

Middleborough Public Library Financial Transparency Statement

The Middleborough Public Library follows the financial guidelines and regulations established by the Town of Middleborough, the Commonwealth of Massachusetts, and the federal government. The Library is committed to transparency, accountability, and responsible stewardship of all funds under its care.

Recently, inaccurate information and subsequent questions have been raised in public forums regarding what has been described as four accounts containing substantial balances. These are the accounts that can be seen on our Endowment report that is presented to the Board at each meeting. It is important for us to present accurate information to the public and we welcome the opportunity to do so.

First, there are three accounts listed on our endowment report, but the General Fund and the Paun are listed separately for accounting purposes. While they are shown as separate funds for accounting and reporting purposes, both are held within the same Ameriprise investment account.

As reflected in the current financial report:

- General Fund: \$1,488,586.45
- Paun Fund: \$407,787.88

These two funds are combined within the Ameriprise account, which has a total balance of \$1,896,374.33 as of our last statement received on May 11, 2026.

In addition, these funds are not part of the Town's operating budget. They are trust and endowment funds that are overseen by the Board of Library Trustees, as required by the trusts. The director's involvement is limited to providing a monthly status report and is allowed to approve the use of funds for the basic operations of the library with any single expenditure subject to the spending limit stated in the Library's Investment Policy of \$2,500 per purpose. It is important to note that while the Director has this discretionary spending authority, they are not an authorized user of the checking account.

Each trust or endowment was established with specific instructions regarding how the funds may be managed and used. The Library strictly follows the terms and conditions established by the donors and governing documents for each account. To help our community better understand how library funding works, we are providing a brief overview of the trust funds and endowments that support the Middleborough Public Library. Many of these funds were established through gifts and bequests, and each has its own rules governing how the money can be used.

WILFRED M. SILVIA TRUST ("SILVIA TRUST")

The Silvia Trust's expressed purpose is to fund "the purchase of books, in such forms as may be available in the future" for the Middleborough Public Library. Every funding request must meet that purpose and be formally requested to the Silvia Trust. The Library cannot expend any funds from the Silvia Trust before the said funds have been approved and allocated by the trustees of the Silvia Trust. The Silvia Trust is overseen by a three-member board of trustees and the Town has no control over this account.

PEIRCE TRUST

The Trust is over 100 years old. It is managed by a three-member Board of Trustees. The Town has no direct control over the accounts. The Peirce Trust technically constitutes two (2) Trusts for purposes of the IRS. Since the controlling Board of Trustees—constituting three (3) members—is the same, no one delineates.

The two Trusts are:

Thomas S. Peirce Trust F/BO (“Peirce Trust – Library Account”)

This account is exclusively for the Middleborough Public Library for the procurement of materials. The exact fiscal year distribution has varied from \$9,000-\$18,000. In the past, two (2) checks were distributed: one (1) in August and one (1) check in September. In recent years, one (1) check was issued in August.

The Peirce Trustees normally will issue a check to the Library. The check is then deposited in the bank account of the Board of Library Trustees. The reason for the account going to the Trustees involves how the Trust was setup and the requirement that the funds behind under the purview of the Board of Library Trustees.

Thomas S. Peirce Trust U/WO (“Peirce Trust – Town Account”) | Town Account # 19.3280.13

This account is at the discretion of the Peirce Trust’s Board of Trustees’ discretion.

During difficult financial times (2000s), the Trustees had graciously given the Library \$25,000-\$30,000 additional funding out of this account for materials—supplementing the Town Appropriation, State Aid, and the distribution from the Peirce Trust F/BO account—to cover the revenue shortfall. In recent years, the trustees have focused on building repairs and upgrades.

This trust account is unrestricted in its purposes. The distributions are based on need. There is no “automatic” distribution. The Library must submit proposals for funding to the Peirce Trustees. The Peirce Trustees normally will issue a check to the Town and will expect the Library to deposit the check in the appropriate Town Account.

THE GENERAL TRUST

The General Trust is a pooled number of smaller bequests into one account. When this occurred is unclear, but these smaller bequests have been pooled into a single account since at least 2012. The General Trust allows a monthly distribution that does not exceed 40% of the income generated in any given month from General Trust principle (Ameriprise Account #1).

There is no restriction on how or what the General Trust may be used on.

