

MEMORANDUM

To: Members of the Fiscal Committee
Board of Representatives

From: Stephanie O'Shea, Chair and Alice S. Knapp, CEO
The Ferguson Library

Date: March 30, 2023

Re: 2023-2024 Operating & Capital Budget Requests

We are pleased to provide you with the budget material we submitted to the Mayor to support our 2023-2024 Operating and Capital requests. We put together the FY2024 budget with the understanding that Mayor Simmons had asked for a flat submission from the outside agencies. There are several drivers behind the 6% budget increase that was submitted, including the Board of Trustees' desire to show the library's real needs due to salary increases, building maintenance, and growing the per capita amount spent on library materials. With a flat budget from the City, we will maintain services.

The package to the Mayor includes several important Capital Projects which were included in the Planning Board's recommended 2023-2024 capital plan: continue with the roof work at the Main Library, upgrade of the Main Library elevators; install a new boiler (matching grant already received from the Connecticut State Library); continue the Bennett Branch Modernization Project; and PC Replacement.

This package includes the audited financial statements for the year ended June 30, 2022.

We look forward to the opportunity to review our needs and answer your questions.

The Ferguson Library Board of Trustees

Stephanie O'Shea, Chair
Michael A. Hyman, Vice Chair
Susana Vidan, Treasurer
Ellen E. Bromley, Secretary

Steven M. Frederick
Anderson R. Livingston
Tamu Lucero
RJ Mercede

Lauren Meyer
Polly O'Brien Morrow
Ex Officio, Alice Knapp, CEO

MEMORANDUM

TO: Mayor Caroline Simmons
City of Stamford
mayorsoffice@stamfordct.gov

FROM: Stephanie O'Shea, Chair
Ferguson Library Board of Trustees

RE: Proposed Operating and Capital Budgets

DATE: January 10, 2023

CC: Elda Sinani, Director, OPM, City of Stamford, esinani@stamfordct.gov
Lee Berta, Assistant Director, OPM, City of Stamford, lberta@stamfordct.gov
Julie Lazcano, Admin Coordinator, OPM, City of Stamford, jlazcano@stamfordct.gov

We are enclosing with this memo the following information regarding our 2023-2024 budget requests:

- Mission Statement & Program Description
- Strategic Framework
- FY 2021/22 Operating Results
- FY 2022/23 Operating Budget and Forecast
- Proposed 2023/24 Budget
- Proposed Operating Funding 2023/24 Narrative
- Proposed Capital Budget 2023/24 Narrative
- Audited Financial Statement*
- Organization Chart

As you review the material, we would like to call out our achievements in fiscal year 2022-2023 as well as our challenges moving forward:

2022-2023 Fiscal Year

Achievements:

- Opened our first new branch since 1970 at the PAL Community Center (formerly known as Chester Addison).

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- Successfully negotiated a contract with our bargaining unit that resulted in COLA increases of 2.25 % and 2.35% for the next two years.
- Implemented two grants from the Institute of Museum and Library Services.
 - Digital Navigators Pilot Project (\$100,000): Staff assisted 313 clients and provided 116 refurbished laptops and 31 hotspots. We worked closely with our partners and took the program into the community, visiting barber shops and senior living facilities. This program is ongoing, although we are looking for additional private funding for equipment.
 - Laura Bush 21st Century Library Program (\$99,914.22): Working with experts throughout the country, we have developed an online training module for librarians to assist those with barriers in reading. This spring, we will test this
- Last year, we delivered over 8,000 requested books and library materials to students at Stamford Public Schools through our Linked Libraries program. Students can request materials using their student ID. The Ferguson Library has provided this service for the past four years.
- The Purple Bus program is back in operation and brings SPS students here for an introduction to the public library.
- We worked with our community partners at Cradle to Career to help prevent the “summer slide” by hiring literacy coaches to work in several summer camps.
- Passports – we have seen a surge in applications and photos over the last two years. In fact, passport applications have grown by ten percent in the first six months of this year.

Challenges:

- It is a challenge to provide services to the whole community when we do not have facilities on the east and west side. With the opening of our new west side branch, we recognize the need to grow our services to this community. In addition, we need to start planning for services on the east side. There is more work to be done to make sure all residents have easy access to library services and programs.
- Our facilities are aging and we need to allocate more funding to routine maintenance to avoid major expenditures. We are in the process of hiring an architect to work with us to develop a ten-year master plan. While we are hopeful that some of this work can be done within the operating budget, we anticipate the need to spend capital funds on the existing buildings. While we are excited about receiving federal funding for a new branch on the east side, we are concerned about the additional funds that will be required to build this facility.
- We are still down five full-time positions and this staffing level impacts our ability to provide programs and services.

