

The Ferguson Library



Greg Caggainello, *Chair*
Ellen E. Bromely, Esq., *Vice Chair*
Steven Wise, *Treasurer*
Steven M. Frederick, Esq., *Secretary*

Alice S. Knapp, *President*

MEMORANDUM

To: Members of the Fiscal Committee
Board of Representatives

From: Greg Caggainello, Chair
Ferguson Library Board of Trustees

Date: April 5, 2016

RE: 2016-2017 Budget Presentation

We are pleased to provide you with the budget material we submitted to the Mayor to support our 2016-2017 Operating and Capital requests.

We have also provided the audited financial statements for the year ending June 30, 2015, which were not available at the time of that submission.

Please note these changes subsequent to that budget request:

Operating:

The Mayor's budget provides the library with a \$275,650 operating increase for FY-2017, or 3.6%. While less than our 6.18% request, we understand the other pressures on the City's operating budget. Fortunately, we successfully concluded negotiation with the employee bargaining unit in January and the impact on 2016-2017 operations will be favorable, especially with the adoption of a new healthcare plan.

We believe the Mayor's proposal and these operating savings will allow us to restore more hours at the branches, increase Bookmobile service and provide more material for our users.

Capital:

The Mayor's proposed budget provides funding for:

- A replacement Bookmobile (\$250,000 long-term funding);
- Completion of The Advocate digitization project (\$145,000 long-term funding);
- Funding for technology-related hardware and software (\$60,000 short-term funding).

We look forward to speaking with the Board of Representatives Fiscal Committee on Tuesday, April 19th.

The Ferguson Library



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MEMORANDUM

TO: Mayor David Martin
City of Stamford

FROM: Greg Caggainello, Chair
Board of Trustees

RE: Proposed Operating and Capital Budgets

DATE: January 8, 2016

CC: Jay Fountain, Interim OPM Director, City of Stamford

We are enclosing with this memo the following information regarding our 2016-2017 budget requests:

- Proposed 2016 – 2017 Operating Budget;
- Operating Budget Narrative;
- Capital Budget Request Summary;
- Capital Budget Narrative;
- Projected Operating Results for 2015 – 2016.
- 2014 – 2017 Strategic Plan with annual update;
- 2014 – 2017 Technology Plan;
- Organization Chart.

Please note that the audited financial statements for the year ending June 30, 2015 will be submitted following review and acceptance by the Board of Trustees at its February 23, 2016 meeting.