PAUN TRUST

The Paun Trust provides a monthly distribution that does not exceed 40% of the income generated in any given month from the Paun Trust principle (Ameriprise Account #2).

The Trust may be used for materials/books solely.

IRAKLI SAVAS AND LEILA MARSDEN SAVAS FUND (“SAVAS FUND”)

The Savas Fund was established in 2019. The fund has a caveat whereby no income from the fund may be used until the principle reaches \$50,000. It is estimated that this will be in 10-12 years.

There are other smaller Trusts, including the Eunice and Alton Kramer Memorial Grant, the Camandona Library Fund, the Enoch Pratt Library Fund, and the Hullahan Trust Library Funds, all of which have balances below \$10,000 and are unrestricted regarding what it is used for.

The Library also receives State Aid, but this varies from year to year and cannot be viewed as a guaranteed source of income. State Aid is determined by a strict combination of eligibility compliance and funding formula calculations. First, both the Town and the Library must be certified by the Massachusetts Board of Library Commissioners (MBLC) by meeting multiple major statutory and regulatory baselines:

- 1 The Municipal Appropriation Requirement (MAR): The town must demonstrate financial support for the library. The town’s annual appropriation must equal at least the average of the prior three years’ library operating budgets, increase by 2.5%. If the town cuts this line without an official MAR waiver from MBLC, the library loses its certification.
- 2 Minimum Hours of Operation: The library must be open for a minimum number of hours, days, and evening hours per week based on the town’s population size. A library CANNOT reduce its hours for financial reasons and still maintain compliance. Doing so risks losing state aid eligibility.
- 3 Materials Expenditure: The library must spend a specific, reasonable percentage of its total budget directly on library materials (books, magazines, digital content, and up to 10% on direct-patron hardware like laptops/computers).
- 4 Director Certification: The library director must meet the educational and professional requirements for their population tier.

If a library falls below the 90% compliance threshold for hours or material expenditures due to local operational choices (such as defunding or hiring freezes), or if the town fails to meet its MAR, the library can lose financial aid, access to the statewide reciprocal borrowing, and loss of construction grants.

The financial spreadsheets accompanying this report contain all relevant information regarding Library finances. There are no undisclosed accounts unknown to the Town or the public. The existence, balances, and purposes of these funds are included in the Library's financial reporting and are available for review upon request. We are a public library and all of our records and reports are open for public review.

The Library presents a financial report at every meeting of the Board of Library Trustees. These meetings are open to the public and recorded via MCCAM and community members are welcome to attend, review financial information, and ask questions regarding Library finances and budgeting.

Unfortunately, some recent discussion has occurred through social media rather than through direct communication with Library leadership. Individuals with questions or concerns are encouraged to contact the Library Director or the Board of Library Trustees directly so that accurate information can be provided. We are always willing to answer questions and provide clarification regarding Library finances.

The Library is committed to being transparent about the funding sources that support our collections, facilities, and services. While some funds are restricted to specific purposes, others provide flexibility to address emerging needs and opportunities. Together, these trusts and endowments help strengthen the Library and enhance services for the community.

We encourage all interested residents to review the attached financial report, which we hope will clarify any confusion regarding the Library's accounts and financial practices.

If you have additional questions, please feel free to contact me at the Middleborough Public Library.

Sincerely,

Beth Paine
Library Director
Middleborough Public Library

ENDOWMENT BANK ACCOUNTS

GENERAL CHECKING	FY Beginning				Transfers to Money Market	Transfers From Money Market	FY YTD Balance
	Balance	FY Income	FY Expenses	*FY Encumbered			
General Trust	\$ 7,203.15	\$ 6,050.00	\$ 17,757.50	\$ -	\$ -	\$ 17,121.34	\$ 12,616.99
Peirce Trust	\$ 6,305.02	\$ -	\$ 12,438.08	\$ -	\$ -	\$ 6,193.06	\$ 60.00
Silvia Trust	\$ 649.18	\$ 60,943.77	\$ 35,017.50	\$ 6,592.12	\$ -	\$ 5,474.20	\$ 25,457.53
Paun Trust	\$ 4,325.09	\$ 2,250.00	\$ 11,569.77	\$ -	\$ -	\$ 8,601.75	\$ 3,607.07
Interest	\$ -	\$ 2.61	\$ -	\$ -	\$ -	\$ -	\$ 2.61
TOTAL	\$ 18,482.44	\$ 69,246.38	\$ 76,782.85	\$ 6,592.12	\$ -	\$ 37,390.35	\$ 41,744.20

*Note: FY2025 Interest was divided amongst the Trust accounts per % of the balance.

