

The Ferguson Library



Steven M. Frederick, Esq., *Chair*
Thomas M. Cassone, Esq., *Vice Chair*
Dudley N. Williams, Jr., *Treasurer*
Anderson R. Livingston, *Secretary*

Alice S. Knapp, *President*

MEMORANDUM

To: Members of the Fiscal Committee
Board of Representatives

From: Alice S. Knapp, President
The Ferguson Library

Date: April 17, 2018

Re: 2018 – 2019 Operating & Capital Budget Requests

We are pleased to provide you with the budget material we submitted to the Mayor to support our 2018-2019 Operating and Capital requests.

Please note these changes subsequent to that budget request:

Operating:

The Mayor's budget provides the library with a 3.7% operating increase for FY-2019.

We have an aggressive fundraising target in the budget (\$836,650), and barring further cuts we will be able to sustain service hours and maintain our current materials budget. We will not, however, be able to fully satisfy the community's need for additional hours or the purchase of new, relevant and diverse materials in needed quantities.

We are also providing our Long Range Plan with goals, and a list of our core services for your review, which we can discuss during our presentation.

Capital:

The information package to the Mayor contains a Proposed Capital Budget Narrative which describes our requests for 2018-2019. The Mayor proposed \$100,000 for the Harry Bennett Branch Modernization (less than our request and the Planning Board's recommendation but sufficient to get the project underway) and \$100,000 for several technology projects.

This package includes the audited financial statement for the year ended June 30, 2017 which was not available when the Mayor's package was prepared.

We look forward to the opportunity to review our needs and answer your questions on April 25th.



The Ferguson Library

The Heart of the Community

Long Range Plan December 2017 – December 2020

MISSION

Provide free and equal access to information, ideas, books and technology to educate, engage, and enrich the Stamford community.

VISION

Inspire lifelong learning and personal growth.

VALUES

- **Literacy:** Promote a love of reading and learning
- **Access:** Provide convenient access to information and other library resources in our physical and digital spaces
- **Service:** Provide excellent customer service in a safe, welcoming environment
- **Creativity & Innovation:** Encourage, expression, experimentation and a “culture of yes”
- **Intellectual Freedom:** Facilitate the free exchange of information and ideas
- **Community:** Nurture partnerships; bring library services into the community; celebrate Stamford’s diversity

GOALS

1. **Transformative Experiences:** Connect people to experiences that enrich and transform their lives
2. **Rich Content:** Provide content in convenient and desirable formats to facilitate sharing knowledge and ideas
3. **Welcoming Environment:** Promote the Library as a welcoming and safe space where all are included
4. **Sustainability:** Ensure the sustainability and viability of the Library for future generations



The Ferguson Library

The Heart of the Community

Strategic Plan December 2017 – December 2020

CORE SERVICES

- Offer relevant and compelling books and other content in a variety of formats.
- Promote literacy at all levels, including early childhood literacy, English as a second language, and fluency with digital technologies.
- Bring our services into the community through active outreach efforts.
- Be Stamford's source for high quality programs for all ages.
- Make space available to the public for meetings and collaborative learning.
- Promote civic engagement, including offering citizenship and government resources

Core Services

February 27, 2018

1. Offer relevant and compelling books and other content in a variety of formats:
 - Print and curated collections, such as world languages
 - Digital content (eaudio, ebook, streaming music & video)
 - Digital Archives: audio, photo & video
 - Services such as Interlibrary Loan and Readers Advisory
2. Promote literacy at all levels, including early childhood literacy, English as a second language, and fluency with digital technologies
 - Preschool storytimes
 - Partnerships with organizations that serve immigrants and new arrivals
 - Book-a-Librarian service
 - Workforce development and tech instruction
3. Bring our services into the community through active outreach efforts.
 - Bookmobile
 - School visits/Purple Bus
 - Friends of Ferguson Library: Books for Babies
 - Partnerships with organizations such as Boys & Girls Club
 - Visiting books and Dial-a-Book service
4. Be Stamford's source for high quality programs for all ages
 - Cultural programs, such as concerts
 - Book discussions
 - Lectures and author talks
 - Programming for small business
5. Make space available to the public for meetings and collaborative learning
 - Venue for community events and small group meetings
 - Board of Education partnerships
 - Literacy volunteers
 - Makerspace
 - Space for tutors/teacher conferences
6. Promote civic engagement, including citizenship and government resources
 - ESL and citizenship classes
 - Civility Series
 - Passports
 - Federal Depository for government documents
 - Tax assistance



MEMORANDUM

TO: Mayor David Martin
City of Stamford

FROM: Steven M. Frederick, Esq., Chair
Board of Trustees

RE: Proposed Operating and Capital Budgets

DATE: January 10, 2018

CC: Jay Fountain, OPM Director, City of Stamford

We are enclosing with this memo the following information regarding our 2018-2019 budget requests:

- Proposed 2018 – 2019 Operating Budget;
- Operating Budget Narrative;
- Capital Budget Narrative;
- Projected Operating Results through November 30, 2017;
- 2014 – 2017 Long Range Plan with June 30, 2017 update;
- Current Organization Chart.

The audited financial statements for the year ending June 30, 2017 will be submitted following review and acceptance by the Board of Trustees at its meeting on February 27, 2018. At that time we will also provide the 2018-2019 Long Range Plan with goals (adopted December 2017) and strategies (to be reviewed and adopted February 2018).

The Ferguson Library



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Alice S. Knapp, *President*

January 10, 2018

Mayor David R. Martin
City of Stamford
Stamford Government Center
888 Washington Boulevard, 10th fl.
Stamford, CT 06901

RE: Ferguson Library Budget Request
Fiscal Year 2018/2019

Dear Mayor Martin:

On behalf of the Board of Trustees, I am pleased to provide you with our budget package for fiscal year 2019. In the accompanying Operating Budget Narrative, we make reference to some of the additional services that The Ferguson Library has been able to provide due to increased city funding and our own fundraising efforts. We are grateful for the consistent support from the city, and we believe the Stamford community has benefited greatly from an active, creative and responsible public library.

In this letter, I would like to focus on some of the most significant accomplishments driven by our recently completed three year Strategic Plan. We think they portray a library that is responsive to the diverse needs of our community.

- Our programs have increased in variety and number, and our attendance remains strong. Our monthly newsletter, *Focus on Ferguson*, has grown from four pages to six, with a separate pull-out center page for just the children's programs. From the beginning of FY 2015, the first full year of operating with this new Strategic Plan, through the end of FY 2017, the number of programs the Library offered increased by 39%, and program attendance by 23%.
- Much of the program growth was fueled by new librarians in our youth services staff, including, for the first time, a full-time librarian to work with the supervisor at the South End Branch and a dedicated outreach librarian. As a result, we are able to offer more early literacy programs both in our branches and in the community. We regularly lead Inspirica's literacy workshops for parents, have representation on three Cradle to Career Community Action Networks, and attend or host family literacy nights for the elementary schools

in town. We implemented a “Baby’s First Books” program, with nearly 200 parents to date committed to reading 100 books to their baby before the child’s first birthday, and we are now able to offer more than 100 sessions of various programs each season for children up to age five.

- In support of early learning and literacy, during the years 2014 to 2017 we raised funds to increase the number of days the Bookmobile is on the road from one day a week to three. The Bookmobile now makes stops at all the major preschools in town. In that period of time, the number of children attending our outreach programs increased from 2,818 to an average of more than 11,000 a year in the last three years.
- We opened our first “Makerspace” in the Youth Services area toward the end of the first year of the plan. This was followed by a second space for older teens and adults in the Technology Center on the third floor in year two, and last year by the Wonder Lab, a virtual reality experience that has been used by nearly 700 people to date. These facilities have given the community exposure to new and innovative technologies, ranging from 3-D printing, CAD programs, software coding, and podcast creation. Of course, the library continues to afford the public access to more traditional forms of expression, by providing the public with clay, textiles, duct tape, yarn and baking supplies. We have also hosted a Make Fest, Global Game Jam, and Virtual Reality Hackathon in the last year. And in September, we hosted our first Codeathon and Locked City Escape Room. The recent grant award from CTNext to a collective of Stamford organizations positions The Ferguson Library as an anchor institution with the mission to engage the community in innovation, technology and entrepreneurship. Our extensive experience will surely guide us in this endeavor.
- As a result of increasing the number and variety of programs we offer, we have created learning opportunities for users of different ages, abilities and interest. One activity related to this strategy is to build a community around books. Of special note is the grant we recently received, \$14,000 from the NEA, to host a community-wide “Big Read” of Edwidge Danticat’s *Brother, I’m Dying*, during the month of October. The goal of the program is to broaden our understanding of our world, our communities, and ourselves through the joy of sharing a good book. Further, we continue to host our Civility Series and our Community Catalyst Conversations, which have grown into our work with Everyday Democracy to face the challenge of racism in our diverse society.
- We continue to use state-of-the-art tools to build and maintain our collections. In the past three years, more and more of the book collection at the Main Library and the branches has been carefully weeded to reflect the needs and interests of our readers. We have also recently added to this suite of tools an

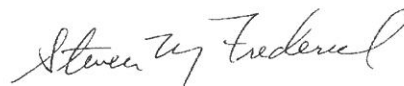
evidence-based decision making algorithm that can help us predict how well certain new titles will circulate among our reading community. While circulation of physical items has declined, following the national trend, our e-book circulation has increased by 90% since 2014. When we are able to increase the size of our materials budget, this collection will warrant special attention.

- One thing we continue to work on is the development of unique local collections about the Stamford community. With a "Common Heritage" grant funded by the NEH, we are building a collection of local oral histories, a project begun in conjunction with Stamford's 375th anniversary activities. These are housed in the Stamford Digital Archive on the Library's website. While we have established working relationships with the Stamford Historical Society and the Jewish Historical Society, the task of creating one point of access for our different collections has yet to be done.
- We began and grew Linked Libraries, our cooperative effort with the Stamford Public Schools to deliver library materials directly to students at their schools, while this Strategic Plan was in force. *Linked Libraries* is not only one of our key activities for addressing the issue of unequal access to library materials for young people in our community, it also supports our strategies to provide a seamless connection to the schools and easy to discover collections. A cut in state funding to the schools has constrained their ability to continue the program this year, but we will find ways to partner with them to achieve the same goals.

