, 2020, the day after Christmas? No one on the Board voiced any objections.

B. Deputy Director's Report: None

6. OTHER BUSINESS:

Chair Oscadal asked about the Library Website redesign and where that was in the process? Director Fleming replied he was not sure where that stood right now. Chair Oscadal also asked if the outdoor tech lab was still going on? Director Fleming said it had ended when the weather got colder outside.

7. ADJOURNMENT:

A MOTION was made by Ms. Desrosiers to adjourn the meeting at 7:42 PM.
The MOTION was seconded by Ms. Sharfstein.

Roll Call Vote:
Francis Oscadal, Stephen Taylor, Susan Desrosiers, Ann Sharfstein, Susan Weber Valiante, Donna Hartford, and Laura Barrett all voting Yea.
None voted Nay.

**** The Vote on the MOTION was approved (7-0).***

Respectfully submitted,
Barbara Higgins
Recording Secretary

Lebanon Public Library
Checking/Savings Balances
As of October 31, 2020

		Oct 31, 20
ASSETS		
Current Assets		
Checking/Savings		
Main MSB Checking Acct 773		13,374.39
Petty Cash - West Lebanon		75.00
Petty Cash - Lebanon		75.00
Total Checking/Savings		13,524.39
Total Current Assets		13,524.39
Other Assets		
Long Term Assets		
Savings Account MSB 5568114		
General Savings	44,826.32	
Rainy Day Fund (City Surplus)	115,492.66	
Total Savings Account MSB 5568114	160,318.98	
Total Long Term Assets		160,318.98
Total Other Assets		160,318.98
TOTAL ASSETS		173,843.37
LIABILITIES & EQUITY		
Equity		
Retained Earnings		174,282.03
Net Income		-438.66
Total Equity		173,843.37
TOTAL LIABILITIES & EQUITY		173,843.37

Lebanon Public Library
Cash In/Cash Out Statement
October 2020

	General Fund Oct 20	General Fund Jan - Oct 20	TOTAL Oct 20	TOTAL Jan - Oct 20
Ordinary Income/Expense				
Income				
Grant Revenue	0.00	40,200.00	0.00	40,200.00
Fees/Fines Income	255.00	4,524.27	255.00	4,524.27
Interest Income -				
Carter Funds	0.00	7,127.93	0.00	7,127.93
Trustees of Trust Funds	0.00	5,812.69	0.00	5,812.69
Fees/Fines Savings Int	1.40	25.74	1.40	25.74
Total Interest Income -	1.40	12,966.36	1.40	12,966.36
Total Income	256.40	57,690.63	256.40	57,690.63
Expense				
Grant Expense	0.00	40,200.00	0.00	40,200.00
Attorney Fees	0.00	152.88	0.00	152.88
Accounting/Bookkeeping Servi...	75.00	750.00	75.00	750.00
Community Relations	17.98	711.45	17.98	711.45
Art/Framing	0.00	957.50	0.00	957.50
Coffee Machine Expense	0.00	1,082.47	0.00	1,082.47
Kilton Public Library				
Furniture/Fixtures for Kilton	0.00	456.26	0.00	456.26
Total Kilton Public Library	0.00	456.26	0.00	456.26
Advertising/Marketing	0.00	15.00	0.00	15.00
Books/Subscr/CD/DVD/Tapes	0.00	750.67	0.00	750.67
Dues/Memberships Exp	0.00	165.00	0.00	165.00
Education/Staff Development	0.00	679.00	0.00	679.00
Entertainment	0.00	299.48	0.00	299.48
Miscellaneous Exp	84.07	1,494.55	84.07	1,494.55
Office/Operating Supplies	61.59	5,192.72	61.59	5,192.72
Postage/Delivery	22.72	65.45	22.72	65.45
Programs	75.46	1,710.39	75.46	1,710.39
Repairs/Maintenance				
Grounds	702.00	2,278.00	702.00	2,278.00
Total Repairs/Maintenance	702.00	2,278.00	702.00	2,278.00
Web Hosting/Domain Fees	189.71	1,168.47	189.71	1,168.47
Total Expense	1,228.53	58,129.29	1,228.53	58,129.29
Net Ordinary Income	-972.13	-438.66	-972.13	-438.66
Net Income	-972.13	-438.66	-972.13	-438.66