MONEY MARKET	FY Beginning		Transfers From		Transfers To Gen.		FY YTD Balance
	Balance	Gen. Checking	Income	Checking	Income	Checking	
General Trust	\$ 23,654.85	\$ -	\$ -	\$ -	\$ 17,121.34	\$ -	\$ 6,533.51
Peirce Trust	\$ 6,193.06	\$ -	\$ -	\$ -	\$ 6,193.06	\$ -	\$ -
Silvia Trust	\$ 5,474.20	\$ -	\$ -	\$ -	\$ 5,474.20	\$ -	\$ -
Paun Trust	\$ 8,601.75	\$ -	\$ -	\$ -	\$ 8,601.75	\$ -	\$ -
Interest	\$ -	\$ -	\$ 235.69	\$ -	\$ -	\$ -	\$ 235.69
TOTAL	\$ 43,923.86	\$ -	\$ 235.69	\$ -	\$ 37,390.35	\$ -	\$ 6,769.20

*Note: FY2025 Interest was divided amongst the Trust accounts per % of the balance.

TOTAL | ACCOUNTS \$ 62,406.30 \$ 48,513.40

*Note: The accounts have been reconciled against the latest bank statements.

ENDOWMENTS - PRINCIPAL BALANCES

	Account 1	Account 2	TOTAL	
	(General)	(Paun)	(Amerprise)	Savas (Vanguard)
July 2024	\$ 1,031,879.60	\$ 332,291.56	\$ 1,364,171.16	\$ 35,694.38
August 2024	\$ 1,048,245.13	\$ 337,920.34	\$ 1,386,165.47	\$ 36,360.58
September 2024	\$ 1,059,212.54	\$ 342,257.52	\$ 1,401,470.06	\$ 37,009.56
October 2024	\$ 1,063,814.42	\$ 337,365.35	\$ 1,401,179.77	\$ 36,484.14
November 2024	\$ 1,105,412.59	\$ 351,608.92	\$ 1,457,021.51	\$ 38,115.63
December 2024	\$ 1,127,954.48	\$ 338,018.77	\$ 1,465,973.25	\$ 37,167.24
January 2025	\$ 1,155,933.92	\$ 343,611.28	\$ 1,499,545.20	\$ 37,949.12
February 2025	\$ 1,119,868.12	\$ 339,558.85	\$ 1,459,426.97	\$ 37,818.83
March 2025	\$ 1,065,833.27	\$ 330,655.86	\$ 1,396,489.13	\$ 36,484.06
April 2025	\$ 1,069,274.99	\$ 323,634.43	\$ 1,392,909.42	\$ 36,468.44
May 2025	\$ 1,138,325.53	\$ 332,035.88	\$ 1,470,361.41	\$ 37,774.05
June 2025	\$ 1,178,854.50	\$ 337,505.40	\$ 1,516,359.90	\$ 39,172.86
July 2025	\$ 1,220,609.80	\$ 345,305.34	\$ 1,565,915.14	\$ 39,691.65
August 2025	\$ 1,255,207.95	\$ 364,798.72	\$ 1,620,006.67	\$ 40,422.66
September 2025	\$ 1,292,102.88	\$ 372,256.39	\$ 1,664,359.27	\$ 41,450.36
October 2025	\$ 1,344,106.64	\$ 379,434.20	\$ 1,723,540.84	\$ 42,092.24
November 2025	\$ 1,401,153.34	\$ 388,423.73	\$ 1,789,577.07	\$ 42,272.17
December 2025	\$ 1,365,333.74	\$ 392,700.36	\$ 1,758,034.10	\$ 42,223.38
January 2026	\$ 1,398,420.58	\$ 407,713.51	\$ 1,806,134.09	\$ 42,655.27
February 2026	\$ 1,376,662.65	\$ 409,115.51	\$ 1,785,778.16	\$ 42,777.52
March 2026	\$ 1,320,739.04	\$ 385,870.45	\$ 1,706,609.49	\$ 41,203.64
April 2026	\$ 1,488,586.45	\$ 407,787.88	\$ 1,896,374.33	\$ 43,791.60
May 2026	\$ -	\$ -	\$ -	\$ -
June 2026	\$ -	\$ -	\$ -	\$ -

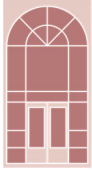
*Note: All statements through April 2026 have been received.