We have provided our complete Strategic Plan for 2014-2017 for your review, as well as the recently adopted goals for the new plan. Staff and the Board of Trustees will be developing the objectives for this plan in the coming months.

As always, should you have any questions about our proposed budgets, we would be pleased to respond to them.

Sincerely,

A handwritten signature in cursive script, reading "Steven M. Frederick".

Steven M. Frederick, Esq.
Chair

2018-2019 OPERATING BUDGET
PROPOSED

		2018-2019 PROPOSED FOR SUBMISSION TO MAYOR			
	2017-2018 BUDGET	PROPOSED BUDGET	INCREASE VS. FY 2018		NOTES
			\$	%	
Revenue					
Municipal Funding	\$ 8,100,000	\$ 8,625,000	\$ 525,000	6.48%	
Contributions/Grants	\$ 837,000	\$ 837,000	\$ -	0.00%	
Passport Office	\$ 254,000	\$ 254,000	\$ -	0.00%	
Library Fines	\$ 87,500	\$ 87,500	\$ -	0.00%	
Starbuck Rent	\$ 42,000	\$ 42,000	\$ -	0.00%	
Pay to Print \Copier	\$ 27,000	\$ 27,000	\$ -	0.00%	
Other	\$ 8,200	\$ 8,200	\$ -	0.00%	
Total Revenue	\$ 9,355,700	\$ 9,880,700	\$ 525,000	5.61%	
Expenses					
Salaries	\$ 5,243,000	\$ 5,522,000	\$ 279,000	5.32%	See supplemental schedule
FICA	\$ 393,225	\$ 414,150	\$ 20,925	5.32%	
Benefits	\$ 883,000	\$ 928,769	\$ 45,769	5.18%	
Pension	\$ 254,000	\$ 254,000	\$ -	0.00%	
	\$ 6,773,225	\$ 7,118,919	\$ 345,694	5.10%	
Professional/Consulting	\$ 72,000	\$ 89,000	\$ 17,000	23.61%	Additional for Legal (BU negotiations) and IT
Equipment Rental	\$ 80,000	\$ 80,000	\$ -	0.00%	

2018-2019 OPERATING BUDGET
PROPOSED

Maintenance

Building Repair & Maintenance	\$	215,000	\$	215,000	\$	-	0.00%
Branch Capital Repairs	\$	75,000	\$	75,000	\$	-	0.00%
Vehicle Repairs & Maintenance	\$	21,000	\$	17,000	\$	(4,000)	-19.05%
	\$	311,000	\$	307,000	\$	(4,000)	-1.29%

Conferences\ Training	\$	41,000	\$	41,000	\$	-	0.00%
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Library Programs

	\$	87,000	\$	87,000	\$	-	
Grant Funded	\$	-	\$	50,000	\$	50,000	Previously in Salaries
	\$	87,000	\$	137,000	\$	50,000	57.47%

Library Resources

Books	\$	332,650	\$	354,650	\$	22,000	6.61%
E-Books	\$	71,000	\$	89,000	\$	18,000	25.35%
Periodicals	\$	26,000	\$	28,000	\$	2,000	7.69%
Reference Database	\$	268,650	\$	306,650	\$	38,000	14.14%
DVD	\$	60,900	\$	60,900	\$	-	0.00%
Audio	\$	40,800	\$	40,800	\$	-	0.00%
	\$	800,000	\$	880,000	\$	80,000	10.00%

Book\Media Processing	\$	73,000	\$	73,000	\$	-	0.00%
Library Software/Support	\$	171,000	\$	171,000	\$	-	0.00%
Miscellaneous(library supplies)	\$	41,000	\$	41,000	\$	-	0.00%
	\$	1,085,000	\$	1,165,000	\$	80,000	7.37%

Public Relations\Fundraising	\$	134,000	\$	134,000	\$	-	0.00%
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2018-2019 OPERATING BUDGET
PROPOSED

General Operating

Telephone	\$	47,000	\$	47,000	\$	-	0.00%	
Electricity	\$	206,000	\$	231,000	\$	25,000	12.14%	FY 2018 add'l due to faulty meter
Gas-Heating	\$	110,000	\$	110,000	\$	-	0.00%	
Postage	\$	14,000	\$	14,000	\$	-	0.00%	
Office Supplies	\$	41,000	\$	41,000	\$	-	0.00%	
Security Services	\$	162,000	\$	162,000	\$	-	0.00%	
Gasoline	\$	4,000	\$	4,000	\$	-	0.00%	
Water/Sewer Expense	\$	10,000	\$	10,000	\$	-	0.00%	
Storage Expense	\$	2,500	\$	2,500	\$	-	0.00%	
Miscellaneous	\$	30,000	\$	26,704	\$	(3,296)	-10.99%	
	\$	626,500	\$	648,204	\$	21,704	3.46%	
Insurance	\$	137,000	\$	149,000	\$	12,000	8.76%	Add'l drivers w/c; overall +5%
New Equipment /Furniture	\$	2,500	\$	2,500	\$	-	0.00%	
Other Fees	\$	6,000	\$	6,000	\$	-	0.00%	
Total Expenses	\$	9,355,225	\$	9,877,623	\$	522,398	5.58%	
Revenues less Expenses	\$	475	\$	3,077				

PROPOSED OPERATING BUDGET 2018 – 2019 BUDGET NARRATIVE

As you are aware, with increased funding by the city and successes in fundraising, in recent years we have increased branch and bookmobile service hours, added to the library's collection of print and electronic resources, added a new bus to bring school classes to the library and will soon have a new bookmobile.

We have improved our financial reporting and payroll systems, provided library resources directly to students in participating public schools, and provided literacy and technology training to hundreds of Stamford citizens.

We have introduced a variety of new programs for entrepreneurs (like One Million Cups) and to those interested in exploring new technologies (like virtual reality, 3D printing, and gaming). And just recently we became the lead agency in a \$2,000,000 Innovation District grant for Stamford from the State of Connecticut.

These accomplishments have been made possible because of our partnership with the City of Stamford, and from support from the Friends of the Ferguson Library, the Ferguson Library Foundation, many Stamford businesses, numerous foundations, and literally thousands of individuals who support us with giving and volunteerism.

OVERALL OPERATING BUDGET

We are requesting \$8,625,000 from the city's operating budget in 2018 – 2019, a 6.48% increase over current funding.

Our principal goal for the year would be to further increase operating hours at our three branches as follows:

- Harry Bennett Branch: to open Tuesdays from 1 PM to 6 PM (currently closed Tuesdays);
- Weed Memorial & Hollander Branch: add 4 hours to Monday (making it a full day operation);
- South End Branch: to open Mondays from 10 AM to 5:30 PM (currently closed Mondays).

Further, we want to improve the current collections with timely and relevant resources, provide \$75,000 to fund much needed building repairs and maintenance projects in the branches for which city capital funds are not available, and take significant steps to accomplish other goals established in our new 3-year strategic plan.

HIGHLIGHTS OF PROPOSED OPERATING REQUEST

Income:

- The \$525,000 (6.48%) increase in city funding is largely necessitated by an increase in salary and benefit costs (5.10%), and increased funding for new materials (10%).
- The most significant risk in our proposed operating budget is sustaining giving at its current level (in excess of \$825,000). We have lost several major donors in the current fiscal year, and we are uncertain of our ability, despite diligent efforts, to replace them at their level of giving. Further, all non-profits are worried about the recent tax law changes that could affect charitable giving in 2018. Therefore, our ability to reach our current and proposed contributions/grants goal of \$837,000 in each year gives us concern.
- We believe revenue from other sources (passport fees, fines, rent, etc.) will be generally flat in 2018-2019.

Expenses:

- Our proposed budget contemplates a 2½% salary increase for staff. However, the current bargaining unit contract expires on June 30, 2018 and we will not begin negotiations until spring 2018. We are therefore uncertain of the salary cost for the unit members next year. No new full-time positions are anticipated in FY 2018. Further, we eliminated one supervisory position (upon his retirement) in 2017-2018 and added those duties to the responsibilities of another supervisor. The duties of the Director of Human Resources, a position vacant since January 2017, are now being shared by this existing administrative team and will be supplemented by a part-time independent contractor; we expect to continue this in fiscal 2019.
- The only additional staffing in the budget is associated with increased service hours, and this would be accomplished through the use of part-timers.
- We have assumed a 5% increase in medical insurance premium (Connecticut Partnership 2.0 Plan). The employee contribution to the premium cost will increase to 16% on June 30, 2018.
- The pension cost is the actuary's recommended employer contribution to the defined benefit pension plan. Employees contribute 5.5% of wages to the plan.
- In 2013 – 2014, our budget for the purchase of new materials was \$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 \$800,000 for 2016 – 2017, and would like to increase it to \$880,000 in 2018 – 2019. With these additional funds, we will;
 - Better meet the demand for current materials;

The Ferguson Library

- Increase our digital resources;
 - Provide more content in a variety of formats (print, large-type, audio) in other languages spoken by the citizens of Stamford.
-
- Other occupancy and operating costs are expected to increase modestly in total.

We recognize the budget challenges currently faced by city and do not make this request lightly. As shown above, all increases will be used either to pay necessary personnel and material expenses, to increase operating hours to “normal” levels, or to make necessary repairs. In other words, the city’s investment in The Ferguson Library will be used to provide programs and resources that directly benefit Stamford’s diverse and culturally rich community.

