

## MEMORANDUM

**To:** Stamford Board of Representatives Fiscal Committee

**From:** RJ Mercede, Chair and Alice S. Knapp, CEO  
Ferguson Library

**Date:** March 19, 2026

**RE:** 2026-2027 Operating & Capital Budget Requests

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We are pleased to provide you with the budget material submitted to the mayor to support the Ferguson Library's 2026-2027 Operating and Capital requests. The mayor's proposed budget would provide the Library with a 4% increase this year.

For 27 years, the Ferguson Library has operated its Passport Office, serving countless families in Stamford and surrounding towns, processing almost 8,000 passports last year.

The U.S. State Department informed us in January 2026 that as a 501(c)3 library, the Ferguson could no longer process passports, terminating our ability to help thousands of individuals with this crucial service. We also lost \$375,000 in income, critical funds for the Library's operations.

For every hour that the Library is open, we welcome 40 visitors. While an increase of 4% may look substantial, in reality it means an addition of only \$104,000. This increase in year-over-year revenue will not cover the additional funding necessary for the contracted union salary increase of 2.7% and the 11.5% increase in benefits. Any additional cuts will dramatically affect the Library's ability to provide free and equal access to information, ideas, books and technology to the many Stamford residents that the Library serves every year.

We look forward to the opportunity to review the Library's needs and answer your questions.

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### The Ferguson Library Board of Trustees

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Ex Officio, Alice Knapp, CEO

## MEMORANDUM

**TO:** Mayor Caroline Simmons  
City of Stamford  
[mayorsoffice@stamfordct.gov](mailto:mayorsoffice@stamfordct.gov)

**FROM:** RJ Mercede, Chair  
Ferguson Library Board of Trustees

**RE:** Proposed Operating and Capital Budgets

**DATE:** January 9, 2026

**CC:** Elda Sinani, Director, OPM, City of Stamford, [esinani@stamfordct.gov](mailto:esinani@stamfordct.gov)  
Bill Maguire, Assistant Director, OPM, City of Stamford, [bmaguire@stamfordct.gov](mailto:bmaguire@stamfordct.gov)  
Julie Lazcano, Admin Coordinator, OPM, City of Stamford, [jlazcano@stamfordct.gov](mailto:jlazcano@stamfordct.gov)

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This year, we are requesting \$10,900,000 from the City, a seven percent increase from the FY2026 annual allotment of \$10,169,000.

Enclosed with this memo is the following information regarding our 2026-2027 budget requests:

- Mission Statement & Program Description
- Strategic Framework
- FY 2024/25 Operating Results
- FY 2025/26 Operating Budget and Forecast
- Proposed 2026/27 Budget
- Proposed Operating Funding 2026/27 Narrative
- Proposed Capital Budget 2026/27 Narrative
- Audited Financial Statement
- Organization Chart

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Ex Officio, Alice Knapp, CEO

## **Achievements**

- In preparing for our new strategic framework (to be completed in 2026), three ideas emerged in conversation with leaders of nonprofits and with the City: bring the library to where the people are; increase our capacity to serve English language learners; and offer space for our partnering agencies to deliver services to their constituencies. Our showing was strong in all three areas. Our 274 outreach programs reached 14,941 people. The majority of these were visits to schools to promote summer reading; Purple Bus visits: trips to preschools; and the Bookmobile's weekend visits to parks and beaches, funded with a grant from a generous Stamford couple. These summer-month trips accounted for a doubling in the number of Bookmobile visitors per hour for the whole year. With Zoom sessions and in-person classes at the Main Library, we were able to accommodate our English language learners. Attendance at these programs totaled 2,456, which is a drop of 26 percent from last year due to fear of ICE, but still a healthy number. As for providing "hoteling spaces" for our community partners, 15 unique agencies and organizations delivered services to their clients in the library, compared with 12 last year and nine the year before.
- In January 2025, we received word from the City that the Lathon Wider Community Center would need to close due to a flooding incident. With the City's help, we found a new location at 78 Southfield for six months. In less than two weeks, our team mobilized and moved the collections and computers to this wonderful new site overlooking Long Island Sound. Not only did this space have a beautiful view, it also had several separate rooms that allowed us to experiment with providing space that could be noisy and quiet. Working in Waterside, with adequate parking, quickly showed us that the library would be used and people would find us. We were sorry to close the space after that first six months.
- As we were winding down business at 78 Southfield, we found a unique opportunity for a pop-up library at the Lafayette on East Main Street. Once again, in under two weeks, our team moved to the new location, using some of the collections, furniture, and computers. While our new location lacked parking, we found that people still visited, especially for children's programs. As we prepare to move back to the Lathon Wider Community Center, and face some financial difficulties (see challenges), we will be closing the pop-up in late January. We look forward to experimenting with more pop-up locations in the next fiscal year.
- Charlie Guinta was a past Ferguson Library Chair of the Board of Trustees as well as the past CFO of Waldenbooks. His children approached the library about creating a reading area in his name. Armed with ideas from our recent 10-Year Facilities Plan, we created a special corner on the second floor of the Main Library.