MIDDLEBOROUGH PUBLIC LIBRARY
FY2026 Financial Report

ACCOUNT		FY2025 ACTUAL	FY2026 BUDGET		SPENT	BALANCE	% UNSPENT
1000-60-610-1-510001	Department Head	\$ 105,024.33	\$ 107,496.00		\$ 82,746.28	\$ 24,749.72	23%
1000-60-610-1-510002	Wages Full-Time (Assistant Director)	\$ 82,264.98	\$ 84,310.00		\$ 69,116.86	\$ 15,193.14	18%
1000-60-610-1-510006	Clerical Full-Time	\$ 110,305.45	\$ 113,048.00		\$ 85,796.72	\$ 27,251.28	24%
1000-60-610-1-510007	Wages Part-Time (Librarians)	\$ 178,090.58	\$ 180,236.00		\$ 130,590.70	\$ 49,645.30	28%
1000-60-610-1-510008	Clerical Part-Time	\$ 172,075.81	\$ 191,124.00		\$ 144,616.49	\$ 46,507.51	24%
1000-60-610-1-510010	Custodial	\$ 27,610.69	\$ 41,514.00		\$ 33,781.48	\$ 7,732.52	19%
1000-60-610-1-510011	Education & Training	\$ 5,192.00	\$ 5,000.00		\$ 2,450.00	\$ 2,550.00	51%
PERSONNEL - TOTAL		\$ 680,563.84	\$ 722,728.00		\$ 549,098.53	\$ 173,629.47	24%
1000-60-610-2-521000	Electricity	\$ 35,463.74	\$ 37,250.00		\$ 38,805.43	\$ (1,555.43)	-4%
1000-60-610-2-521001	Natural Gas	\$ 11,992.64	\$ 12,932.00		\$ 11,708.06	\$ 1,223.94	9%
1000-60-610-2-523000	Water & Sewer	\$ 3,979.89	\$ 3,411.00		\$ 2,474.25	\$ 936.75	27%
1000-60-610-2-524000	Building and Ground R&M	\$ 55,449.94	\$ 40,898.00		\$ 29,281.47	\$ 11,616.53	28%
1000-60-610-2-524003	Office Equipment Maintenance	\$ 890.80	\$ 1,230.00		\$ -	\$ 1,230.00	100%
1000-60-610-2-524006	Other Equipment Maintenance (Elevator)	\$ 2,384.00	\$ 5,150.00		\$ 7,286.99	\$ (2,136.99)	-41%
1000-60-610-2-530006	Computer Services	\$ 40,875.71	\$ 36,670.00		\$ 34,239.67	\$ 2,430.33	7%
1000-60-610-2-534001	Postage	\$ 379.17	\$ 400.00		\$ 168.91	\$ 231.09	58%
1000-60-610-2-542001	Office and Stationary	\$ 2,590.14	\$ 1,128.00		\$ 2,213.75	\$ (1,085.75)	-96%
1000-60-610-2-543001	Bldg & Equip Repairs Supplies	\$ 10,467.03	\$ 3,978.00		\$ 2,823.23	\$ 1,154.77	29%
1000-60-610-2-545000	Custodial and Housekeeping	\$ 5,466.81	\$ 3,346.00		\$ 3,319.47	\$ 26.53	1%
1000-60-610-2-546000	Miscellaneous Supplies	\$ 6,493.62	\$ 4,705.00		\$ 6,161.83	\$ (1,456.83)	-31%
1000-60-610-2-558009	Books and Library Materials	\$ 64,181.78	\$ 66,625.00		\$ 41,602.75	\$ 25,022.25	38%
FUND - TOTAL		\$ 240,615.27	\$ 217,723.00	\$ -	\$ 180,085.81	\$ 37,637.19	17%
TOTAL MUNICIPAL APPROPRIATION		\$ 921,179.11	\$ 940,451.00	\$ -	\$ 729,184.34	\$ 211,266.66	22%