PROPOSED CAPITAL BUDGET

2018 – 2019

BUDGET NARRATIVE

LONG TERM FINANCING

Recognizing the city's overall capital funding pressure in the upcoming year, we have limited our long-term capital request to two projects totaling \$300,000 for 2018-2019 funding:

Harry Bennett Branch Modernization: \$200,000

To create a master plan and needs assessment for, and to undertake a modernization of, the Bennett Branch, which over the project life will provide the nearly 20 year old facility with spaces requested/needed by current library users: flexible meeting/conference rooms; makerspace and technology learning spaces; alternative program space for youth and adults. Appropriate furnishings will be included. The modernization would be done within the current building envelope. The master plan would also include code review and an examination of MEP systems. Necessary upgrades to the mechanical systems may be part of the plan. Grant funds (through the state library and others) may be available to leverage city funds. (Flooring replacement will be funded through private donations.) The project is expected to be funded over four years for a cost of about \$1.25 million

Community Center Libraries: \$100,000

This will provide funding for furniture, equipment, and materials to establish and operate branch libraries in community centers. Leveraging existing community center facilities would allow for the cost-effective delivery of needed library services to residents in neighborhoods that have difficulty reaching the existing libraries. It is a way to address the geographic inequities of library service pointed out in our 2012 community survey. Funds would be used largely for library furniture and equipment in each of these facilities. For 2018-2019, one such library would be funded.

SHORT TERM FINANCING

Two projects totaling \$160,000 in 2018-2019 funding are requested:

Computer System Technology Infrastructure: \$100,000

To provide upgraded and expanded security systems over the library's network:

- An updated video security system which will provide better building coverage, image resolution, image retrieval for law enforcement, etc.;
- Provide a "mass notification system", an evacuation system in the event of a non-fire emergency (bomb threat, violent intruder, etc.).

It is possible that these systems can be started in FY-2018 with some of the existing technology funds. Budgets have been developed and proposals received.

PC Network: \$60,000

Replace, upgrade and expand units throughout the public and staff network.

**2017-2017 OPERATING BUDGET
YEAR-END FORECAST
AS OF NOVEMBER 30, 2017**

	ANNUAL BUDGET	FIVE MONTHS ACTUAL	SEVEN MONTHS FORECAST	YEAR END FORECAST
REVENUE				
City	\$8,100,000	\$3,397,500	\$4,702,500	\$8,100,000
Fines	\$87,500	\$31,326	\$56,174	\$87,500
	\$8,187,500	\$3,428,826	\$4,758,674	\$8,187,500
Contributions & Grants	\$837,000	\$151,897	\$685,103	\$837,000
Passport Office	\$254,000	\$78,069	\$175,931	\$254,000
Rental Income	\$42,000	\$18,659	\$23,341	\$42,000
Pay to Print/Copiers Income	\$27,000	\$10,666	\$16,334	\$27,000
Other Revenue	\$8,200	\$658	\$7,542	\$8,200
SUB-TOTAL	\$1,168,200	\$259,949	\$908,251	\$1,168,200
TOTAL REVENUE	\$9,355,700	\$3,688,775	\$5,666,925	\$9,355,700
EXPENSES				
Wages	\$5,639,225	\$2,050,150	\$3,589,075	\$5,639,225
Benefits	\$1,137,000	\$625,740	\$511,260	\$1,137,000
Professional/Consulting Services	\$72,000	\$39,140	\$32,860	\$72,000
Equipment Rental	\$80,000	\$33,920	\$46,080	\$80,000
Maintenance	\$311,000	\$77,816	\$233,184	\$311,000
Conferences & Training	\$41,000	\$8,889	\$32,111	\$41,000
Library Programs	\$87,000	\$38,439	\$48,561	\$87,000
Library Resources	\$818,000	\$213,258	\$604,742	\$818,000
Library Software\Supplies	\$277,000	\$64,902	\$212,098	\$277,000
Fundraising & Public Relations	\$124,000	\$22,690	\$101,310	\$124,000
Insurance Expenses	\$137,000	\$61,781	\$75,219	\$137,000
New Equipment/Furniture	\$2,500	\$6,063	(\$3,563)	\$2,500
Telecommunications	\$47,000	\$18,112	\$28,888	\$47,000
Energy	\$316,000	\$117,836	\$198,164	\$316,000
Office Supplies	\$41,000	\$6,606	\$34,394	\$41,000
Security Services	\$163,000	\$46,296	\$116,704	\$163,000
Other Fees	\$6,000	\$12,001	(\$6,001)	\$6,000
Other Operating Expenses	\$56,975	\$58,092	(\$1,117)	\$56,975
Total Expenses	\$9,355,700	\$3,501,731	\$5,853,969	\$9,355,700
Revenues Less Expenses	\$0	\$187,044	(\$187,044)	\$0



Quarterly Dashboard Assessment

**Presentation to the Ferguson Library Board of Directors
June 2017**

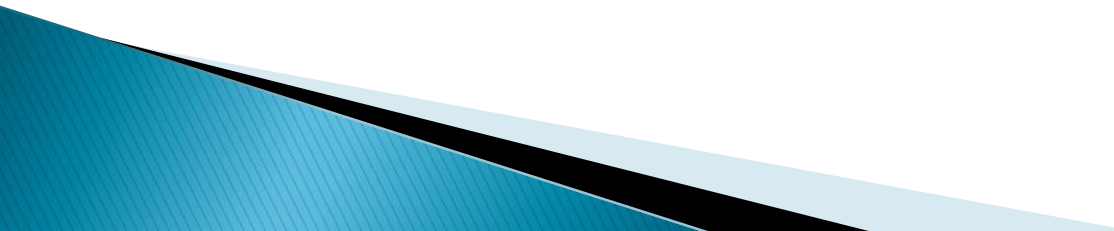
Introduction

This document looks at the top 13 of the 22 strategies we have identified to achieve the goals outlined in our Strategic Plan.

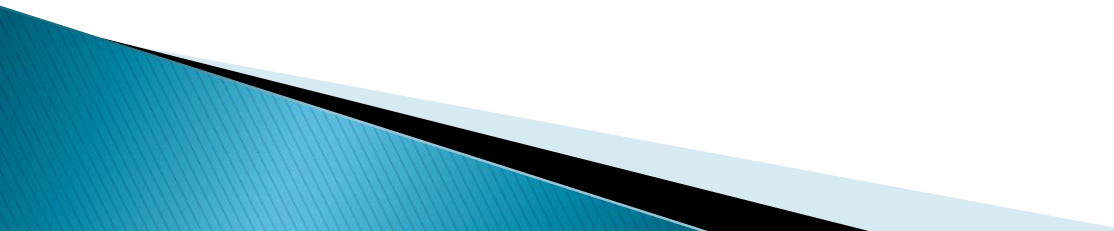
These 13 were ranked the most important by Library leadership and staff in a day-long workshop held for this purpose. For each, we set performance benchmarks and rate our progress with a color-coded system:

- Green means that the area is performing on target
- Yellow means caution; work is proceeding, but below target levels
- Red means little progress has been made and follow-up is a priority

The goal is to provide the Ferguson Library staff and Board with a tool to assess organizational health and to zero in on problem areas.



The Five Goals in the Strategic Plan

- 1) Promote learning at all ages and all stages of life
 - 2) Provide superior and easy to discover collections
 - 3) Increase access to Library and community resources
 - 4) Strengthen the Library organization
 - 5) Pursue the Library's financial sustainability
- 

Strategies

GOAL 1: *Promote learning at all ages and all stages of life*

- 1) Support early learning and school success
- 2) Be the source of high-quality programs for people of all ages
- 3) Serve as an incubator of ideas and innovation

GOAL 2: *Provide superior and easy to discover collections*

- 1) Build relevant collections
- 2) Enhance methods for discovery of library materials

GOAL 3: *Increase access to Library and community resources*

- 1) Facilitate easier navigation of our facilities and resources
- 2) Increase Library presence throughout Stamford
- 3) Address inequalities in Library accessibility

Strategies

GOAL 4: *Strengthen the Library organization*

- 1) Empower the staff through access to continuing education, workshops, and in-house training opportunities
- 1) Strengthen the Board and Friends

GOAL 5: *Pursue the Library's financial sustainability*

- 1) Work with city leadership to develop an appropriate and predictable level of municipal funding for the Library
- 2) Seek new revenue streams
- 3) Make the Library one of Stamford's giving priorities

Performance Benchmarks for Goal 1 Strategies to:

support early learning and school success; be the source of high-quality programs for people of all ages; and serve as an incubator of ideas and innovation

	Early childhood literacy programs: average monthly number of programs and attendance for each period	Total number of MakerSpace programs in the period	Average monthly number of programs and attendance-all ages
July 2014 – June 2015	G 56 / 887	G 33	Y 186 / 4879
July 2015 – June 2016	G 74 / 1114	G 61	G 214 / 5740
July 2016 – June 2017	G 78 / 1,251	G 96	G 228 / 5739

Notes:

Early childhood programs served by the Bookmobile and Purple Bus visits.

G Rule: To be green, the level of programming has been maintained or exceeded last year's measure.

MakerSpace programs for children and adults. They include electronics, crafts, building, coding projects, etc.

G Rule: To be green, programs show growth in the number of programs.

Program and attendance numbers combine in-house and outreach adult and children's programs system-wide.

G Rule: To be green, the level of programming increases by 6% from since the previous comparable measurement period with a goal of reaching or exceeding statewide per capita average by the end of FY 2016. We have accomplished this. In FY 2017, our per capita program attendance was 4.51. The state per capita for cities with a pop. of 50,000+ was 4.10

Performance Benchmarks for Goal 2 Strategies to:

build relevant collections and enhance methods for discovery of library materials

	Check the shelves using the inventory and usage tool, collectionHQ, to ensure that the catalog aligns with holdings	Balance funds with demand and purchase accordingly for each area of the collection	Materials usage: average number of items checked out per month during the measurement period
July 2014 – June 2015	Y	G	Y 72,569
July 2015 – June 2016	Y	G	Y 67,825
July 2016 – June 2017	Y	G	R 64.027

Notes:

CollectionHQ is analytical tool that provides information on library materials and usage for collection alignment

G Rule: Match physical inventory to catalog records for the 1/3 of the collection showing the largest discrepancy.