It allowed us to start showcasing the future of the library facilities at the same time honoring a past board member. This work was done with private funding.

- Last year our librarians served 123 people in one-on-one sessions, helping them navigate resources, do research, help them with their job search and more. Our digital navigators staffed 1,037 appointments for people needing tech help. Our notaries had 1,009 appointments. Our Entrepreneurs-in-Residence met with 252 clients in-person meetings and a further 155 on video calls, in addition to hosting five networking events throughout the year. Lawyers in Libraries counseled 118 people on their legal issues, and 723 people attended our workforce, job search skills, financial literacy, and technology classes. In total, we answered 81,044 reference questions!

## **Challenges**

- On November 6, we received an email from the State Department reviewing the eligibility of Passport Acceptance Facilities. It stated that the Ferguson Library may be ineligible to offer passport service because of its 501(c) (3) non-profit status. We have submitted all of the required paperwork and have been notified that our status is under review. This review is national, and we do know of libraries that have had the ability to accept passports revoked. As a result, this budget assumes that there will be no passport revenue in the next fiscal year.
- In October, we learned that our main book supplier, Baker & Taylor, was going out of business. For the last 20 years, in addition to providing books, Baker & Taylor also processed books, making them available to us "shelf ready." Baker and Taylor was the main provider for public libraries. While we are still able to purchase books, we now have to process them ourselves. They are not "shelf ready." We are still trying to understand and manage the impact on our workflow as we try to find another vendor who can assist with the processing. We cannot emphasize how disruptive this is to our workflow that we had developed over 20 years. Previously, a book only needed to be handled once in order to get it to the right shelf in the right building. Now, we are creating a whole new, heavily manual process and means handling the books at least two to three times.
- We are not fully staffed. Even with our most recent hires (IT and Facilities Managers), we are still down two full-time positions. Despite our achievements, not being fully staffed has impacted our ability to provide library services. Specifically, we cannot do the outreach work that is necessary in our community, such as reaching out to neighborhoods without library facilities. As we saw a decrease in passport revenue, as well as the potential loss of all passport income, we decided to hold on these last two positions. The 2027 budget includes these positions.

- For the last several years, we have tried to increase the amount we spend per capita on library materials—both physical and online. As of 2025, we are now spending \$6.69 per capita (up from a low of \$4.10). It is still below the \$10 per capita that we have seen comparable libraries spend. We are not meeting the demand for books in this multilingual community. For example, we cannot purchase not only enough copies of bestsellers in English, but we are also not purchasing them in the numerous world languages.
- While we have been able to do some small projects within our 10-Year Facilities plan, we have yet to accomplish some of the most important, such as replacing the HVAC systems for the Main Library and the Harry Bennett Branch. We have endured days of not enough air conditioning or too much heat with our old systems unable to keep up.