Account	Description	Budget (adjusted)	YTD	Encumbrance	Balance	% Used
01-1100	FULL-TIME WAGES	553,690	543,143.19	$0	$10,547	98%
01-1200	PART-TIME WAGES	302,450	189,417.15	$0	$113,033	63%
01-1201	PART-TIME WAGES:CUSTODIAL	83,110	89,094.23	$0	($5,984)	107%
01-2100	LIFE/DISABILITY INSURANCE	7,030	6,719.56	$0	$310	96%
01-2200	FICA & MEDICARE	72,260	62,455.38	$0	$9,805	86%
01-2301	RETIREMENT:MUNICIPAL	61,850	59,868.35	$0	$1,982	97%
01-2600	WORKERS' COMPENSATION	4,090	3,482.37	$0	$608	85%
01-4300	REPAIR/MAINT SERVICES	8,700	8,401.60	$0	$298	97%
01-4420	RENTAL:EQUIPMENT/VEHICLES	2,000	2,396.12	$0	($396)	120%
01-5300	TELE/COMMUNICATIONS SYSTEM	8,970	6,870.75	$0	$2,099	77%
01-5400	ADVERTISING	2,000	0.00	$0	$2,000	0%
01-5600	DUES/MEMBERSHIPS	1,030	1,358.00	$0	($328)	132%
01-5850	STAFF DEVELOPMENT	10,560	2,819.22	$0	$7,741	27%
01-5870	TRAVEL	7,790	6,574.32	$0	$1,216	84%
01-5875	MILEAGE	0	150	$0	($150)	#DIV/0!
01-5900	OTHER PURCHASED SERVICES	6,000	7,402.70	$0	($1,403)	123%
02-4110	WATER	750	1,760.22	$0	($1,010)	235%
02-4120	SEWER	1,500	1,341.95	$0	$158	89%
02-4300	REPAIR/MAINT SERVICES	46,500	63,239.51	79,355.65	($96,095)	306%
02-5900	OTHER PURCHASED SERVICES	0	4,015.00	1,985.00	($6,000)	#DIV/0!
02-6150	SMALL TOOLS/EQUIPMENT	34,500	48,115.21	12,820.43	($26,436)	177%
02-6220	ELECTRICITY	40,000	42,471.54	$0	($2,472)	106%
02-6230	BOTTLED GAS	1,120	633.56	$0	$486	57%
02-6240	FUEL OIL	6,020	5,129.13	$0	$891	85%
02-6300	MAINT MATERIALS	10,000	5,019.81	$0	$4,980	50%
04-5900	OTHER PURCHASED SERVICES	11,500	3,649.36	$0	$7,851	32%
04-6100	GENERAL OPERATING SUPPLIES	6,000	4,768.54	$0	$1,231	79%

04-6120	LIBRARY BOOKS/SUBSCRIPTIONS	45,500	49,515.47	$0	($4,015)	109%
04-6200	OFFICE SUPPLIES	6,000	1,743.34	$0	$4,257	29%
		$1,340,920	**$1,221,555**	$94,161	$25,204	98%
			12 months out of 12			**100%**

Results of Survey of Permanent Staff, Including Custodians and Subsitute Librarians Currently Helping with Interlibrary Loan Regarding Reopening	
When you would want to reopen the Library in a limited way? (Community Room only, computers and limited browsing, as we had planned to do in November before numbers went up).	
Response	*Comments*
When the vaccine is available to all staff	
When the vaccine is available to all staff	
Now	*I do not wish to be forced into taking the vaccine. I have sensitivity to medications, and personally don't want to be shamed into following the leader. The City does not require it, but I know library staff is very frightened about the virus.*
When the vaccine is available to all staff	*Rates of COVID are currently increasing. Over 4000 people died yesterday, and the rates are continuing to climb. Just because this has gone on a long time doesn't mean we should succumb to caution fatigue. We are so close to vaccination! If we are truly essential, then our place in line for the vaccine will reflect that. If we are not and we have to wait for the vaccine then there is no need to take on any undue risk. Just because other community members are being forced to take unreasonable risks doesn't mean we should have to and to suggest otherwise seems morally indefensible.*
When the vaccine is available to all staff	
When the vaccine is available to all staff	
When the vaccine is available to all staff	
When the vaccine is available to all staff	*When all staff are able to be vaccinated if they so choose, it would feel safe and right to start our limited reopen plan. Since patron time inside the building would be limited, and staff wouldn't be at risk of transmitting to patrons, I would feel very good about welcoming the public back into the building. Since that day is within our reach, it seems foolish to put staff and the public at risk before the vaccine is available to the staff.*
When the vaccine is available to all staff	*Not just available to staff, but taken!*
When cases/deaths come down significantly	
Other	*I'd prefer we reopen in late Spring or early Summer when more members of the staff AND public have been vaccinated.*
When cases/deaths come down significantly	
When the vaccine is available to all staff	*I feel that the if the city has vaccines available and the library plans to open, we should have access to the vaccine before opening our doors. Opening would make us essential employees, as we are providing a public facing service, and it seems unwise to expose our staff to the potential risk, as well as us being a possible community spreader as well.*