REVOLVING, CAPITAL, AND GRANT FUNDS		FY2025 ACTUAL	START. BALAN.	INCOME	SPENT	REMAIN. BALANCE	% UNSPENT
8572-60-610-2-520000	Peirce Trust Library General Funds (Restricted)	\$ 41,159.44	\$ 80,186.46	\$ 12,415.00	\$ 56,416.73	\$ 36,184.73	39%
8573-60-610-0-520000	Peirce Trust Library Book Funds (Restricted)	\$ -	\$ 20,000.00	\$ -	\$ 1,400.00	\$ 18,600.00	93%
2049-60-610-2-483000	Library - Materials Donation (Book Cellar)	\$ -	\$ -	\$ 1,091.26	\$ -	\$ 1,091.26	100%
2058-60-610-0-359000	M.F.P.L. Donation	\$ -	\$ 0.91	\$ -	\$ -	\$ 0.91	100%
2097-60-610-0-520000	Eunice and Alton Kramer Memorial Fund (Unrestricted)	\$ -	\$ 5,076.08	\$ 62.83	\$ -	\$ 5,138.91	100%
2096-60-610-0-520000	Library - General Donation (Unrestricted)	\$ 789.78	\$ 769.63	\$ 2,171.88	\$ 989.64	\$ 1,951.87	66%
2113-60-610-2-520000	Municipal Equalization Grant - MEG (Unrestricted)	\$ 55,561.93	\$ 12,764.99	\$ 29,193.69	\$ 7,450.00	\$ 34,508.68	82%
2128-60-610-2-520000	Library Incentive Grant - LIG (Unrestricted)	\$ 9,860.85	\$ 109,204.43	\$ 39,619.24	\$ 14,742.31	\$ 134,081.36	90%
2129-60-610-2-520000	Nonresident Circulation Offset - NRC (Unrestricted)	\$ 13,810.36	\$ 8,131.42	\$ 4,362.68	\$ -	\$ 12,494.10	100%
8439-60-610-0-520000	Camandona Library Fund (Unrestricted)	\$ -	\$ 9,121.07	\$ 119.01	\$ -	\$ 9,240.08	100%
8403-60-610-0-520000	Enoch Pratt Library Fund (Unrestricted)	\$ -	\$ 3,190.78	\$ 367.83	\$ -	\$ 3,558.61	100%
8407-60-610-0-520000	Hullahan Trust Library Fund (Children's Books)	\$ -	\$ 382.64	\$ 44.14	\$ -	\$ 426.78	100%
1000-90-951-8-0000-00000-589005	Library HVAC Engineering	\$ 8,400.00	\$ 9,600.00	\$ -	\$ -	\$ 9,600.00	100%
1000-90-951-8-0000-00000-589171	Library HVAC Replacement		\$ 1,500,000.00	\$ -	\$ 760,123.50	\$ 739,876.50	49%
TOTAL REVOLVING, CAPITAL, AND GRANT FUNDS		\$ 129,582.36	\$ 1,758,428.41	\$ 89,447.56	\$ 841,122.18	\$ 1,006,753.79	54%

- * *Spent & Encumbered* - Monies spent as of month end and YTD to include both checks that have cleared the Trustees' account and checks that have not cleared as of the month end.
- * The Peirce Town, Peirce, Paun, General, and Silvia accounts are restricted in use by their donors. Remaining balances often reflect approved projects yet unencumbered.
- * The Municipal Equalization Grant (MEG) and the Nonresident Circulation Offset (NRC) annually are used to meet State Aid's material expenditure requirement.
- * The Library Incentive Grant (LIG) annually is used to cover staff overtime, janitorial coverage, and other personnel costs not covered personnel lines of the Town appropriation.
- * Interest income reflected is through January 2026 for the Hullahan, Pratt, Camandona, and Kramer Funds.
- * This financial report has been reconciled against the Finance Department's April 2026 expenditure reports.
- * \$69,880 of the "Peirce Trust | Library General Funds" is for the OPM contract. Three payments have been issued to the OPM as of the date of this report.