- Unfortunately, due to the volatility of the stock market, FY 2022 contributions did not increase year over year. In fact, we are anticipating that our contributions will be lower in FY 2023.

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

* Please note that the audited financial statements for the year ending June 30, 2022 will be submitted following review and acceptance by the Board of Trustees at its February, 2023 meeting.

Mission and Vision | Ferguson Library

Mission

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

Vision

The Ferguson Library helps individuals and organizations achieve success in an effort to build a strong, vibrant and inclusive community.



Our Foundational Principles

Intellectual Freedom and Diversity, Equity, and Inclusion

Underlying the Ferguson Library's mission and vision is our commitment to diversity, equity, and inclusion as well as the belief that intellectual freedom is the cornerstone of our democracy. Our values are reflected in how we serve the community and how we work together.

How We Serve Our Community

We serve our users equitably by providing access to resources for personal growth and lifelong learning. Our collections and services reflect our diverse community, and we encourage the sharing of diverse point of views to broaden our minds and strengthen relationships. We form partnerships to support the work of other

organizations whose goal is to help people lead their best lives.

How We Work Together

We hold ourselves accountable for providing exceptional service. Our culture is based on trust and respect, and we work collaboratively to leverage our individual strengths. We strive to be purposefully inclusive and anti-racist, and we provide opportunities to everyone who is part of the library organization to grow and be successful.

Our Commitment to Becoming an Anti-Racist Organization

The library is a signatory to Stamford Stands Against Racism and has committed itself to becoming an anti-racist organization. We have embedded this philosophy into our work at every level, from recruiting and hiring to carefully considering the programs we offer. We intend to invest in this work over the long term.

New Strategic Framework

Our new strategic framework will help us provide the most responsive and effective library service we can deliver, always keeping community needs at the forefront. [\(See the document\)](#)

Ferguson Library Strategic Framework 2022

Executive Summary

OUR MISSION

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OUR VISION

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OUR FOUNDATIONAL PRINCIPLES

Intellectual Freedom

Diversity, Equity, and Inclusion

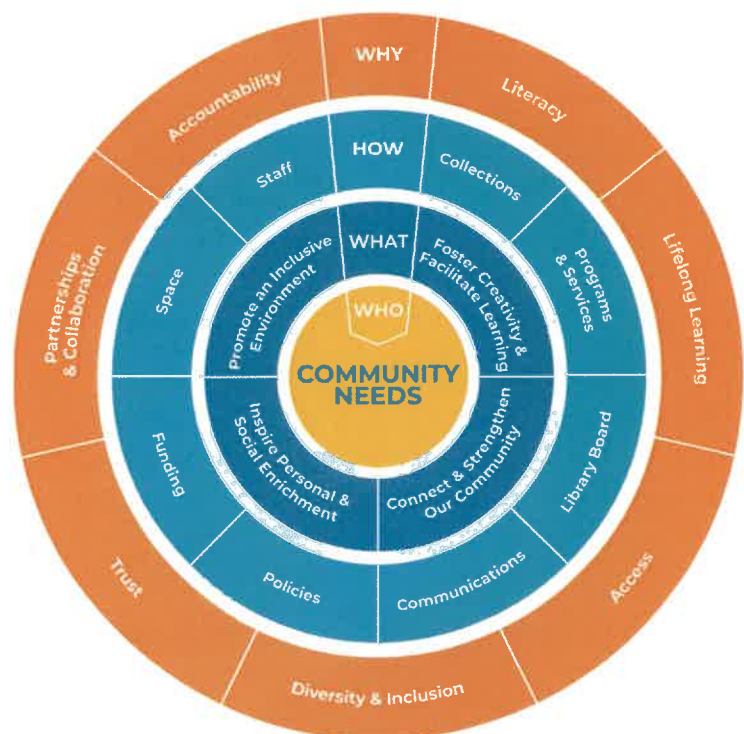
Underlying the Ferguson Library's mission and vision is our commitment to diversity, equity, and inclusion as well as the belief that intellectual freedom is the cornerstone of our democracy. Our values are reflected in how we serve the community and how we work together.