Buildings and Grounds Issues

report generated on Jan 21, 2021

Fix the compost situation at Kilton

To do

1. make additional bins
    - Due on: Mar 27, 2021
    - Assigned to: Seanchuck.mcandrew@leblibrary.com

Playspace project

In progress

1. install plaque
    - Due on: May 01, 2021
    - Assigned to: SeanKen

curb cut needed on Bank St by Lebanon Library for handicapped space

To do

1. take pictures of area and send to Jim Donison
    - Due on: Apr 24, 2021
    - Assigned to: Sean

hvac controller failed at Kilton

In progress

1. investigate options for upgrading controls
    - Due on: Dec 05, 2020
    - Assigned to: Sean

problems with lights at Kilton

In progress

1. determine cost for upgrading lighting to LED, improving the entire lighting system
    - Due on: May 22, 2020
    - Assigned to: Sean
2. The lights sometimes will not come on/stay on in the patron areas - fix this.
    - Due on: Mar 27, 2020
    - Assigned to: Sean
3. Eliminate the delay that occurs between flipping the switch on all overhead lights in patron areas and when they finally come on.
    - Due on: Mar 27, 2020
    - Assigned to: Sean

prune the trees at Kilton

In progress

1. Contact GreenShield Arboriculture/Eric
    - Assigned to: Sean

seal the gutters in the back at Kilton

To do

1. contact Odie
    - Due on: Mar 27, 2021
    - Assigned to: Sean

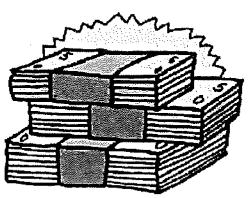
stripe the parking lot at Kilton

To do

1. find a contractor to get the work done
   - Due on: May 29, 2021
   - Assigned to: Sean