CollectionHQ creates a budget for each area of the collection based on demand

G Rule: Ongoing review of allocations and demand; provides ability to purchase new items on the leading edge

Circulation numbers combine adult and children's circulation system-wide

G Rule: Circulation increases year over year by 5% to reach or exceed statewide per capita average.

Performance Benchmarks for Goal 3 Strategies to:

increase Library presence throughout Stamford; promote the visibility of the Library; address inequalities in Library accessibility

Average monthly number of outreach visits for adults and children—number of places programs


Number of community events at which we have a presence

Average monthly number of library card registrations is an indication of “saturation”

July 2014 – June 2015	 83	 12	 540
July 2015 – June 2016	 94	 15	 550
July 2016 – June 2017	 101	 17	 497

Notes:


Program and attendance numbers combine outreach programs for adults and children system-wide.

 **Rule:** Level of programming increases since the previous comparable measurement period and year over year.

Examples include Bookmobile visits to the Chelsea Pier community event; a “bookstore” at Stamford’s Back to School Shop day serving financially disadvantaged elementary school children

 **Rule:** Number shows increase year over year

More library card holders reflect a greater reach in our community

 **Rule:** Number of registrations increase since the previous measurement period










Performance Benchmarks for Goal 4 Strategies to:

empower the staff with access to continuing education, workshops, and in-house training opportunities; strengthen the Board and Friends

Participation in professional development opportunities—number of staff; number of classes workshops and webinars, etc.


Staff memberships in professional associations, committees, and community organizations and consortia

Strengthen the Library Board and Friends of the Ferguson Library

Baseline: FY 2015		19 of 25 public services staff members participated in such activities		20 memberships across the same 25 public services staff members		100% participation; Friends membership dues up 59% YTD over last year
FY 2016		13 of 28 public services staff members participated in more of them than last year		27 memberships across 28 public services staff members		100% participation; membership income up 15% YTD over last year
FY 2017		13 of 25 public services staff members participated in more of them than last year		29 memberships across 25 public services staff members		100% participation; dues income up 17%; matching gifts down 44% for all overall decrease of 5.6% in membership income.

Notes:


Staff participation in professional development activities: numbers are from a recent survey

 **Rule:** Level of participation increases since the previous measurement period

Total staff memberships in such organizations

 **Rule:** Number shows increase year over year

Board and Friends support the Library with their time, talent, and money

 **Rule:** Board - 100% participation on a board-level committee and in supporting the annual appeal
Board and Friends have a succession plan in place; Friends grow their membership












Performance Benchmarks for Goal 5 Strategies to:




work with city leadership to develop an appropriate and predictable level of municipal funding for the Library; seek innovative sources of revenue; make the Library one of Stamford's giving priorities

Strengthen existing and develop new relationships with City leadership

Research and develop ideas for new revenue streams

Grow private funding

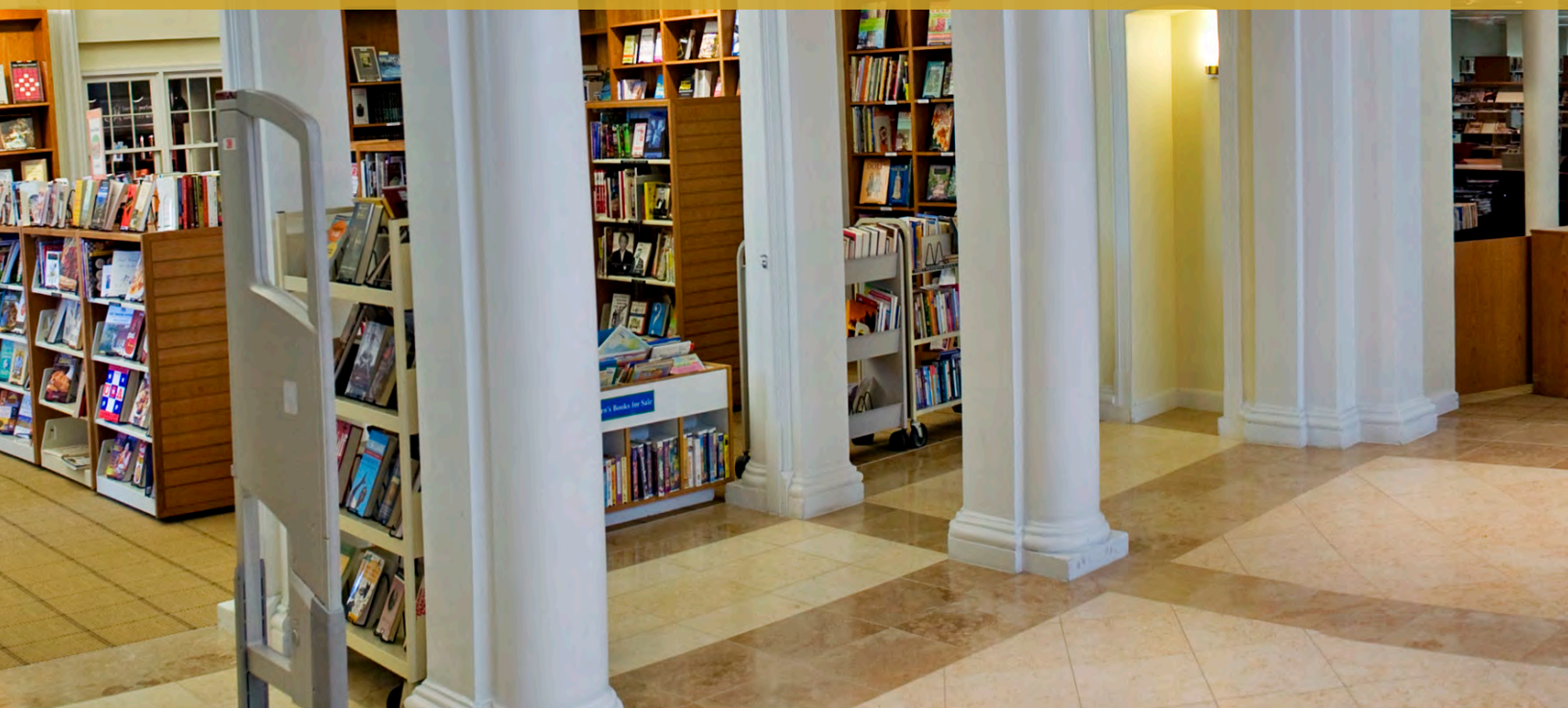
Baseline:			
FY 2014	n/a		 Annual budget: \$653,000
FY 2015			 Annual budget: \$686,000*
FY 2016			 Annual budget: \$710,300*
FY 2017			 Annual budget: \$732,000

- Notes:**
- Library president meets regularly with the Mayor's office, boards, and commissions
 -  **Rule:** Periodic meetings take place with all government bodies with oversight over the Library's budget
 - Research and develop ideas for new revenue streams
 -  **Rule:** Make a recommendation to the Board about alternative funding sources.
 - Grow private funding: FY 2017 budget for contributions is larger than FY 2016, and
 -  **Rule:** Private contribution amount for the current year is on or favorable to budget. *The private contribution amount exceeded the budgeted amount for the years ending June 30, 2015 (\$711,409), June 30, 2016 (\$736,865), and June 30, 2017 (\$740,763.)



The Fergusson Library

STRATEGIC PLAN 2014 - 2017 · MARCH 2014



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- Thomas M. Cassone, Esq., Treasurer
- Sandra Goldstein, Secretary
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- Steven M. Frederick, Esq., Member
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Acknowledgment

This strategic plan was generously underwritten in part by The Friends of the Ferguson Library and received professional contribution from Stephen Perry.



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LETTER FROM THE CHAIR OF THE BOARD OF TRUSTEES

I am extremely pleased to share with you The Ferguson Library's Strategic Plan for 2014-2017. It is the culmination of an eighteen-month project which included a community survey, multiple stakeholder interviews, staff focus groups, and a Board of Trustees retreat, all occurring during 2012 and 2013. The result is a comprehensive long range plan to further grow and strengthen the Library's role as the educational, informational and cultural center of Stamford. Countless hours were spent in gathering and evaluating data, measuring the effectiveness of current collections and services, and identifying and developing the goals that will guide the future of The Ferguson Library. Special features of this plan include the crafting of new mission and vision statements, as well as updating our core values, and delineating our core services.

It is our hope, indeed expectation, that this plan will provide our entire city with an understanding of the direction in which the Library is headed, and how it expects to achieve its objectives. The efforts of our entire Ferguson Library system are focused on meeting the changing needs of its users, and the lifelong learning and continuing education of every member of the Stamford community.

Michael J. Cacace, Esq.

Chair, Ferguson Library Board of Trustees



VISION, MISSION, & CORE VALUES

Vision

Inspire, promote and foster lifelong learning and personal growth.

Mission

Provide free and equal access to information, ideas, books and technology to educate and enrich the Stamford community.

Core Values

Advance Literacy:

Nurture and encourage literacy.

Inspire a Love of Reading:

Celebrate life-long learning.

Atmosphere:

Create a safe, inviting and comfortable environment that is conducive to reading, studying, learning and engagement.

Access:

Provide convenient hours and locations for the Stamford community and remote access via our website.

Accountability:

Responsibility for providing quality customer-driven services.

Connections:

Build relationships among and between individuals and community groups.

Creativity/Innovation & Technology:

Encourage creativity, experimentation and innovation while utilizing the latest technology.

Diversity:

Embrace the numerous cultures and races in the community.

Equality:

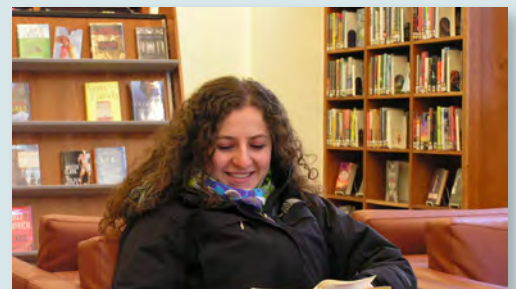
Freedom from bias or favoritism

Intellectual Freedom:

Facilitate the free exchange of information and ideas.

