



September 30, 2025

Michael Cutting, Chairman
Warner Budget Committee

Harry Seidel, Chairman
Board of Selectmen, Town of Warner

Re: Reevaluation as it relates to the Pillsbury Free Library

Dear Sirs:

According to the minutes of the September 18, 2025, joint meeting of the Budget Committee and Select Board, there appears to have been a lengthy discussion regarding the recent property reevaluation and its effect on the town budget generally and, more specifically, about the Pillsbury Free Library. Chairman Cutting noted that the recent reevaluation increased by 95% and further explained that the increase will affect the budget and that of the Library "drastically." At this time, it appears the library budget will increase from \$223,804 to \$463,747. Chairman Cutting then stressed "that there is nothing that can be done to adjust that amount." The Pillsbury Free Library Board of Trustees agree.

First, understand that the Library Board had nothing to do with the unexpected increase. The Trustees did not ask for it, nor did we participate in any way with the reevaluation process. Also, it must be recognized that property assessments can trend up or down depending on the prevailing markets. In the past few years, we have all seen them trend upward but that does not mean that the trend will continue. In fact, some recent financial reports already show a reduction in property values and mortgage rates, and decreases have occurred in the past.

Historically, the Library has seen its budget, albeit tied to a formula, go up and down. And, during the 5 years between reevaluations, the formula predictably results in the dollar amount of the Library allocation holding almost steady. Therefore, it does not account for inflation, emergent costs, badly needed capital expenses, or unexpected ordinary costs. Thus, year by year as the Library's budget cycle gets further away from the last valuation, the more difficult it is for the Library to cover costs within the amount allocated by formula.

The last few years have been an example of insufficient funding from the allocated amount. As a last resort, it sometimes becomes necessary to withdraw principle from trust accounts where permitted. When we do that, such principle is gone forever and the future interest it would have generated is likewise gone. Unlike most town departments, to make up any shortfalls we rely upon fundraising, donations, bake sales, book sales and grants, and deferred maintenance, among other strategies.

Pillsbury Free Library

P.O. Box 299

Warner, New Hampshire 03278

(603) 456-2289

We understand the concerns raised at the Budget Committee/Select Board Meeting and we do everything we can to lessen the burden on the taxpayers where the law permits.

HISTORY

In 1890, George A. Pillsbury generously agreed to build a library for the benefit of the people of Warner **on the condition that** it would be held in trust and the town would financially support it based on the agreed-to funding formula.

Further, Warner's legislative body approved the agreement and the formula still used today. Thus, for 135 years, this town has followed the mandates of the language the parties agreed to, as recorded in the Town records of the March 1890 Town Meeting:

Resolved: that the town of Warner accepts of said generous gift, and agrees to care for the same, and support the same forever, and that the sum of money, equal to one fifteenth of one percentum on the assessed valuation of the town, as made by the Selectmen for the purposes of local taxation, be annually [appropriated] forever, and that the Selectmen shall without further vote of the town, annually add to the sum raised annually for the expenses of the town a sum equal to one fifteenth part of one percentum upon its assessed valuation annually, for the care of said Library building and Library therein, which said sum is hereby annually appropriated forever.

In addition to this agreement with the Town, the New Hampshire Legislature passed a statute titled Chapter 144 (1891) that ratified the agreement between Pillsbury and the Town of Warner, making it an obligation of the Town of Warner forever:

AN ACT LEGALIZING THE ACTION OF THE TOWN OF WARNER AT ITS ANNUAL MEETING IN 1890, ESTABLISHING THE PILLSBURY FREE LIBRARY AND APPROPRIATING MONEY THEREFORE

Be it enacted by the Senate and House of Representatives in General Court convened:

Section 1. That the vote of the town of Warner passed at its annual meeting in March 1890, establishing the Pillsbury Free Library, and appropriating money annually forever for its support, is hereby legalized and made obligatory upon said town.

Section 2. This act shall take effect from and after its passage.

[Approved February 18, 1891.]

Therefore, the State used its sovereign authority to ratify and legalize the agreement between Pillsbury and the Town of Warner forever.

**THE AGREEMENT BETWEEN PILLSBURY AND THE TOWN OF WARNER IS
PROTECTED BY THE LAWS AND JURISPRUDENCE OF THE STATE**

New Hampshire imposes a comprehensive set of obligations on trustees to ensure the protection of trust property and the interests of beneficiaries. Statutory law, particularly the New Hampshire Trust Code, mandates that trustees act in good faith, exercise reasonable care and skill, avoid conflicts of interest, and take affirmative steps to secure and defend trust assets. Trustees must also keep beneficiaries informed, invest prudently, and act impartially, with their actions **always guided by the terms and purposes of the trust** [emphasis added]. The legal framework in New Hampshire provides robust mechanisms to ensure trustees fulfill their protective obligations.

Further, the Board of Trustees owe fiduciary duties of good faith, prudence, and loyalty, primarily to the beneficiaries, but we must also act in accordance with the terms and purposes of the trust as set by the trustor, George A. Pillsbury. The Trustees are, therefore, legally obligated to administer the trust in line with both statutory requirements and the specific instructions of the trustor.

The Trustees of the Pillsbury Free Library are all citizens of and taxpayers in Warner. We are keenly aware of our town's tax rate and the concerns of townspeople about the recent reevaluation. However, we take seriously our obligations under the law to uphold the terms of the trust.

Lastly, the Board of Trustees of the Library believe it's important for the Budget Committee and the Board of Selectmen to know that the Pillsbury family remains proud of the legacy that their ancestor created, and the ways in which the town of Warner has stewarded this important civic institution for 135 years. Just a few months ago we welcomed members of the Pillsbury family who came to tour the library that George Pillsbury so generously gave to the people of Warner.

On behalf of the Pillsbury Free Library Board of Trustees,

Respectfully submitted,



Dana Myskowski, Chair



Michael K. Brown, Treasurer