Libraries and *The Other Money*

Terry M. Knowles
Assistant Director
Charitable Trusts Unit



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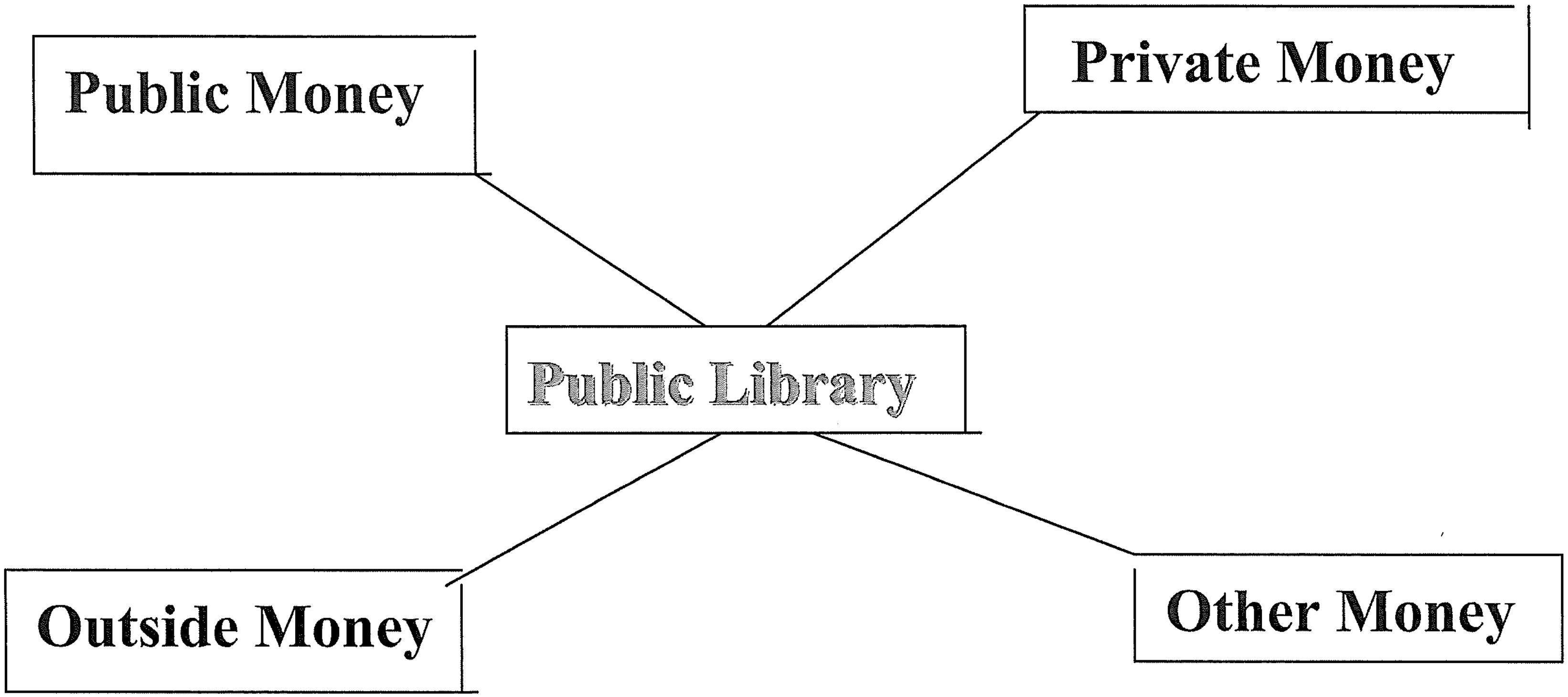
Funding Sources



What are the sources of money for a public library?

- Tax Dollars
- Donations
- Bequests
- Trust Funds
- Grants
- Fine Money/Lost Books
- Income Generating Equipment
- Friends groups
- Supporting Foundations
- Fundraising

Knowing the Difference

Public Money •Tax Appropriation •Expendable Trusts •Capital Reserve Funds	**Private Money** •Donations •Bequests •Trust Funds •Endowment Funds
Outside Sources of Money •Friends Groups •Supporting Foundations •Grants •Fundraising	**Other Money** •Fine Money/Lost Books •Income Generating Equipment

Private Money vs. Public Money

- Private Money and Other Money comes from individual donors, wills, trusts, grants, endowments, and other sources as defined by the New Hampshire Statutes.
- Public Money is taxpayer money raised and appropriated by the taxpayers at town meeting

Public/Taxpayer Money:

Appropriations (RSA 32)
General Fund Trusts (RSA 31:19-a)
Capital Reserve Funds (RSA 35)

Public Money: *Budgeting for the library*

- **RSA 32:5 III: All appropriations recommended shall be stipulated on a "gross" basis, showing anticipated revenues from all sources, including grants, gifts, bequests, and bond issues, which shall be shown as offsetting revenues to appropriations affected.**

What does this mean?

- **In preparing a budget to be submitted to the Selectmen and/or the Budget Committee Library Trustees must calculate the *total cost* of operating the library regardless of the source of funding.**
- **Example: If the Town of Graniteville needs *$100,000* to operate the library and $20,000 is coming from trust fund income the Library Trustees must still ask the voters to raise and appropriate the sum of *$100,000*.**

Does this mean the taxpayers have to pay for the $100,000 from tax revenue?

- **NO. Before the town or city sets the tax rate it has already sent forms in to the Department of Revenue Administration (DRA) listing all sources of offsetting revenue.**
- **In my example DRA will be aware of the $20,000 coming from private money and will therefore set the tax rate based on the $80,000 net figure.**

Taxpayer Money: Must a town fund its public library?