2016-2017 OPERATING BUDGET
APPROVED BY BOARD OF TRUSTEES
DECEMBER 8, 2015

	2015-2016 Budget	2016-2017		
		Change vs. 2015-2016		
		ANNUAL BUDGET	Budget	
			Dollars	Percent
INCOME:				
<i>City of Stamford</i>	\$7,668,350	\$8,142,000	\$473,650	6.18%
<i>Fines</i>	\$80,000	\$90,000	\$10,000	12.50%
<i>Other</i>				
Contributions	\$710,300	\$732,000	\$21,700	3.06%
Grants	\$50,000	\$80,000	\$30,000	60.00%
State Aid	\$3,200	\$3,200	\$0	0.00%
Equipment Income	\$20,000	\$18,000	-\$2,000	-10.00%
Passport Agency	\$309,000	\$253,000	-\$56,000	-18.12%
Starbucks	\$42,000	\$42,000	\$0	0.00%
Misc. Income	\$2,000	\$2,000	\$0	0.00%
Subtotal	\$1,136,500	\$1,130,200	-\$6,300	-0.55%
TOTAL INCOME	\$8,884,850	\$9,362,200	\$477,350	5.37%
EXPENSES:				
<i>Salaries & Related Costs</i>				
Salaries	\$4,952,000	\$5,195,000	\$243,000	4.91%
Social Security	\$371,400	\$389,625	\$18,225	4.91%
Medical, Dental, Life	\$1,095,000	\$1,158,500	\$63,500	5.80%
Pension	\$233,000	\$262,500	\$29,500	12.66%
Subtotal	\$6,651,400	\$7,005,625	\$354,225	5.33%
<i>Library Resources</i>				
Books	\$282,955	\$311,251	\$28,296	10.00%
E-Books	\$35,497	\$39,047	\$3,550	10.00%
Online Databases	\$216,545	\$238,200	\$21,655	10.00%
Periodicals	\$26,625	\$29,288	\$2,663	10.00%
DVD	\$61,562	\$67,718	\$6,156	10.00%
Audio	\$50,816	\$55,898	\$5,082	10.00%
Subtotal	\$674,000	\$741,400	\$67,400	10.00%
<i>Occupancy</i>				
General Insurance	\$140,000	\$150,000	\$10,000	7.14%
Maint. of Building	\$180,000	\$170,000	-\$10,000	-5.56%
Building Repairs	\$50,000	\$50,000	\$0	0.00%
Security Service	\$150,000	\$160,000	\$10,000	6.67%
Utilities	\$300,000	\$284,000	-\$16,000	-5.33%
Telephone	\$40,000	\$40,000	\$0	0.00%
Subtotal	\$860,000	\$854,000	-\$6,000	-0.70%
<i>General Operating</i>				
Maint. of Vehicles	\$22,000	\$27,000	\$5,000	22.73%
Maint. of Equip/Software	\$96,000	\$100,000	\$4,000	4.17%
New Equipment	\$2,500	\$2,500	\$0	0.00%
Equipment Rental	\$75,000	\$80,000	\$5,000	6.67%
Communications	\$30,000	\$30,000	\$0	0.00%
Postage	\$13,000	\$14,000	\$1,000	7.69%
Clerical/Library Supplies	\$110,000	\$114,000	\$4,000	3.64%
Conf. & Training	\$27,000	\$27,000	\$0	0.00%
Membership Dues	\$6,500	\$6,000	-\$500	-7.69%
Program Services	\$50,000	\$50,000	\$0	0.00%
Prof. Audit Services	\$24,000	\$24,000	\$0	0.00%
Prof. Computer Svcs.	\$76,000	\$83,000	\$7,000	9.21%
Fundraising	\$67,000	\$103,000	\$36,000	53.73%
Cataloging/Processing	\$74,000	\$74,000	\$0	0.00%
Misc. Contingency	\$25,000	\$25,000	\$0	0.00%
Subtotal	\$698,000	\$759,500	\$61,500	8.81%
TOTAL EXPENSES	\$8,883,400	\$9,360,525	\$477,125	5.37%
TOTAL REVENUES LESS	\$1,450	\$1,675		
TOTAL EXPENSES				

PROPOSED OPERATING BUDGET 2016 – 2017 BUDGET NARRATIVE

With the increase in city funding in the last two fiscal years, The Ferguson Library has been able to:

- Restore 28.25 additional hours at the main library and branches;
- Increased the budget for the purchase of new materials by 21.3%.

Both hours of access and the availability of new materials were cited in a 2012 survey of library users as the most important aspects of library service.

Further, this funding, combined with private giving, has allowed us to accomplish these important elements of our strategic plan:

- Increase Bookmobile service on two additional days per week;
- Add an additional half-day to the Bennett Branch hours;
- Purchase a new "Purple Bus" to bring school classes to the library;
- Add a grant consultant to assist us find additional sources of revenue.

OVERALL OPERATING BUDGET

We are requesting \$8,142,000 from the City's operating budget in 2016 – 2017, a 6.18% increase over current funding.

We wish to take more steps to improve operating hours, especially at the Weed Memorial & Hollander Branch, and improve the current collections with timely and relevant resources. With the decrease in spending on materials due to the City's 2010 reduction of its funding, there has also been a decrease in the number of items that circulate (1,216,510 in FY-2010 to 880,424 in FY-2015).