Core Services

- Offer relevant, inspiring, and timely collections and information resources that meet the needs of the Stamford community.
- Promote and support reading for all ages, including a special focus on early childhood literacy.
- Encourage digital and computer literacy through technology training and access to the Internet.
- Advocate and support literacy, in particular for those where English is a second language.
- Make available community space for meetings and collaborative learning.
- Be Stamford's source for high quality programs for all ages.
- Be an outlet for government programs and information.
- Provide U.S. passport acceptance service.
- Actively support the Friends Book Shop.





GOAL 1: PROMOTE LEARNING AT ALL AGES AND ALL STAGES OF LIFE

The Library encourages and supports learning. With a significant percent of the community holding a bachelor's degree or higher, and three higher education institutions within Stamford, this community is a hub of learning. Beginning with baby story times, and continuing through adult workshops, the Library encourages learning at all levels. The Library provides resources to support the school system and its students. The Library is a place of books and digital resources as well as conversation, and community building, providing a space for discussing current and important social and political issues. It is an incubator of ideas via programs and a lab (that provides the tools for idea generating).

A. Encourage, advocate for early learning and school success.

1. Expand early childhood literacy efforts.
2. Join civic efforts to close educational achievement gaps.
3. Provide seamless connection among schools, families, and the public library.

B. Support learning opportunities tailored for users of different ages, abilities and interests.

1. Engage, serve and empower teens through a high energy, innovative program of service.
2. Build community around books.
3. Generate civic conversations on political, social, environmental issues.

C. Be Stamford's source for high quality programs for all ages.

1. Build a diverse set of program offerings to meet the overall needs and interests of our community.

D. Serve as an incubator for ideas and innovation.

1. Create a state-of-the-art digital lab that is both interactive and collaborative and that expands the Library's role as the educational and technological hub of the community.

In 2014, what do we mean by "books?" Is it the revered printed word or is it virtual document we read on a device? The Ferguson Library is committed to providing content in all formats.

A photograph of a woman with long brown hair, wearing a white jacket, looking down at a book she is holding. She is in a library, with wooden bookshelves filled with books visible in the background. A yellow banner is overlaid on the image, containing the text 'GOAL 2: PROVIDE SUPERIOR AND EASY TO DISCOVER COLLECTIONS'.

GOAL 2: PROVIDE SUPERIOR AND EASY TO DISCOVER COLLECTIONS

The Library has a vibrant print and digital collection that ensures it is easy for the end user to discover/find items. Our librarians connect users to the desired information/book and also provide resources and expertise to help those who want to create content. Ultimately, the Library will become a publisher for local authors and subjects.

A. Look for new opportunities to build relevant collections.

1. With accurate and comprehensive statistics, ensure that the Library's collections reflect the needs of the community.
2. Explore ways to offer content in new formats.

B. Provide unique local collections to and about the Stamford community.

1. Partner with local organizations such as the Historical Society, Stamford Art Association, etc., to establish or publish collections of unique interest to Stamford.
2. Record and digitize special Library and/or Stamford events and make available for circulation/download.
3. Invite individuals to contribute and/or create (print or audio) local Stamford content and make available for circulation.

C. Improve/invest in connecting people with the best books for their needs.

1. Library users can make appointments with librarians for reading suggestions.
2. Develop an online form for users to ask for reading recommendations.

D. Reconstitute our catalog to become the gateway to all the resources that The Ferguson Library collects, curates, and maintains.

1. Review current procedures to ensure that we are using best practices in the catalog.
2. Research traditional and non-traditional Integrated Library Systems to ensure that our systems incorporate the latest trends.

E. Invite users in and help them navigate library facilities and resources.

1. Investigate ways to improve signage for each facility.
2. Develop a help desk near or within eyesight of each entrance.

Libraries are becoming creation hubs—whether it is a photo collage made from local historical photos, a video of a local thought leader, or even a book. The 21st century library is the place to support all of those endeavors.



GOAL 3: INCREASE ACCESS TO LIBRARY AND COMMUNITY RESOURCES

Provide access to the entire Stamford community, including areas not in close proximity to a physical library. In addition to providing resources, the Library intends to be a hub and link to other community resources. The Library needs to become more outward looking, actively partnering with other organizations, and ensuring our offerings are visible to users and nonusers.

A. Address geographic and socioeconomic inequalities in library accessibility.

1. Explore options for providing library services by meeting with community leaders or organizations.
2. Partner with existing facilities (community centers and schools) to provide library services.

B. Increase library presence throughout Stamford.

1. Increase partnerships with community organizations.
2. Launch the Librarian Outreach Program.

C. Connect library users with community resources.

1. Create a database that lists and describes services provided by local resources.

D. Promote the visibility of the Library and its resources.

1. Increase awareness of the Library.
2. Create compelling messages on a variety of platforms.



Librarians on the Go... It is easier than ever for librarians to provide services in the community. Some libraries have partnered with Red Box, others use pop up store, vans, and even bicycles. We are no longer limited by our facilities.



GOAL 4: STRENGTHEN THE LIBRARY ORGANIZATION

We need to address the internal needs of the Library so the organization can meet the first three goals, as well as grow. Staff development and internal communication are the most important aspects of this goal.

A. Strengthen our culture and systems to be an effective learning organization.

1. Improve internal communication channels.
2. Continue to foster a participatory environment with staff input in decision-making.

B. Empower the staff through access to continuing education, workshops, and in-house training opportunities.

1. Encourage cross training.
2. Build teams for learning.

C. Ensure the Board of Trustees and Citizen Advisors are in tune with the community and the Library.

1. Recruit talented members who represent various aspects of Stamford's community.
2. Continue to nurture open communication between Board and the community.

D. Strengthen the Friends of The Ferguson Library, our advocacy and support group, so members are our ambassadors.

1. Help the Friends recruit board members who have the necessary skills and experience.
2. Improve communication channels between the Library and The Friends of the Ferguson Library.





GOAL 5: PURSUE THE LIBRARY'S FINANCIAL SUSTAINABILITY

It is critical to have stable funding from a variety of sources, recognizing that the city is and should always be the Library's primary funder.

- A. Work with city leadership to develop an appropriate and predictable level of municipal funding for the Library.**
- B. Seek new and innovative sources of revenues that are appropriate for a public library.**
 - 1. Review best practices from other nonprofits, especially hospitals, for adaptation by The Ferguson Library.
- C. Make The Ferguson Library one of Stamford's principal giving priorities.**
 - 1. Explore options for growing the community of givers.

D. Plan for and fund capital investments in the Library.

1. Develop and fund a capital plan for all facilities which anticipates the costs of ongoing capital maintenance, improvements and technology.
2. Work with the city and private donors to have a functioning funding plan for capital expenses.

E. Help our affiliated organizations, the Friends and Foundation, fulfill their mission of supporting the Library.

1. Assist The Ferguson Library Foundation in implementing a development plan. Assist the Friends in developing a reliable income stream as the book shop is impacted by the changes in publishing, purchasing habits, and other future societal fluctuations.





DEVELOPING THE PLAN

The Ferguson Library has a long tradition of strategic planning for the future, as well as adopting major changes in the industry. At the conclusion of the 2006-2011 strategic plan, we found the Library at a crossroads: municipal funding had decreased while use of the Library was changing and increasing. The Board and the community responded to the financial crisis by increasing fundraising by 107%. The staff changed many of its programs in response to the financial crisis, helping users apply for jobs, hosting career fairs, and connecting users to social services.

Library services were changing in other ways as well. There has been a renewed focus on children and literacy; library programs have changed to reflect the most recent research on brain development. The Stamford school system has adopted the Common Core standards which will have an impact on student library needs. Our traditional book discussions are a perfect complement to the Common Core but other programs need to be revamped. While we have begun to offer more programs emphasizing science and technology, we have noted that other libraries have created production labs or maker spaces for their communities.

Libraries have been dealing with alternative material formats for several years. In the last 13 years, we have struggled, as have libraries nationally, to offer a comprehensive collection of ebooks to our community. Even when we are able to offer the latest bestseller, the price is significantly more than the print version. Public libraries have tried several different models to address this problem. Some have created their own platforms and collect e-material from any publisher that will work with them. For the first time, space is not an issue, so libraries have begun to actively collect self-published authors.

DEVELOPING THE PLAN

As we were preparing for the next plan, we decided to look ahead 50 years: where did we see The Ferguson Library in 2063? How were we going to address the changes in library service and plan for the next major change? Meanwhile, this three-year strategic plan would begin to build the foundation for realizing that futuristic vision. Moreover, this plan would not address those core services that are integral to our mission and remain the same. All five of the goals reflect areas where we want to grow or alter current services.

Any plan such as this cannot be achieved without community input. In preparation for the development of this strategic plan, the Library gathered feedback from community members, stakeholders and partners, staff, and Board of Trustee members. The Ferguson Library embarked on a critical strategic planning process to establish a commonly understood vision and actionable strategies for the future of the Library.



The Ferguson Library has offered remote access to digital resources since the mid-1990s and ebooks since 2000.

These inputs include:

- **Community Survey (2012)** In 2012, The Ferguson Library conducted a community survey to learn more about how its customers use the Library, their views of the Library's relative strengths and weaknesses, and their priorities and preferences for future services. The primary instrument was an online survey, although print versions were also available. Over 2,700 library users and non-users participated in the survey, which represents over 2% of Stamford's population over five years of age.
- **Stakeholder Interviews (2013)** In May and June of 2013, The Ferguson Library contracted with BERK to conduct telephone interviews with ten stakeholders from the Stamford community. The interviews involved frank conversations with key partners and potential funders of The Ferguson Library, and included representation from community centers, schools, advocacy groups, business associations, and other community-based organizations. Conversations touched on a range of topics, including the Library's strengths, weaknesses, and opportunities; the Library's role in the community; resources and services; partnerships with community-based organizations; and communication channels.
- **Staff Focus Groups (2013)** In May 2013, three staff focus groups were held to obtain input on a broad array of topics, including library strengths and weaknesses, customer service, equity, budgeting, partnerships, rewarding and challenging aspects of working at the Library, and the future of the Library. An invitation to participate was extended to all staff other than administrators and supervisors, with a total of 45 staff members attending. The same basic questions addressing the topics noted above were asked at each discussion.
- **Board of Trustees Retreat (2013)** In June 2013, all ten members of The Ferguson Library Board of Trustees participated in a facilitated retreat where they reviewed the Library's mission and vision statements and discussed issues relating to collections, programming, services, hours of operation, staff development, and operational sustainability.



