

Dear neighbors,

Over the last several years, Bent Northrop Memorial Library trustees have worked to fully understand our roles as stewards of the generous endowment left by Consuelo Northrop Bailey. We have participated in statewide library conferences, sought counsel of our financial advisor at Morgan Stanley, and worked to learn the art and science of library fundraising. These experiences have left us better informed and more committed to keep the library as the center of our community.

In our research on funding issues, **the most important things we learned this year is that *municipal libraries are funded by municipalities***. To that end, we're asking the Town of Fairfield to fund the operating expenses of BNML. This translates to a tax increase from \$58 to \$92 (on a \$200,000 residence). The following information is provided to clarify:

Q: Why should the town support the library?

A: BNML is a municipal library. Vermont Statute §142 states "A municipality . . . shall appropriate money annually for the maintenance, care, and increase of the library in an amount voted at its annual meeting.

Q: What's the precedent for this?

A: Libraries in Enosburgh, Franklin, Sheldon, and Fairfax *are fully funded by their towns*. [see chart on side 2].

Q. Why not spend the endowment to cover these costs?

A. The current mortgage will continue to be paid by the endowment, our primary property expense. Since its inception as a municipal library, we have funded the library's property and operating budgets with a combination of tax dollars (totaling \$50,000 last year annual withdrawals from the endowment (averaging \$50,000 each of last four years) and contributions from the Friends (over \$130,000 in total). Each year we withdraw money from the endowment, the principal shrinks as does interest paid. If we were to fund the library totally from the endowment, the fund would expire in approximately 13 years. [see chart on side 2]. At that time, instead of being a community asset, the library would become a community liability.

Q: Why can't the *Friends*, the fundraisers, cover these costs?

A: The *Friends of BNML*, a committee of 3-4 volunteers, have worked tirelessly to raise funds to support our library through donations and events such as our annual silent auction. These monies are unpredictable, so such committees typically make *additional* contributions to libraries, not fund basic operating expenses. (That's like paying heating bills with birthday bonus money.)

As a board, we've done our due diligence and have shared this information with the Select Board. We ask you to support this article.

BNML Trustees,

Albert Tetreault, Jen Archambault, Laura Fulwiler, Kerry Lambert, Susan Magnan

Comparison of Neighboring Towns

	Fairfield	Enosburg	Franklin	Fairfax
Population	1,911	2,754	1,424	4,524
Library Hours per week	34	56	26	54
Library Staff	1.18 FTE	1.95 FTE	.81 FTE	1.73 FTE
Constituents	All	All	All	0 to K; beyond H.S.
Library Location	Building gifted by C. N. Bailey in ~1976	Building est. in 1983	Building gifted by E. Haston in 1906	Within School Complex
Endowment/Bequests	\$1.4 M	\$61,000	\$48,000	No
Fundraising	Yes; \$10,000 / year	No	Yes; \$1,000 / year	No
Friends group	Yes	No	No	No

	Fairfield	Enosburg	Franklin	Fairfax
COMPENSATION:				
Salary/Wages	\$ 41,000	\$ 58,000	\$ 23,000	\$ 71,000
Benefits	\$ 12,500	Included with town employees	Included with town employees	Included with town employees
PROPERTY EXPENSES: [Utilities, Exterior, Insurance, etc]	\$ 12,500	Included in Town budget	Included in Town budget	Included in School budget
OPERATING EXPENSES: [Books, Periodicals, Supplies, etc]	\$ 25,000	\$ 25,000	\$ 18,000	\$ 24,000
ANNUAL BUDGET	\$ 91,000	\$83,000 PLUS	\$41,000 PLUS	\$97,000 PLUS
Comparable Per capita (i.e., Salary plus Operating Expenses)	\$ 34.54	\$ 30.14	\$ 28.79	\$ 21.00
Cost per hour of operation	\$ 38.82	\$ 29.64	\$ 31.54	\$ 35.19
MORTGAGE:	\$ 34,000	N/A	N/A	N/A
Paid via taxes	\$ 19,000	100%	100%	100%
Separate warned article?	Yes	No	No	No
Trustees build annual budget and present to Select Board to include in Town budget				

Projections of BNML Endowment with annual withdrawals of \$100,000

Total Portfolio Value Graph