We also want to provide an operating allowance of \$50,000 to fund long overdue building repair and maintenance projects, largely in the branches, for which city capital funds are not available, and we expect to take significant steps to accomplish other goals established for year three of our strategic plan.

HIGHLIGHTS OF PROPOSED OPERATING REQUEST

Income:

- The \$473,650 (6.18%) increase in City funding is largely driven by an increase in salary and benefit costs (+5.33%), and funding for new materials (+10%).

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- We are assuming a 3% growth in contributions and a 60% increase in grants due to the services of a contract grant writer.
- We are projecting a nearly 18% decrease in passport revenue due to the cancellation of naturalization ceremonies at the library. We had expected that holding monthly ceremonies would boost our passport volume, but the program was terminated by the USCIC (United States Citizenship and Immigration Services) after only two months.

Expenses:

- The most recent Employee Bargaining Unit contract expired on June 30, 2015. Negotiations are continuing but at this writing no agreement has been reached on a new contract. As a result, this budget submission does not include any revisions to the existing salary and benefits structure, but rather uses the existing wage and healthcare plans with what we believe to be reasonable cost increases as a proxy for future employee-related costs. The pension cost is the actuary's recommended employer contribution to the plan.
- The only additional staffing in the budget is associated with increase service hours, and this would largely be through the use of part-timers.
- In 2013 – 2014, our budget for the purchase of new materials is \$555,420, a third lower than it was in 2009 – 2010, in spite of the increasing demand and cost of new digital media: e-books, e-audio, online databases. We pushed the budget up to \$674,000 for 2015 – 2016, and would like to increase it to \$741,400 in 2015 – 2016. This would still be 10% lower than the 2009-2010 budget. With these additional funds, we will;
 - Better meet the demand for current materials;
 - Increase our virtual resources;
 - Provide more content in a variety of formats (print, large-type, audio) in world languages.
- We expect to generally be able to hold other occupancy and operating expenses at, or below, this year's levels.

While we understand the continuing needs on the City's resources, the Ferguson Library also works with the City to address many of its priorities such as being a resource for the small business community and providing bookmobile visits to pre-schools to assist with early childhood literacy. This spring we will be working with the Stamford Public School System on sharing resources with a pilot project to deliver books to two schools.

We look forward to meeting you with you discuss our plans for FY-2017.

**THE FERGUSON LIBRARY
2016/2023
CAPITAL PROJECTS REQUEST**

<u>Project Title</u>	<u>2016/2017</u>	<u>2017/2018</u>	<u>2018-2019</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>TOTAL</u>
<u>Long Term</u>								
1 <u>Digitization and Preservation of Local Documents</u> To fund the third installment of this previously approved <i>Advocate</i> project. Subsequently, begin digitizing documents from local historic resources.	\$145,000	\$200,000						\$345,000
2 <u>Harry Bennett Branch Flooring</u> To provide durable, acoustical, washable flooring at this 15-year-old branch.	\$120,000							
3 <u>Main Library Building Restoration</u> To largely address exterior issues arising from Building Envelope Study.	\$350,000	\$312,000	\$450,000					\$1,112,000
4 <u>Establish Community Center Libraries</u> To provide funding for furniture, equipment and materials to establish and operate three branch libraries in community centers.		\$100,000	\$100,000	\$100,000				\$300,000
<u>Short Term</u>								
1 <u>Feasibility Studies for Branches & Community Libraries</u> To develop a plan to match facility with community needs.	\$50,000							\$50,000
2 <u>Bookmobile Replacement</u> Replace the 1999 vehicle - a mobile branch - which is equipped with both traditional and library materials as well as mobile technology.	\$250,000							\$250,000
3 <u>PC Network</u> For new and replacement equipment for public computer network	\$60,000	\$95,000	\$95,000	\$95,000	\$95,000			\$440,000
4 <u>Computer System Infrastructure</u> For major system upgrades to integrated library automation system		\$100,000	\$100,000	\$100,000	\$100,000			\$400,000
5 <u>Material Dispensing Kiosk</u> To acquire "vending" equipment for books and other circulating items which will provide access to popular materials when library is closed.		\$50,000	\$50,000					\$100,000
TOTAL	\$975,000	\$857,000	\$795,000	\$295,000	\$195,000			\$2,997,000