- **Obligation to fund the public library:**
- **202-A:4 Maintenance.** – Any city or town having a public library shall annually raise and appropriate a sum of money sufficient to provide and maintain adequate public library service therein or to supplement funds otherwise provided.

Who Spends Taxpayer Money?

- **202-A:11 Powers and Duties.** – Except in those cities where other provision has been made by general or special act of the legislature, **the library trustees** of every public library in the state shall:

  III. Expend all moneys raised and appropriated by the town or city for library purposes and shall direct that such moneys be paid over by the town or city treasurer pursuant to a payment schedule as agreed to by the library trustees and the selectmen or city council.

Lapse of Appropriation

- If any taxpayer money remains unspent at the close of the accounting year it will lapse to the town's general fund unless it has been encumbered to pay a legally-enforceable obligation or is part of a statutorily-defined non-lapsing fund. Example: capital reserve funds.
  - **RSA 32:7**

Expendable Trusts:
Public Money RSA 31:19-a

- **"A town may at any annual or special meeting grant and vote such sums of money as it deems necessary to create trust funds for the maintenance and operation of the town; and any other public purpose that is not foreign to the town's institution or incompatible with the objects of its organization.**
- **The town may appoint agents to expend any funds in the trust for the purposes of the trust."**

RSA 31:19-a Trust Funds Created by Towns (continued)

- **"The local legislative body may authorize the acceptance of <u>privately</u> donated gifts, legacies, and devises to be utilized for the same purposes as a trust fund created under this section; provided, however, that such gifts, legacies, or devises shall be invested and accounted for <u>separately from, and not commingled with</u>, amounts appropriated under paragraph I, and shall be subject to the custody and investment provisions applicable to trust funds accepted under RSA 31:19."**

RSA 31:19-a Trust Funds Created by Towns (continued)

- **Trust funds created pursuant to this section shall be <u>revocable</u> by majority vote of the legal voters present and voting at any annual meeting, unless the vote creating the trust expressly provides that the trust shall be <u>irrevocable</u>, and upon revocation the trustees of trust funds holding the account for said trust shall pay all the moneys in such fund to the town treasurer.**

  If the town creates a trust fund under RSA 31:19-a it is held and administered by the <u>Trustees of Trust Funds</u>

Public Money: Capital Reserve Funds RSA 35

- Taxpayer money appropriated for a specific capital improvement or item of equipment.
- Withdrawals from capital reserve funds take place in one of two ways:
  - **Vote of town meeting**
  - **Authorization of Agents to Expend appointed by the voters through a warrant article**

Private Money

- **Donations**
- **Bequests**
- **Trust Funds**
- **Endowment Funds**

- **Library Trustees are required to carry out the directives of the donor when administering and expending private money and it is important to have a copy of the will, trust, or other instrument signed by the donor.**

How do Library Trustees

- **Accept and expend Gifts of Private Money and Personal Property**
- **Administer Trust Funds**
- **Draft and adopt investment policies if required**

Accepting Gifts of Money and Personal Property

Accepting Trust Funds
Option #1

- RSA 31:19 – "Towns may take and hold in trust gifts, legacies, and devises made to them for the establishment, maintenance, and care of libraries, reading-rooms, schools, and other educational facilities, parks, cemeteries, and burial lots, the planting and care of shade and ornamental trees upon their highways and other public places."
- <u>The voters at the annual town meeting or at a special town meeting</u> accept, in the name of the town, through a warrant article all gifts, legacies, and devises given to the town in the previous year.

Accepting Gifts, Donations, Bequests Option #2

- **The town meeting adopts, by warrant article**
- **RSA 31:19 II which permits the Selectmen to accept gifts, donations, and bequests without further action of town meeting.**
- **RSA 31:95-b permits the Selectmen to accept unanticipated funds from the state, federal or other governmental unit or a private source which becomes available during the fiscal year. This vote is permanent unless rescinded by the voters at a subsequent town meeting.**

What are "unanticipated funds"?