HOW WE BUILT OUR STRATEGIC FRAMEWORK

Guided by the consultancy firm, Innovation Builders, we brought leadership, staff and community together to articulate our values, then held a series of community conversations to understand how we can better serve the public. A survey followed, examining user needs and library usage. The results informed this new construct, which incorporates the library's values, infrastructure and community needs.

STRATEGIC GOALS

- **Inspire Personal and Social Enrichment**
- **Promote an Inclusive Environment**
- **Foster Creativity and Facilitate Learning**
- **Connect and Strengthen Community**



This new strategic framework will help us provide the most responsive and effective library service we can deliver, always keeping community needs at the forefront.

Ferguson Library
Income Statement
FYE June 30, 2022 (unaudited)

| | <u>YTD Budget</u> | <u>Actual</u> | <u>Variance</u> |
|---|----------------------------|----------------------------|--------------------------|
| REVENUE | | | |
| Municipal Funding | \$9,020,000 | \$9,117,592 | \$97,592 |
| Contributions & Grants | \$660,000 | \$1,031,031 | \$371,031 |
| Passport Office | \$310,000 | \$385,656 | \$75,656 |
| Rental Income | \$42,300 | \$49,300 | \$7,000 |
| Pay to Print/Copiers Income | \$20,000 | \$10,030 | (\$9,970) |
| Other Revenue | \$5,000 | \$20,303 | \$15,303 |
| Friends of Ferguson Revenue | \$0 | \$136,769 | \$136,769 |
| Total Revenue | <u>\$10,057,300</u> | <u>\$10,750,681</u> | <u>\$693,381</u> |
| EXPENSES | | | |
| Wages | \$5,216,125 | \$5,413,931 | (\$197,806) |
| Benefits | \$1,778,792 | \$1,667,906 | \$110,886 |
| Professional/Consulting Services | \$164,000 | \$164,004 | (\$4) |
| Equipment Rental | \$74,500 | \$82,513 | (\$8,013) |
| Maintenance | \$379,000 | \$563,234 | (\$184,234) |
| Conferences & Training | \$29,500 | \$26,761 | \$2,739 |
| Library Programs | \$50,000 | \$246,439 | (\$196,439) |
| Library Resources | \$1,212,000 | \$958,671 | \$253,329 |
| Fundraising & Public Relations | \$103,750 | \$117,239 | (\$13,489) |
| Insurance Expenses | \$150,000 | \$144,344 | \$5,656 |
| Other Operating Expenses- Communication | \$49,400 | \$30,871 | \$18,529 |
| Other Operating Expenses- Office Supplies | \$92,356 | \$82,853 | \$9,503 |
| Other Operating Expenses-Electric/Gas/Water | \$320,000 | \$288,507 | \$31,493 |
| Other Operating Expenses-Security Expenses | \$385,000 | \$178,405 | \$206,595 |
| Other Operating Expenses | \$52,877 | \$96,539 | (\$43,662) |
| Total Expenses | <u>\$10,057,300</u> | <u>\$10,062,218</u> | <u>(\$4,918)</u> |
| | | \$769,359 | \$769,359 |
| LESS: Depreciation Expenses | | | |
| NET SURPLUS/(DEFICIT) | <u>\$0</u> | <u>(\$80,896)</u> | <u>(\$80,896)</u> |

Ferguson Library
Operating Forecast
July 1, 2022 - June 30,2023

| Revenue | Annual Budget | July thru Oct Actual | Nov thru June Forecast | Year-end Forecast | Budget vs. Forecast |
|----------------------|----------------------|---------------------------------|-----------------------------------|------------------------------|---------------------------------|
| Municipal Funding | \$ 9,280,800 | \$ 3,154,800 | \$ 6,126,000 | \$ 9,280,800 | \$ - |
| Contributions/Grants | 687,000 | 108,557 | 554,000 | 662,557 | (24,443) |
| Passport Office | 310,000 | 114,324 | 205,000 | 319,324 | 9,324 |
| Rental | 54,300 | 18,100 | 36,200 | 54,300 | - |
| Pay to Print \Copier | 10,000 | 3,765 | 6,667 | 10,432 | 432 |
| Other Revenue | 5,000 | 5,482 | 3,333 | 8,815 | 3,815 |
| Total Revenue | \$ 10,347,100 | \$ 3,405,028 | \$ 6,931,200 | \$ 10,336,228 | \$ (10,872) |