Middleborough Public Library

102 North Main Street | Middleborough, MA 02346 | (508) 946-2470

INVESTMENT POLICY

May 2021

Over the years, the Middleborough Public Library (“the Library” has received dozens of unsolicited monetary donations. These donations have come from individuals, families, non profit organizations, fraternal organizations, businesses, and others.

Said donations have typically fallen within one of the following categories and have been utilized by the Library as described below.

1. Modest “cash” donations, frequently in remembrance of a family member or friend, or in appreciation of services or courtesies extended by the Library and its staff to the donor.

These donations ebb and flow in their frequency, and in the majority of cases, are unrestricted in their use. Unless so restricted, these donations are credited to the Library’s “General Fund” and are expended, for Library purposes, at the discretion of the Library Director, subject to the limit of such expenditures as promulgated by the Library’s Board of Trustees (“the Board”) from time to time (currently set at \$2,500.) for any one purpose

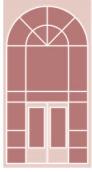
In the instance where a donor has restricted such a donation to a specific purpose, the Library seeks to honor the wishes of said donor if at all possible.

2. Specifically, restricted donations in support of a particular purpose, such as the acquisition of a particular fixed asset (technology, furniture, additions to the Collection), the sponsoring of a particular program or activity at the Library, or some other related interest.

These donations are most typically made by local business, fraternal or service organizations, and non profit entities. They are typically reported to the Board, credited to the Library’s General Fund, and expended upon the purchase of or arrangement for the intended item or purpose.

3. Donations which are specifically identified by the donor as to be held by the Library in perpetuity, for its long-term use of the income generated by it for the benefit of it, or such other unrestricted donations of a size which provides the Library an opportunity to favorably leverage said donation for its long-term benefit and advantage.

POLICY/PROCEDURE: Investment Policy		GOVERNANCE: Board of Library Trustees
ADOPTION DATE: 8/9/2021	REVISION DATE(S): 5/11/2024	LAST REVIEWED: 5/11/2024



Middleborough Public Library

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These donations are intermittent and unpredictable, and may come from any number of sources. The Board is informed of such donations, which are deposited to the Library’s General Fund and subsequently disbursed for investment.

The donations of the third type described and invested as above, in aggregate, are identified as the Library’s “Endowment Fund” (“the Endowment”). Over time, the value of this Endowment has, as a function of capital appreciation and reinvested income in the form of interest and dividends, reached a level which indicates that a formal Investment Policy (the “Policy”) be crafted and adopted by the Board in the furtherance of the original donor’s intent and the best interests of the Library.

That policy follows this introduction.

Investment Policy of the Middleborough Public Library

The Library’s Endowment currently consists of three accounts. The Trustees of the Middleborough Public Library (“the Trustees”) control two of these accounts, identified as Account 1 and Account 2 (also known as “the Paun Fund”). The third account is identified as the Savas Fund. This account is not currently under the Library’s control, and all income generated by it is automatically reinvested in it.

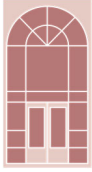
The goal of the Endowment is to generate an appropriate level of income to the Library in the furtherance of its services to the residents of Middleborough and to all of its patrons. It is noted that the definition of “an appropriate level of income” is subject to change over time as a function of many factors, including but not limited to the status and condition of the economy and the investment market, the needs and goals of the Library, the level and nature of the Library’s municipal appropriation, the status and level of State funding provided to the Library, and the Library’s Strategic Plan.

It shall be the responsibility of the Board’s Finance Committee to pursue this goal, subject to the Board’s oversight and approval. In this regard, the Board currently stipulates that 40% of the income generated by the Endowment on an annual basis shall be distributed to the Library for its general purposes. That percentage may change, depending on circumstances, by vote of the Board.

In pursuit of the stated goal Finance Committee shall emphasize three priorities:

1. The preservation of the capital and corpus of the Endowment.
2. The appreciation of the Endowment’s capital.
3. The achievement and maintenance of an appropriate level of income generated by the Endowment.

POLICY/PROCEDURE: Investment Policy		GOVERNANCE: Board of Library Trustees
ADOPTION DATE: 8/9/2021	REVISION DATE(S): 5/11/2024	LAST REVIEWED: 5/11/2024



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The threshold for priority #1 is obvious. The thresholds for priority #2 and priority #3 shall be subject to change from time to time as a function of the variables cited in Paragraph #1 and shall be determined by the Finance Committee and approved by the Board as may be appropriate.