Some of the key findings (for a full report please see Appendix A, “Ferguson Library Strategic Plan: Situation Assessment” prepared by BERK) include:

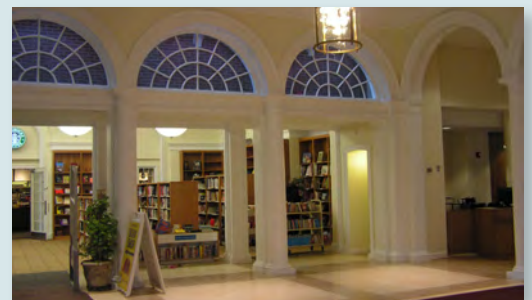
1. The Library does a lot of things well and should continue to build on its strengths. Some of its more notable strengths include: the Library’s broad inclusivity and its ability to adapt to Stamford’s rapidly changing demographics; its role as a community gathering space that helps bridge the gap between different racial and cultural groups; and excellent customer service via a staff that is knowledgeable, helpful, and readily available.
2. Geographic inequity is a major challenge facing the Library, as its current branch locations do not cover all neighborhoods. This significantly affects the Library’s ability to provide access to a growing number of communities throughout the city, especially lower income residents who face mobility challenges. Opportunities to address geographic inequity include increasing the scope and hours of the bookmobile and increased partnerships with schools and community-based organizations to establish a library presence in neighborhoods without a nearby branch.
3. Funding issues have posed a significant challenge to the Library and have negatively impacted its services, collections, and hours of operation. The Library should improve its fundraising efforts by reaching out to a broader and more diverse group of donors and more effectively messaging its value to the community at large. More could be done to promote and build awareness around the Library’s offerings (see #8).

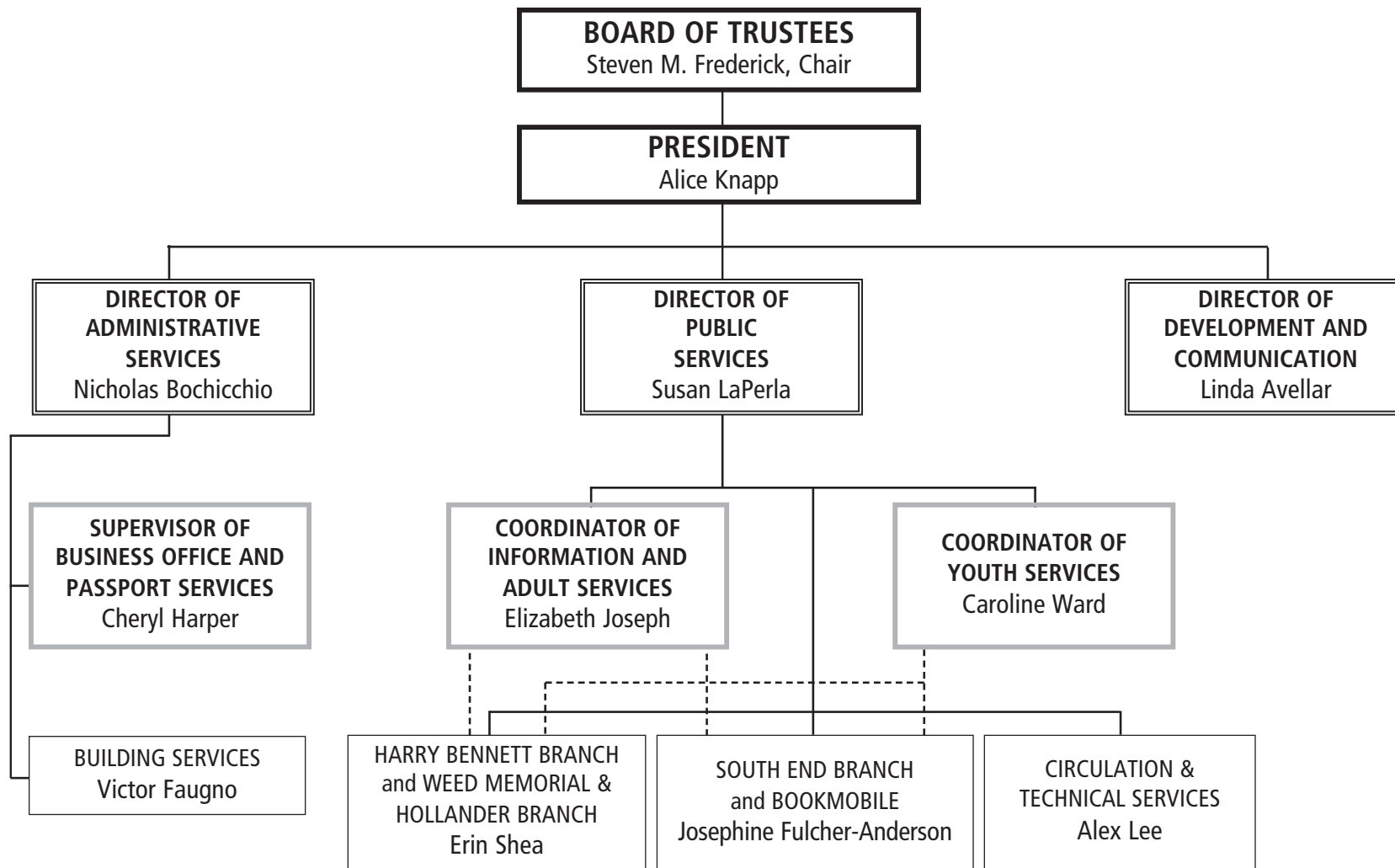


4. Limited hours of operation do not currently meet the needs of the community and restrict access for those who are not available when their local branch is open. Survey respondents noted hours of operation as the aspect of the Library with which they are least satisfied.
5. Programming is becoming increasingly popular and there is growing demand for a broader range and greater quantity of library programming. Potential options for program expansion include children's programming, classes for job-seekers, forums to discuss important social and health issues, author talks, and programs for immigrants, seniors, and young adults. As the Library does not have unlimited programming capacity, it should avoid redundancy when possible and "act as a hub with spokes" to connect users with other organizations that specialize in certain types of programs.
6. Attracting a younger demographic is critical to maintaining the Library's vibrancy and relevancy and ensure it continues to be valued by the Stamford community. More attempts should be made to reach out to, provide programming for, and hire young adults. The Library should continue to seek opportunities to include young adults in planning and decision-making processes, as well as partner with other organizations that have a stronger youth presence.



7. Expanding and strengthening partnerships represents an important opportunity for the Library. While the Library has generally done a good job of establishing partnerships with community organizations, there are opportunities for improvement. There is work to be done in terms of ensuring that partnerships exist with organizations across the socioeconomic and cultural spectrum, and that as many constituents and geographic areas as possible are represented in those partnerships. The Library should also develop stronger and more integrated partnerships with schools at all levels, from pre-K to higher education. Additional efforts should involve making library services, resources, and facilities as available as possible to schools, as well as supporting and complementing school curricula.
8. A multi-faceted and tailored communication approach, sensitive to factors such as age and frequency of library use, would be most effective in promoting events, building awareness around library services, and communicating important updates or news. In addition, carefully targeted communications may encourage more use by populations or organizations who are currently underutilizing the Library.





THE FERGUSON LIBRARY
FINANCIAL STATEMENTS
AT JUNE 30, 2017 AND FOR
THE YEAR THEN ENDED

THE FERGUSON LIBRARY

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at June 30, 2017

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for the Year Ended June 30, 2017

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for the Year Ended June 30, 2017

Exhibit C

Notes to Financial Statements

VAN BRUNT, DUBIAGO & COMPANY, LLC

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INDEPENDENT AUDITORS' REPORT

**TO THE BOARD OF DIRECTORS OF
THE FERGUSON LIBRARY**

We have audited the accompanying financial statements of The Ferguson Library (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Ferguson Library as of June 30, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited The Ferguson Library's 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 1, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Van Brunt, Dubiago & Company, LLC

Stamford, Connecticut
March 1, 2018

THE FERGUSON LIBRARY
STATEMENT OF FINANCIAL POSITION
AT JUNE 30, 2017
(WITH COMPARATIVE TOTALS AT JUNE 30, 2016)

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Cash Equivalents	\$ 212,837	\$ 39,903
Account Receivable – City of Stamford	222,744	374,838
– State of Connecticut	200,000	-
– Other	81,737	-
Prepaid Expenses	43,764	-
Interest in Net Assets of The Ferguson Library Foundation, Inc. – Reader’s Digest	187,698	171,200
– National Review	265,209	241,342
Land, Buildings and Equipment (Net)	<u>21,823,669</u>	<u>22,262,083</u>
TOTAL ASSETS	<u>\$ 23,037,658</u>	<u>\$ 23,089,366</u>
 LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 1,092,453	\$ 949,245
Pension Liability	5,777,356	6,757,079
Note Payable - First County Bank	11,818	15,882
Credit Line - First County Bank	<u>219,000</u>	<u>90,000</u>
TOTAL LIABILITIES	<u>7,100,627</u>	<u>7,812,206</u>
 NET ASSETS		
Unrestricted	15,673,105	14,950,259
Temporarily Restricted	119,218	182,193
Permanently Restricted	<u>144,708</u>	<u>144,708</u>
TOTAL NET ASSETS	<u>15,937,031</u>	<u>15,277,160</u>
 TOTAL LIABILITIES AND NET ASSETS	<u>\$ 23,037,658</u>	<u>\$ 23,089,366</u>