| Expenses | Annual Budget | July thru Oct Actual | Nov thru June Forecast | Year-end Forecast | Budget vs. Forecast |
|------------------------------|----------------------|---------------------------------|-----------------------------------|------------------------------|---------------------------------|
| Salaries | \$ 5,443,282 | \$ 1,599,467 | \$ 3,663,748 | \$ 5,263,215 | \$ 180,067 |
| Benefits | 1,822,242 | 508,026 | 1,217,584 | 1,725,610 | 96,632 |
| Professional\Consulting | 172,015 | 35,979 | 140,042 | 176,021 | (4,006) |
| Equipment Rental | 74,500 | 26,968 | 49,667 | 76,635 | (2,135) |
| Maintenance | 449,490 | 130,345 | 341,660 | 472,005 | (22,515) |
| Conference \ Training | 40,000 | 19,047 | 26,666 | 45,713 | (5,713) |
| Library Programs Expense | 170,000 | 54,878 | 113,333 | 168,211 | 1,789 |
| Library Resources | 1,224,220 | 313,371 | 910,849 | 1,224,220 | - |
| Public Relations/Fundraising | 106,863 | 47,386 | 67,242 | 114,628 | (7,765) |
| Insurance Expense | 155,000 | 97,639 | 74,433 | 172,072 | (17,072) |
| Communication | 50,388 | 25,500 | 33,592 | 59,092 | (8,704) |
| Office Supplies | 72,000 | 19,073 | 48,000 | 67,073 | 4,927 |
| Electric/Gas/Water | 322,820 | 119,265 | 275,213 | 394,478 | (71,658) |
| Security Expenses | 191,730 | 43,000 | 137,000 | 180,000 | 11,730 |
| Other Operating Expenses | 52,550 | 40,641 | 55,033 | 95,674 | (43,124) |
| Total Expenses | \$ 10,347,100 | \$ 3,080,585 | \$ 7,154,062 | \$ 10,234,647 | \$ 112,453 |
| Net Surplus/(Deficit) | \$ - | \$ 324,443 | \$ (222,862) | \$ 101,581 | \$ 101,581 |

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| SCENARIO - Board Dec 6, 2022 | | | | |
|--|----------------------|----------------------|----------------------|--------------|
| | 2022-2023 | 2023-2024 | INCREASE VS. FY 2023 | |
| | BUDGET | EXPECTED | \$ | % |
| Revenue | | | | |
| Municipal Funding | \$ 9,281,080 | \$ 9,837,945 | \$ 556,865 | 6.00% |
| Contributions | \$ 607,000 | \$ 687,000 | \$ 80,000 | 13.18% |
| Grants | \$ 80,000 | \$ 82,000 | \$ 2,000 | 2.50% |
| Other Revenue | \$ 379,300 | \$ 423,300 | \$ 44,000 | 11.60% |
| Total Revenue | \$ 10,347,380 | \$ 11,030,245 | \$ 682,865 | 6.60% |
| Expenses | | | | |
| Total Salaries & Benefits | \$ 7,265,524 | \$ 7,661,449 | \$ 395,925 | 5.45% |
| Total Professional/Consulting | \$ 171,515 | \$ 168,000 | \$ (3,515) | -2.05% |
| Total Maintenance | \$ 406,990 | \$ 474,000 | \$ 67,010 | 16.46% |
| Conference & Training | \$ 40,000 | \$ 40,000 | \$ - | 0.00% |
| Total Programs | \$ 170,000 | \$ 150,000 | \$ (20,000) | -11.76% |
| Total Library Resource Purchases | \$ 975,000 | \$ 1,033,000 | \$ 58,000 | 5.95% |
| Total Other Library Resource Costs | \$ 250,000 | \$ 267,000 | \$ 17,000 | 6.80% |
| Public Relations\Fundraising | \$ 106,863 | \$ 115,000 | \$ 8,137 | 7.61% |
| Total General Operating | \$ 806,488 | \$ 931,796 | \$ 125,308 | 15.54% |
| Insurance | \$ 155,000 | \$ 190,000 | \$ 35,000 | 22.58% |
| Total Expenses | \$ 10,347,380 | \$ 11,030,245 | \$ 682,865 | 6.60% |
| Net (Loss) Income before Depreciation | \$ - | \$ 0 | | |

* Requesting a 6.0% Increase from the City

PROPOSED OPERATING FUNDING 2023 – 2024 NARRATIVE

We have enclosed our Board of Trustees approved 2022-2023 Operating Budget and a 2023-2024 Operating Funding Request. The Operating Funding Request uses the Actuarial Determined Employer Contribution on the pension line and no depreciation.

