

INVESTMENT POLICY

In accordance with The Annotated Laws of Massachusetts Chapter 78, Paragraph 11 (Powers and Duties of Library Trustees) "...all money or property which the town may receive by gift or bequest for said library and reading room shall be administered by the board in accordance with the provision of such gift or bequest."

In accordance with Decisions made under Massachusetts General Laws Chapter 78, Paragraph 7 (The Establishment of Public Libraries by Cities and Towns) all gifts and bequests to public libraries are "to be held and invested by the trustees, and the income to be used for the benefit of the library in such way as the trustees deem wise".

Further, we concur with the Massachusetts Board of Library Commissioners Policy Statement that there exists "...the well established principle that library trust funds must not be used to offset municipal budgetary shortfalls and that public libraries in Massachusetts must be supported by public funds allocated through local budgetary processes. Trust funds should be designated for the enhancement and enrichment of library services."

Therefore, the Trustees shall manage and/or invest Library funds in accordance with all state laws governing such funds and prudently invest over the long term in a balanced portfolio. By reinvesting a portion of asset growth the trustees seek to prevent inflationary erosion and sustain purchasing power over time.

The purpose of the fund is to provide a permanent annual source of supplementary income as well as a source of funding for future needs, with the aim of securing the continuation of excellence in library services. The trustees will vote to use the funds as needed and in accordance with the intent of the gifts and bequests and not as complementary funding to offset the annual operating budget as appropriated by the town.