THE ACCOMPANYING NOTES SHOULD BE READ IN
CONJUNCTION WITH THESE FINANCIAL STATEMENTS

THE FERGUSON LIBRARY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2016)

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>2017</u>	<u>2016</u>
REVENUE AND OTHER SUPPORT					
City of Stamford – Operating	\$ 7,904,000	\$ -	\$ -	\$ 7,904,000	\$ 7,668,350
– Capital	271,363	-	-	271,363	829,379
State of Connecticut	200,000	-	-	200,000	103,541
Fines	86,926	-	-	86,926	88,179
Equipment Income	29,704	-	-	29,704	22,433
Miscellaneous	26,047	-	-	26,047	23,097
Contributions	670,490	29,425	-	699,915	811,973
Passports and Photographs	258,803	-	-	258,803	251,066
Grants	32,694	-	-	32,694	24,583
Rents	29,998	-	-	29,998	29,999
Increase in Interest in Net Assets of The Ferguson Library Foundation, Inc.	23,867	16,498	-	40,365	(12,502)
Net Assets Released From Restrictions	80,000	(80,000)	-	-	-
Lapse of Time Restrictions	28,898	(28,898)	-	-	-
Satisfaction of Program Restrictions					
TOTAL REVENUE AND OTHER SUPPORT	\$ 9,642,790	\$ (62,975)	\$ -	\$ 9,579,815	\$ 9,840,098

THE ACCOMPANYING NOTES SHOULD BE READ IN CONJUNCTION WITH THESE FINANCIAL STATEMENTS

THE FERGUSON LIBRARY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2016)
(Continued)

EXPENSES	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	2017	2016
Salaries and Related Costs:					
Salaries	\$ 5,114,121	\$ -	\$ -	\$ 5,114,121	\$ 5,029,741
Pensions	772,340	-	-	772,340	431,334
Payroll Taxes	369,839	-	-	369,839	365,516
Group Insurance & Other Benefits	860,619	-	-	860,619	971,173
Library Resources:					
Books and Periodicals	381,821	-	-	381,821	367,727
Videos and Recordings	101,439	-	-	101,439	125,360
Electronic Media	171,869	-	-	171,869	298,591
Occupancy:					
General Insurance	148,269	-	-	148,269	124,329
Building Maintenance	252,736	-	-	252,736	258,326
Utilities	237,285	-	-	237,285	316,980
Telephone and Data Services	69,595	-	-	69,595	38,909
Security Services	215,142	-	-	215,142	172,371
General Operating:					
Professional Fees	83,898	-	-	83,898	98,729
Fund Raising	102,154	-	-	102,154	133,158
Technology System Support	156,286	-	-	156,286	99,692
Equipment Leasing	81,764	-	-	81,764	90,178
Supplies	111,386	-	-	111,386	94,563
Other	333,379	-	-	333,379	235,564
TOTAL EXPENSES BEFORE DEPRECIATION	9,563,942	-	-	9,563,942	9,252,241
Depreciation	845,190	-	-	845,190	833,170
TOTAL EXPENSES	10,409,132	-	-	10,409,132	10,085,411

THE ACCOMPANYING NOTES SHOULD BE READ IN CONJUNCTION WITH THESE FINANCIAL STATEMENTS

THE FERGUSON LIBRARY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2016)
(Continued)

	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	2017	2016
Change in Net Assets	(766,342)	(62,975)	-	(829,317)	(245,313)
Adjustment for Pension	1,489,188	-	-	1,489,188	(3,463,244)
NET ASSETS AT BEGINNING OF YEAR	<u>14,950,259</u>	<u>182,193</u>	<u>144,708</u>	<u>15,277,160</u>	<u>18,985,717</u>
NET ASSETS AT END OF YEAR	<u>\$ 15,673,105</u>	<u>\$ 119,218</u>	<u>\$ 144,708</u>	<u>\$ 15,937,031</u>	<u>\$ 15,277,160</u>

THE ACCOMPANYING NOTES SHOULD BE READ IN CONJUNCTION WITH THESE FINANCIAL STATEMENTS

THE FERGUSON LIBRARY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2016)

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (829,317)	\$ (245,313)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Amortization of Mortgage Payable - State of Connecticut	-	(99,892)
Adjustment for Pension	1,489,188	(3,463,244)
Depreciation	845,190	833,170
Decrease in Accounts and Other Receivables	(129,643)	(151,214)
Decrease in Unconditional Promises to Give	-	122,680
Increase in Prepaid Expense	(43,764)	-
Increase in Accounts Payable and Accrued Expenses	143,208	64,753
(Decrease) Increase in Pension Liability	<u>(979,723)</u>	<u>3,661,578</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>495,139</u>	<u>722,518</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(406,776)	(821,694)
Interest in Net Assets of The Ferguson Library Foundation, Inc. – Readers Digest	(16,498)	7,512
– National Review	<u>(23,867)</u>	<u>6,455</u>
NET CASH USED FOR INVESTING ACTIVITIES	<u>(447,141)</u>	<u>(807,727)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Borrowings:		
Credit Line – First County Bank	129,000	-
Payment of Debt:		
Note Payable – First County Bank	<u>(4,064)</u>	<u>(3,866)</u>
NET CASH PROVIDED BY (USED FOR) FINANCING ACTIVITIES	<u>124,936</u>	<u>(3,866)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	172,934	(89,075)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>39,903</u>	<u>128,978</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 212,837</u>	<u>\$ 39,903</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Interest Paid	<u>\$ 3,411</u>	<u>\$ 1,477</u>

THE ACCOMPANYING NOTES SHOULD BE READ IN
CONJUNCTION WITH THESE FINANCIAL STATEMENTS

THE FERGUSON LIBRARY
NOTES TO FINANCIAL STATEMENTS

The Ferguson Library's (the "Library"), main purpose is to make available books, films, recordings and other materials and provide various programs and services to the community. The Library's main sources of revenue are the city of Stamford and corporate donors in the Stamford area.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared using the accrual basis method of accounting.

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the existence or nature of any donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Books, periodicals, audio/video materials and electronic media are charged to expense when purchased.

Supplies used in the daily operating routine of the Library have been charged to expense when purchased. No attempt has been made to inventory items on hand at year end because of the relative insignificance in the overall program.

It is the Library's policy to capitalize property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Library reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Library reclassifies temporarily restricted net assets at that time.

Depreciation of fixed assets has been provided in the financial statements in conformity with recommendations of the American Institute of Certified Public Accountants. Neither the amount of current year depreciation nor the accumulated prior year depreciation has been funded. The straight-line method of computing depreciation has been used. The estimated useful lives of the assets range from five to fifty years depending on the nature of the asset.

The Library reports cash and certain liquid investments with maturities of ninety (90) days or less as cash in these financial statements.

The Library reports investments at fair value (see Note 5) and reflects any gains or losses in the statements of activities. Gains and losses are considered unrestricted unless restricted by donor stipulation or law. Investment income and gains restricted by donors are reported as increases in unrestricted net assets if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

THE FERGUSON LIBRARY

NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The Library considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Contributions are recognized when the donor makes a promise to give to the Library that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2016, from which the summarized information was derived.

The Ferguson Library is a nonprofit organization, as described in Internal Revenue Code Section 501 (c)(3) and is exempt from federal and state income taxes. As of the date of these financial statements, information returns for the years ending June 30, 2014, 2015 and 2016 remain subject to examination by federal and state of Connecticut taxing jurisdictions.

2. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

For Use in Future Periods	\$ 10,000
Library Programs	10,634
Staff Development	11,729
Harry Bennett Branch Carpeting	10,000
Programs for Children/Young Adults	726
Books	42,990
Ernest DiMattia Memorial Contributions	23,714
Harry Bennett Lecture Series	9,425
	<u>\$ 119,218</u>

THE FERGUSON LIBRARY

NOTES TO FINANCIAL STATEMENTS

3. NET ASSETS RELEASED FROM DONOR RESTRICTIONS

Assets were released from donor restrictions during the year ended June 30, 2017 for the following purposes:

Lapse of Time Restrictions	\$ 80,000
Library Programs	<u>28,898</u>
	<u>\$ 108,898</u>

4. INVESTMENT IN NET ASSETS OF THE FERGUSON LIBRARY FOUNDATION

On July 1, 2004 the Library transferred \$145,845 of cash and securities to The Ferguson Library Foundation. The investment return on these assets will be distributed to the Library upon request to fund various programs. The Foundation has not been granted any variance power with regard to these assets. At June 30, 2017 the fair market value of the Library's interest in these assets was \$187,698.

On February 15, 2015 the Library transferred \$250,000 to The Ferguson Library Foundation, received from the sale of 343,877 shares Class B non-voting stock of National Review, which were donated to the Library over a number of years. These funds can be distributed to the Library upon request to fund various programs. The Foundation has not been granted any variance power with regard to these assets. The fair market value of the Library's interest in these assets is \$265,209 at June 30, 2017.

All of the underlying assets held by the Foundation are invested in cash and marketable securities.

5. FAIR VALUE MEASUREMENTS

The Library values its financial assets and liabilities based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy that prioritizes observable and unobservable inputs is used to measure fair value into three broad levels, which are described below:

- Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value Hierarchy gives the highest priority to Level 1 inputs.
- Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

THE FERGUSON LIBRARY

NOTES TO FINANCIAL STATEMENTS

5. FAIR VALUE MEASUREMENTS (Cont'd)

In determining fair value, the Library utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible in its assessment of fair value. There have been no changes in the methodologies used at June 30, 2017 and 2016.