We are requesting \$9,837,945 from the city for the operating budget in 2023-2024, a 6.0% increase over current funding.

HIGHLIGHTS OF REQUEST

Income:

- The \$556,865 (6%) increase in city funding is largely necessitated by an increase in salary and benefit costs (5.45%); increase in facility repairs with our aging buildings, and the rise of the utility costs (electric and gas).
- We increased our contributions and grants by (15.68%) despite the impact of the current market and inflation. Our two major fundraising events – the year-end community appeal and A Novel Affair – will continue.
- We increased passport revenue by (12.90%). Activity continues to increase to higher levels than pre-Covid. We have added passport hours at the Harry Bennett Branch and the Main Library continues to offer seven day a week passport service.

Expenses:

- Our proposed budget includes a 4.19% salary increase. With the new Collective Bargaining Agreement (CBA) ratified effective November 1, 2022, the COLA increase union staff will receive per their contract is 2.25% FY 2023 and 2.35% in FY 2024 and FY 2025. An additional step was added to each range. Salary increases for administrators will be determined when the final budget is developed in June. Operating hours have increased, with the Weed Branch open five days per week and the recent opening of the West Side Branch (Police Activities League Community Center) this fall. That branch is open four afternoons per week.
- We have assumed an 8% increase in the medical, dental and vision insurance premium, suggested by the State Comptroller's Office. The employee contribution to the health plans increases to 19.5% with the new CBA contract. In years 2024 and 2025 there is a .50% increase each year.

The Ferguson Library

- Our library resources budget, funds used to purchase new books, databases, DVDs, and e-materials, is a request of \$1,033,000 in 2023-2024, a small increase of 5.95%. Although we would like to spend \$9 dollar per captia we are currently spending \$5.40 per capita. Our request this year is a very small step towards that goal.

We recognize the budget challenges currently faced by the city and therefore have made this essentially a status quo request with the exception of the additional staffing cost for the expanded branch hours. As shown above, all increases will be used either to pay necessary personnel and material expenses, or to make needed repairs.

PROPOSED CAPITAL BUDGET 2023 – 2024 BUDGET NARRATIVE

LONG TERM PROJECT

Over the past year we have been able to make major repairs to our library facilities with passport and private funding. We experience major plumbing repairs, which included replacement of hot water tank, repairs of a structural beam, repairs of the aging air conditioning unit and elevators in the DiMattia Building. The Weed branch wooden porch and rails needed repairs for safety reason, and necessary elevator repairs. This work has enabled us to keep our capital request to the City modest. We have limited our long-term capital request to four projects totaling \$850,000 for the funding year 2023-2024.

Main Library Restoration – Roofing \$150,000

The requested funds for **2023-2024** will address two critical roof areas where we have documented water infiltration.

Main Library Restoration - Elevators \$300,000

The requested funds for **2023-2024** will address the 1982 elevators that are dated and in need of constant repairs. The repairs are done to maintain accessibility to patrons. The modernization plan is to re-use the existing cabs, with renovation to the interior finishes and replacing controllers, shaft equipment, guide shoes and buffers. Each elevator would be out of service at a minimum eight weeks.

Main Library Restoration - Boilers \$250,000

The requested funds for **2023-2024** will address the poor conditions of the aging hot water boiler and hot water pumps. The energy study showed that due to the current boiler equipment, the internal heat exchanger tubes that deliver the hot water become extremely scaled and thus lose the ability to transfer heat effectively. The boilers are less efficient and thus consume more energy. Additionally, the hot water pumping system that serve the boilers are in poor condition and are inefficient in delivering water throughout the building. The Library is seeking a matching funds from CT State Library Construction Grant.

Harry Bennett Branch Modernization: \$150,000

With the completion of Phase One of the modernization, the requested funds for 2023-meeting/programming spaces and furniture. Our years funding will address the Mechanical Upgrades and ADA issues.

The Ferguson Library

Community Center Libraries: \$0

One of The Ferguson Library's goals is to ensure that we can provide library services throughout the city. Similar to our partnership with the Stamford Police Foundation to create a branch on the West Side (in the old Chester Addison Community Center), we are looking to set up small branches in other community centers and/or housing developments. This funding would assist with the set-up of a branch.

SHORT TERM FINANCING

PC Replacement: \$70,000

This project would provide funds for much needed new and replacement equipment for the public and staff computer network.