- Unanticipated funds represent funds from a non-tax source that are not <u>anticipated</u> or <u>known</u> at the time of budget preparation.
  - **Examples: a bequest under a will, a check received from a citizen for patriotic purposes, donations received in response to a special fundraising event, a successful grant application, stimulus money, etc.**

RSA 31:95-b
Public Notice

- **III. (a) For unanticipated moneys in the amount of $5,000 or more, the selectmen or board of commissioners shall hold a prior public hearing on the action to be taken.**
- **Notice of the time, place, and subject of such hearing shall be published in a newspaper of general circulation in the relevant municipality at least 7 days before the hearing is held.**

RSA 31:95-b (continued)

- **(b) The board of selectmen *may* establish the amount of unanticipated funds required for notice under this subparagraph, provided such amount is less than $5,000.**
- **For unanticipated moneys in an amount less than $5,000, the board of selectmen *shall* post notice of the funds in the agenda and *shall* include notice in the minutes of the board of selectmen meeting in which such moneys are discussed.**

RSA 31:95-b and the Municipal Budget Act

- **The acceptance of unanticipated moneys under this subparagraph shall be made in public session of any regular board of selectmen meeting.**
- **IV. Action to be taken under this section shall:**
  (a) Not require the expenditure of other town or village district funds except those funds lawfully appropriated for the same purpose; and
- **(b) <u>Be exempt from all provisions of RSA 32 relative to limitation and expenditure of town or village district moneys.</u>**

Accepting Gifts, Donations, Bequests The Library Option

- The Town Meeting may adopt by warrant article:
  - **RSA 202-A:4-c which permits Library Trustees to accept gifts, bequests, and devises made to the library specifically.**
  - **RSA 202-A:4-d which permits Library Trustees to accept gifts of personal property other than money**

RSA 202-A:4-c

- **Warrant article wording found in section**

I (a): "Shall the town accept the provisions of RSA 202-A:4-c. . authorizing indefinitely the public library trustees to apply for, accept and expend, without further action of town meeting, <u>unanticipated</u> money from a state, federal or other governmental unit or a private source which becomes available during the fiscal year?" (Emphasis added)

RSA 202-A:4-c (continued)

- **Once the voters have adopted RSA 202-A:4-c it is permanent unless rescinded by a subsequent vote of town meeting.**
- **Such money shall be used only for legal purposes for which a town may appropriate money.**
- **<u>Be exempt from all provisions of RSA 32, relative to limitations and expenditures of town moneys.</u>**

Procedure for Accepting Gifts

- The law has two types of acceptance procedures: one for gifts of less than $5,000 and one for gifts of more than $5,000

Procedure for Accepting Gifts of less than $5,000

- **RSA 202-A:4-c III (b): The public library trustees may establish the amount of unanticipated funds required for notice under this subparagraph, provided such amount is less than $5,000.**

Procedure for Accepting Gifts of less than $5,000

- **For unanticipated moneys in an amount less than $5,000, the public library trustees**
  - **shall post notice of the moneys in the agenda, if any, and**
  - **shall include notice in the minutes of the public library trustees meeting in which such moneys are discussed.**

Procedure (cont)

- **The acceptance of unanticipated moneys under this subparagraph shall be made in public session of any regular public library trustees meeting.**

Procedure for Accepting Gifts of over $5,000.00

- **Publication requirement:**
- **RSA 202-A:4-c III (a) "For unanticipated moneys in the amount of $5,000 or more the public library trustees shall hold a prior public hearing on the action to be taken. Notice of the time, place, and subject of such hearing <u>shall be published in a newspaper of general circulation</u> in the relevant municipality at least 7 days before the hearing is held." (Emphasis added)**

Limitations

- **When accepting funds the Library Trustees may not require the expenditure of any other town funds**
- **When accepting personal property the Library Trustees may not bind the town to raise, appropriate, or expend any public funds for the operation, maintenance, repair, or replacement of such personal property**

Remember

- **The Library Trustees may spend unanticipated money without including it in the budget as long as the money is expended in the same year it is received.**
- **Any unanticipated money not expended in that year must be carried over and included in the budgeting process before it can be expended.**

Authority to Accept Gifts of Personal Property

- **RSA 202-A:4-d The voters must pass a warrant article authorizing the library trustees to accept gifts of personal property, *however,* the voters may decide whether or not to require a public hearing for personal property valued at over $5,000.**
- **If the original warrant article does not specify the $5,000 provision *no public hearing is required to accept personal property.***

Administering Trust Funds

Statutory Authority

- **202-A:11 Powers and Duties. – Except in those cities where other provision has been made by general or special act of the legislature, the library trustees of every public library in the state shall:**