	<u>Fair Value</u>	<u>(Level 3)</u>
June 30, 2017		
Interest in Net Assets of Ferguson Library Foundation, Inc.	\$ <u>429,040</u>	\$ <u>429,040</u>
June 30, 2016		
Interest in Net Assets of Ferguson Library Foundation, Inc.	\$ <u>412,542</u>	\$ <u>412,542</u>

The Library's interest in the net assets of the Ferguson Library Foundation (the Foundation) are classified as Level 3. The fair value of the Library's interest is based on the fair value of the underlying investments which are established by the Foundation using fair values for identical assets in an active market for similar assets.

The preceding method may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Library believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Changes in assets measured at fair value using Level 3 inputs for the year ended June 30, 2017 and 2016 are as follows:

	<u>2017</u>	<u>2016</u>
Balance, Beginning of Year	\$ 412,542	\$ 426,509
Transfer to Library	-	(1,465)
Change in Value of Assets	<u>16,498</u>	<u>(12,502)</u>
Balance, End of Year	\$ <u>429,040</u>	\$ <u>412,542</u>

6. LAND, BUILDINGS AND EQUIPMENT

Asset cost and accumulated depreciation at June 30, 2017 and June 30, 2016 consist of the following:

	<u>2017</u>	<u>2016</u>
Land	\$ 228,500	\$ 228,500
Buildings & Improvements	31,235,365	30,897,203
Equipment	5,760,628	5,692,014
Vehicles	<u>431,252</u>	<u>431,252</u>
	37,655,745	37,248,969
Accumulated Depreciation	<u>15,832,076</u>	<u>14,986,886</u>
	\$ <u>21,823,669</u>	\$ <u>22,262,083</u>

Continued . . .

THE FERGUSON LIBRARY

NOTES TO FINANCIAL STATEMENTS

7. PENSION PLAN

The Library has a contributory defined benefit pension plan for all salaried employees. Benefits to participants are based on average compensation for the two highest years out of the last five for each year of service to a maximum of thirty three years. The annual benefit is 2% for all years of service prior to July 1, 2007, 2.125% for years of service between July 1, 2007 and June 30, 2010 and 2.25% for years of service after July 1, 2010. The Library's policy is to fund costs currently in amounts recommended by the actuarial consultants.

Funding for Year Ended June 30, 2017	\$ 262,875
Adjustment to Pension Expense per valuation	<u>509,465</u>
Pension Expense – Exhibit B	<u>\$ 772,340</u>

Total participant contributions were \$185,637 and total benefits paid were \$616,753 for the year ended June 30, 2017.

Total employer and employee contributions expected to be paid during the next fiscal year are \$254,000 and \$190,000 respectively.

Net periodic benefit cost included the following components:

Service Cost	\$ 630,481
Interest Cost	616,158
Expected Return on Plan Assets	(712,668)
Recognized Net (Gain) Loss	310,851
Amortization of Prior Service Cost	<u>(72,482)</u>
Net Pension Benefit Expense	<u>\$ 772,340</u>

Amounts not yet recognized as components of net periodic benefit costs:

Prior Service Cost	\$ (204,807)
Net (Gain) Loss	<u>2,904,594</u>
Total	<u>\$ 2,699,787</u>

Amounts expected to be recognized as components of net periodic benefit cost in fiscal year end June 30, 2018:

Amortization of Net Loss (Gain)	\$ 93,138
Amortization of Prior Service Cost (Credit)	<u>\$ (63,443)</u>
Total Estimated Net Periodic Benefit Cost Amortization	<u>\$ 29,695</u>

Other amounts recognized as changes in unrestricted net assets:

Change in Net Loss (Gain)	\$ (1,273,069)
Amortization of Prior Service (Cost) Credit	72,482
Amortization of Net (Loss) Gain	<u>(310,851)</u>
Total Recognized in Unrestricted Net Assets at June 30, 2017	<u>\$ (1,511,438)</u>

Continued . . .

THE FERGUSON LIBRARY
NOTES TO FINANCIAL STATEMENTS

7. PENSION PLAN (Cont'd)

Assumptions used for disclosure information:

	<u>2017</u>	
Expected Rate of Return	7.25%	
Weighted Average Discount Rates	3.80%	
Rates of Increase in Compensation Levels	2.75%	Plus 1.5% merit for first 10 years

The expected long term rate of return on assets is determined by first assigning plan assets to several categories. A rate of return is then projected for each category. An expected long term rate of return is then calculated by calculating a weighted average of asset category, weighted by the actual asset allocation of the plan. This weighted average is then reduced by expected investment expenses.

The following table sets forth the funded status for the Library's pension plan:

	<u>2017</u>
Accumulated Benefit Obligation	<u>\$14,457,064</u>
Projected Benefit Obligation	\$17,534,062
Plan Assets at Market Value	<u>11,756,706</u>
Plan Assets in Excess (Deficit) of Projected Benefit Obligation	<u>\$ (5,777,356)</u>

Benefits expected to be paid in each of the next five years and in the aggregate for the five fiscal years thereafter are as follows:

<u>Fiscal Year End</u>	<u>Amount</u>
June 30, 2018	\$ 1,369,000
June 30, 2019	\$ 905,000
June 30, 2020	\$ 815,000
June 30, 2021	\$ 959,000
June 30, 2022	\$ 1,077,000
June 30, 2022 – 2026	\$ 5,366,000

The percentage of the total plan assets and fair market value of each major category of plan assets is as follows at June 30, 2017:

	<u>Percentage</u>	<u>Fair Market Value</u>
Cash and Equivalents	5.50%	\$ 653,311
Corporate and Foreign Bonds	12.04%	1,427,691
Exchange Traded Funds	3.73%	441,639
Equities	69.17%	8,202,148
Equity Mutual Funds	0.33%	40,175
Other	<u>9.23%</u>	<u>1,094,742</u>
Total	<u>100.00%</u>	<u>\$ 11,859,706</u>

Continued . . .

THE FERGUSON LIBRARY

NOTES TO FINANCIAL STATEMENTS

7. PENSION PLAN (Cont'd)

The fair value hierarchy of plan assets are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and Equivalents	\$ 653,311	\$ -	\$ -	\$ 653,311
Corporate and Foreign Bonds	26,456	1,401,235	-	1,427,691
Exchange Traded Funds	441,639	-	-	441,639
Equities	8,202,148	-	-	8,202,148
Equity Mutual Funds	40,175	-	-	40,175
Other	-	-	1,094,742	1,094,742
	<u>\$9,363,729</u>	<u>\$1,401,235</u>	<u>\$ 1,094,742</u>	<u>\$ 11,859,706</u>

The responsibility for investment strategy and asset allocation is vested in the Pension Committee. The Pension Committee is responsible for determining what types of assets will be allowed and prohibited as investments for the plan and also what the allocation among these allowable investments will be. The investment strategy will seek to provide; conservation of capital, current income from dividends and interest, and long term growth.

The Committee is also authorized to delegate certain responsibilities to professional experts in various fields. Morgan Stanley Wealth Management has been retained as the investment advisor and custodian.

8. CREDIT FACILITY

On March 11, 2013 the Library entered into an agreement with First County Bank for a \$250,000 revolving line of credit which may be used for operating needs. Amounts borrowed accrue interest at The Wall Street Journal prime rate. The facility requires monthly interest payments with any unpaid principal and interest accrued thereon due on demand.

The interest rate at June 30, 2017 was 4.00%.

Amounts due under this facility at June 30, 2017, and 2016 were \$219,000 and \$90,000 respectively.

Interest incurred under this facility for the years ended June 30, 2017 and 2016 was \$3,026 and \$669 respectively.

9. NOTE PAYABLE - FIRST COUNTY BANK

On February 26, 2015 the Library entered into an agreement for a commercial note in the amount of \$21,000 to fund the purchase of an automobile. The terms of the note require the Library to make 60 monthly payments of principle and interest, which shall accrue at 4.9% per year. The outstanding balance of this note at June 30, 2017 was \$11,818.

THE FERGUSON LIBRARY
NOTES TO FINANCIAL STATEMENTS

9. NOTE PAYABLE - FIRST COUNTY BANK (Cont'd)

Amounts due over the next 5 years are as follows:

<u>Fiscal Year Ending</u>	<u>Amount</u>
June 30, 2018	\$4,268
June 30, 2019	\$4,481
June 30, 2020	\$3,069
Total	<u>\$11,818</u>

10. PERMANENTLY RESTRICTED FUNDS

The Library received a contribution during the fiscal year 2002 in the amount of \$144,708. The contribution was designated by the donor to be maintained in perpetuity as a restricted endowment. Any subsequent income earned from these funds may be used to purchase books for the Library's collection; however, the principal may not be invaded.

On July 1, 2004, the Library, with permission from the original donor, transferred these funds to The Ferguson Library Foundation, subject to all the conditions accepted by the Library at the original grant date. The Ferguson Library Foundation is a private foundation whose focus is to fund and/or enhance various library programs.

11. LEASE COMMITMENTS

On November 5, 2014, the Library entered into an agreement with Starbucks Corporation to extend the tenants current lease, for the use of approximately 1,730 square feet of space on the Library's main floor. The lease is extended for one (1) five year term commencing March 1, 2015 and expiring February 29, 2020. The tenant also has the option to extend the lease for two additional five year periods.

Amounts due each year under the terms of the lease are as follows:

<u>Years</u>	<u>Amounts</u>
03/01/2015–02/28/2019	\$ 29,998
03/01/2019–02/29/2020	\$ 35,998
03/01/2020–02/28/2023	\$ 35,998
03/01/2023–02/28/2025	\$ 41,398
03/01/2025–02/28/2030	\$ 45,537

On November 4, 2013, the Library entered into an agreement with Konica Minolta Premier Finance for the lease of its copier equipment. The terms of the lease require sixty (60) monthly payments of \$5,500 and cannot be canceled or terminated.

Amounts due under the terms of the lease are as follows:

<u>Year Ended</u>	<u>Amounts</u>
6/30/2018	\$ 66,000
6/30/2019	<u>\$ 22,000</u>
	<u>\$ 88,000</u>

Continued . . .

THE FERGUSON LIBRARY

NOTES TO FINANCIAL STATEMENTS

12. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 1, 2018 the date which the financial statements were available for issue.