It is noted that all actions contemplated by and undertaken in furtherance of this Policy shall be solely in the interests of the Library. Such actions must be reasonable, prudent, and appropriate under then-current circumstances in order to advance the priorities listed above, in particular, the avoidance of large capital losses.

Authorized Investments

Authorized investments for Account 1 and Account 2 may include the following:

1. Common stocks issued by companies listed on the New York and NASDAQ exchanges.
2. Preferred stocks issued by companies listed on the New York and NASDAQ exchanges.
3. Bonds issued by companies listed on the New York and NASDAQ exchanges which are rated as investment grade.
4. Bonds, Notes and Bills issued by any agency or arm of the Federal Government of the United States of America.
5. Any mutual fund sponsored, issued, and managed by a major, national Investment House.
6. Certificates of Deposit issued by banks or credit unions based in the United States and which are covered by FDIC or NCUSIF deposit insurance.

Diversification

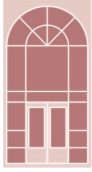
The portfolios of Account 1 and Account 2 will each include investments in a minimum of four of the eleven sectors of the market in an effort to provide opportunity across a variety of spectrums, and to offer some protection against possible adverse market conditions.

Aggregate investment in any one sector of the market in either account may not exceed 25% of that account's total balance.

Aggregate investment in any one stock or instrument in either account may not exceed 12% of that account's total balance.

Aggregate investment in any one company or issuer in either account may not exceed 12% of that account's total balance.

POLICY/PROCEDURE: Investment Policy		GOVERNANCE: Board of Library Trustees
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In the event that market fluctuations may result in any circumstance in which any of the investment limitations set forth immediately above have been exceeded in either Account 1 or Account 2, the Finance Committee, or the Treasurer acting in its stead, shall within no more than six months of the date of said circumstance take such actions as necessary and appropriate to restore the composition of said account so as to position it in compliance with this Policy.

Disbursements from the Endowment

Disbursements of accrued interest and dividends received from both Account 1 and Account 2 may be made, at the Board’s discretion, to the Library on a quarterly basis in an amount roughly equal to the percentage of income received as determined by the Board of Trustees (currently 40%) from time to time.

Disbursements from the principal of Account 1, whether from initial investment amount or appreciated value of any investment, can only be made upon a prior vote by the Board of Trustees, with two thirds (2/3rds) of all serving Trustees voting affirmatively to do so.

Disbursements of any type from the principal of Account 2 are not permitted under the terms of the Grantor’s bequest.

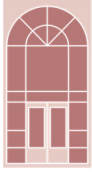
Investment Authority

Until and unless otherwise determined and approved by the Board of Trustees, the authority to make investment decisions of any type shall vest solely with the Board of Trustees.

However, in the event of an unanticipated situation in which a delayed decision might pose serious consequences to any holding in the Library’s investment portfolio, the Treasurer, in conjunction with any other member of the Trustees Finance Committee or the Board’s Chairperson, shall have the authority to sell any such holding to avoid or mitigate such consequence.

The Library’s Board of Trustees shall promptly be notified of such action.

POLICY/PROCEDURE: Investment Policy		GOVERNANCE: Board of Library Trustees
ADOPTION DATE: 8/9/2021	REVISION DATE(S): 5/11/2024	LAST REVIEWED: 5/11/2024



Middleborough Public Library

102 North Main Street | Middleborough, MA 02346 | (508) 946-2470

Committee Meetings & Reporting Requirements

The Finance Committee will meet a minimum of three times per year, or on a more frequent basis as needed, to discuss the status and performance of Account 1 and Account 2 and such other matters as appropriate that may be brought before it.

The balances of Account 1 and Account 2 will be reported to the Board of Trustees on a monthly basis.

Reports for Account 1 and Account 2 shall be produced and shared with the Board on a quarterly basis (as of March 31, June 30, September 30 and December 31) and distributed at the Board’s meeting the following month. These reports shall include the total of each holding in each account, as a dollar amount and as a percentage of the account; and the aggregate total and percentage of each sector total within said account.

POLICY/PROCEDURE: Investment Policy		GOVERNANCE: Board of Library Trustees
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