PROPOSED CAPITAL BUDGET 2016 – 2017 BUDGET NARRATIVE

Recognizing the city's overall capital funding pressure in the upcoming year, we have limited our long-term capital request to three projects totaling only \$615,000, presented here in order of priority:

Long Term Financing

Digitization and Preservation of Local Documents: \$145,000

The final installment of the \$640,000 project to digitize the full run of *The Advocate* (back to 1829) is due to the publisher July 1, 2016. The publisher (owner of the digital copyright) has already completed the scanning of all issues of the newspaper. It can be viewed, downloaded or copied through our website in the library, and by a Ferguson Library cardholder remotely. Further, we have negotiated access to the files for the Stamford Public Schools.

In just November, over 1,450 searches were performed and 662 documents were downloaded.

Harry Bennett Branch Flooring: \$120,000

The Bennett Branch, opened 15 years ago, has suffered from noise issues due to its open space concept (few full height interior walls, high ceilings). Acoustical flooring has been recommended to absorb sound from programming and meetings throughout the building. It would also address the current floor condition. The identified product has a 40 year life, is washable and is "green" (water-based dyes/inks, recycled content, low-energy manufacturing).

Main Library Renovation: \$350,000

This request is largely driven by the Building Envelope Condition Survey of the Main Library completed in the summer of 2012. The funds will address urgent waterproofing issues where we actually have water infiltration into the building. This includes three elevations on the 1980 addition where water penetrates around windows and the marble plates. Specifications have already been developed for this work and we can bid the project as soon as funds are approved and bonded.

Short Term Financing

The \$360,000 short-term capital request would provide funding for:

- **Feasibility studies for Branch and Community Libraries: \$50,000**
Funds for feasibility both Bennett and South End Branches would focus on the new community needs vs. current design/use in both locations. The project would

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include designing space reuse, construction, furniture, technology use and energy efficiency (lighting, hvac, etc.). Expect output would include a capital needs assessment for next 10 years. Study would also explore the need for library service in current community centers, as a cost effective to serve certain neighborhoods.

- Bookmobile replacement: \$250,000
Previous year's request has been revised with a lower budget to reflect need for a small vehicle which can access more facilities and neighborhoods and be operated with a CDL (Commercial Driver's License).
- PC Network: \$60,000
Replace, upgrade and expand units throughout the public and staff network.

