

Conway Public Library Trustees

Treasurer's Report

Meeting of February 22, 2016

The January report from Charter Trust indicates that our funds suffered another market loss of \$4,123.87 since the first of the year, with an additional cost of \$194.22 in management fees. That reduced our portfolio value to \$228,740.16, for a total reduction of \$9,069.49 (a little over 3.8%) since we transferred the money to Charter Trust last February. To my knowledge the library's trust funds have never suffered a loss of principal before, and it raises the question of whether we can consider any future proceeds from the funds expendable until the lost funds have been recovered—assuming that they are.

An exchange with Terry Knowles of the Attorney General's office reminded me that the only funds we could expend on roof repairs without an appropriation (e.g. the \$200,000 warrant article) would be unanticipated funds, such as a bequest, or revenue such as copier fees and reimbursements for lost-and-damaged materials. Those funds are non-lapsing, so presumably we could go back several years and use the unexpended portion of them, but that would require daunting research into past-years expenditures, and the right information may not be available. My communication with Terry also revealed that such funds are also supposed to be kept in a separate account, but as far as I know they have always been lumped with the interest from our trust funds in the Income Account. The only other large account we have is the Donation Account, and neither can those funds be used for repairs or maintenance without a specific appropriation.

William Marvel, Treasurer