  IV. Expend income from all trust funds for library purposes for the support and maintenance of the public library in said town or city *in accordance with the conditions of each donation or bequest* accepted by the town or city;

Statutory Authority

- **202-A:22 Custody and Control of Trust Funds. – Trust funds given to towns and cities for the use of a public library shall be held in the custody and under the management of the trustees of trust funds. The entire income from such funds shall be paid over to the library trustees. Payment of such income shall be made by the trustees of trust funds to the library trustees as the same is received.**

Statutory Authority

- **202-A:23 Exceptions.** – Nothing in this chapter shall preclude the library trustees from accepting, receiving, investing and administering directly any trust funds and donations when so specified by the donor. Library trustees administering and investing such special funds shall be governed by the provisions of RSA 31:25.

Authority (cont)

- Library Trustees holding and administering trust funds directly are required to draft and submit an investment policy to the Attorney General annually pursuant to RSA 31:25.

Outside Sources of Money

Outside Sources of Money

- **Friends Groups**
- **Supporting Foundations**
- **Grants**
- **Fundraising**

Fundraising Activities

- **FAQs:**
- **Should the library obtain a separate tax ID number from the IRS?**
- **Are donations to the library tax deductible to the donor?**
- **Where do the Friends groups and supporting foundations fit in?**

Tax Identification Number

- **The library trustees should not apply for a separate number. This can lead to the IRS assessing tax penalties.**
- **Use the town's tax identification number.**

Are Donations to the Library Tax Deductible?

- **Yes. As long as the donation is for a public and not a private purpose.**
- **Gifts (donations) to the United States, a state, city, town, or Indian tribal government are deductible as an itemized deduction on Federal income tax.**

Friends Groups

- **Are generally recognized by the IRS as 501(c)(3) organizations**
- **Are separate from the town**
- **Are not subject to the right to know law**
- **May fundraise on behalf of the public library**
- **Any funds received from a Friends Group are subject to the publication and public hearing requirement if over $5,000**

Supporting Foundations

- Generally Friends groups run fundraising activities to meet the immediate needs of the library: books, periodicals, DVDs, etc.
- Foundations are created to meet the future needs of the library through the establishment of an **endowment fund**
- Both may qualify for 501(c)(3) status with the IRS.

Grants

- Library Trustees often apply for grants from private and federal sources.
- Grants awarded are subject to the acceptance process.
- Funds received through grants must be administered in accordance with the grant award documentation whether from a government or private source.

Other Money

- **Fine Money**
- **Lost Books**
- **Income Generating Equipment**

Income Generating Equipment

- **Libraries wishing to retain funds produced by the income generating equipment must obtain permission from the voters pursuant to RSA 202-A:11-b. Once permission is granted by the town via a warrant article no public hearing is required to accept revenues from income generating equipment.**

Income Generating Equipment

RSA 202-A:11-a All money received from a library's income generating equipment shall be retained by the library in a non-lapsing fund and use for repairs and upgrading and for the purchase of books, supplies and income generating equipment if approved by the town or city in which the library is located.

Revenue from Income Generating Equipment

- **Money from income generating equipment shall be <u>in addition to the appropriation</u>.**

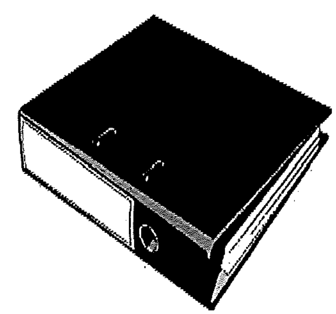
RSA 202-A:11 III

Fine Money
Lost or Damaged Books

RSA 202-A:11 III Library Trustees Shall Expend all money received from fines and payments for lost or damaged books or for the support of a library in another city or town. . .shall be used for general repairs and upgrading and for the purchase of books, supplies, and income-generating equipment and shall be held in a separate non-lapsing fund and <u>shall be *in addition to the appropriation.*</u>

Keeping the Record Straight

- Because the types of money that fund a library may come from a number of sources it is important to keep detailed records on the source of each and any restrictions on how the funds are spent.
- Spreadsheet programs can both capture the financial information and generate necessary reports.



Contacting the Attorney General

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ARE THERE ANY QUESTIONS?