**2015-2016 OPERATING BUDGET
YEAR-END FORECAST
AS OF OCTOBER 31, 2015**

		FOUR MONTHS	FORECAST								VARIANCE: FAVORABLE/ (UNFAVOR.)	
BUDGET		ACTUAL	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	YEAR-END	
REVENUE												
CITY	\$7,668,350	\$2,855,350	\$580,000	\$740,000	\$625,000	\$585,000	\$620,000	\$540,000	\$570,000	\$553,000	\$7,668,350	\$0
FINES	\$80,000	\$32,709	\$8,200	\$8,200	\$8,200	\$8,200	\$8,200	\$8,200	\$8,200	\$8,200	\$98,309	\$18,309
CONTRIBUTIONS	\$710,300	\$259,380	\$67,525	\$92,525	\$47,000	\$47,000	\$47,000	\$122,000	\$28,000		\$710,430	\$130
MISC.	\$2,000	\$926				\$250		\$250		\$250	\$1,676	(\$324)
STATE	\$3,200							\$3,200			\$3,200	\$0
EQUIP. INCOME	\$20,000	\$5,890	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$17,890	(\$2,110)
PASSPORT	\$309,000	\$68,718	\$16,311	\$15,392	\$26,316	\$22,752	\$26,956	\$24,939	\$25,662	\$25,752	\$252,798	(\$56,202)
STARBUCKS	\$42,000	\$16,039	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$44,039	\$2,039
GRANTS	\$50,000	\$13,750				\$10,000		\$10,000		\$10,000	\$43,750	(\$6,250)
SUB-TOTAL	\$1,136,500	\$364,703				\$85,002	\$78,956	\$165,389	\$58,662	\$41,002	\$1,073,783	(\$62,717)
TOTAL REVENUE	\$8,884,850	\$3,252,762	\$588,200	\$748,200	\$633,200	\$678,202	\$707,156	\$713,589	\$636,862	\$602,202	\$8,840,442	(\$44,408)
EXPENSE												
SALARIES	\$4,952,000	\$1,687,580	\$377,000	\$544,000	\$377,000	\$377,000	\$377,000	\$386,000	\$408,015	\$386,000	\$4,919,595	\$32,405
SOCIAL SECURITY	\$371,400	\$125,432	\$28,275	\$40,800	\$28,275	\$28,275	\$28,275	\$28,950	\$30,601	\$28,950	\$367,833	\$3,567
MEDICAL & LIFE	\$1,095,000	\$339,372	\$84,000	\$84,000	\$84,000	\$84,000	\$84,000	\$84,000	\$84,000	\$84,000	\$1,011,372	\$83,628
PENSION	\$233,000	\$77,600	\$19,425	\$19,425	\$19,425	\$19,425	\$19,425	\$19,425	\$19,425	\$19,425	\$233,000	\$0
SUB-TOTAL	\$6,651,400	\$2,229,984	\$508,700	\$688,225	\$508,700	\$508,700	\$508,700	\$518,375	\$542,041	\$518,375	\$6,531,800	\$119,600
BOOKS	\$282,955	\$113,699										
E-BOOKS	\$35,497	\$14,104										
ONLINE DATABASES	\$216,545	\$144,156										
PERIODICALS	\$26,625	\$8,838										
DVD	\$61,562	\$16,000										
AUDIO	\$50,816	\$17,078										
SUB-TOTAL	\$674,000	\$313,875	\$45,000	\$45,000	\$45,000	\$45,000	\$44,000	\$44,000	\$44,000	\$44,000	\$669,875	\$4,125
GENERAL INSURANCE	\$140,000	\$56,146	\$10,800	\$10,800	\$10,800	\$10,800	\$10,800	\$10,800	\$10,800	\$10,800	\$142,546	(\$2,546)
MAINT. OF BUILD.	\$180,000	\$83,193	\$14,125	\$14,125	\$14,125	\$14,125	\$14,125	\$14,125	\$14,125	\$14,125	\$196,193	(\$16,193)
BUILDING REPAIRS	\$50,000	\$960	\$20,000					\$30,000	\$20,000		\$70,960	(\$20,960)
SECURITY SERVICES	\$150,000	\$55,005	\$12,100	\$12,100	\$12,100	\$12,100	\$12,100	\$12,100	\$12,100	\$12,100	\$151,805	(\$1,805)
UTILITIES	\$300,000	\$99,031	\$23,700	\$23,700	\$23,700	\$23,700	\$23,700	\$23,700	\$23,700	\$23,700	\$288,631	\$11,369
TELEPHONE	\$40,000	-\$7,559	\$4,150	\$4,150	\$4,150	\$4,150	\$4,150	\$4,150	\$4,150	\$4,150	\$25,641	\$14,359
SUB-TOTAL	\$860,000	\$286,776	\$84,875	\$64,875	\$64,875	\$64,875	\$64,875	\$94,875	\$84,875	\$64,875	\$875,776	(\$15,776)

[illegible]