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

# MISSION AND VISION

View

Edit

Layout

Revisions

## 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.

## Ferguson Library Strategic Framework 2022–2025

### Executive Summary

#### OUR MISSION

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#### HOW WE BUILT OUR STRATEGIC FRAMEWORK

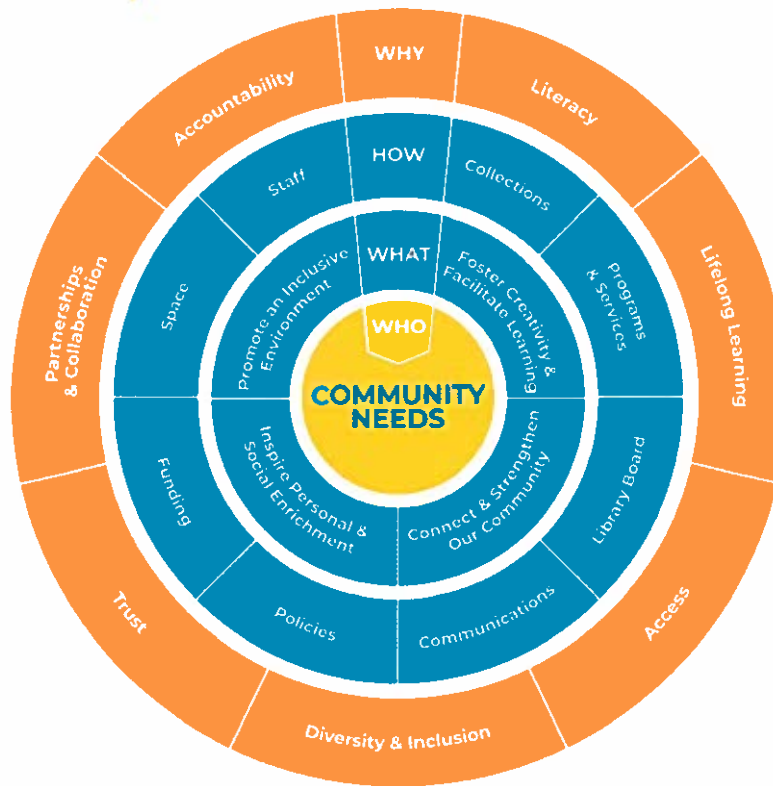
Guided by the consultancy firm, Innovation Builders, we brought leadership, staff and community together to articulate our values, then held a series of community conversations to understand how we can better serve the public. A survey followed, examining user needs and library usage. The results informed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

#### ABOUT THE LIBRARY

The Ferguson Library opened its doors at the end of the 19th century, and became a free public library in 1911, embracing the ideal that knowledge should be available to all, regardless of ability to pay. The Ferguson is Stamford's public library system, consisting of the Main Library, DiMattia Building, the Harry Bennett Branch, the Weed Memorial & Hollander Branch, the South End Branch and a traveling Bookmobile. For more information and access to our digital resources, visit [fergusonlibrary.org](http://fergusonlibrary.org).

#### OUR COMMUNITY

Stamford is the second largest city in Connecticut with a population of 135,470. Nearly half are college graduates. Twenty percent of households enjoy an income greater than \$200,000, while 10 percent earn less than \$20,000. Fifty-three percent of Stamford's residents were born outside of the U.S. For 40 percent, English is not their first language. The Ferguson Library embraces the opportunities presented in serving our diverse community.



## ● Goal 1: Inspire Personal and Social Enrichment

- Provide our users different avenues for learning and socializing.
- Encourage using library spaces to pursue learning and literacy.
- Foster a love of books and reading.
- Enhance content of library-led programs.
- Provide access to authors, scholars and experts in their fields.

## ● Goal 2: Promote an Inclusive Environment

- Reduce barriers to access to resources and participation in programs.
- Market these efforts to be inclusive.
- Reach out to unique segments of our community to welcome them and provide services to them.
- Build collections and offer programs that reflect our diverse community.

## ● Goal 3: Foster Creativity and Facilitate Learning

- Offer classes and individualized instruction to expand opportunities for learning.
- Increase visibility of learning in the library.
- Include more of the community in creative activities.
- Experiment with new topics and ideas for skill building.

## ● Goal 4: Connect and Strengthen Community

- Develop and nurture intentional partnerships in order to be better connected with the community and to connect our users with these organizations.
- Be a place for people to come together to meet and engage with each other.
- Conduct outreach activities to expand the provision of library services within the community.
- Continue to work to mitigate the digital divide.



**Ferguson Library  
Income Statement  
YTD June 30, 2025  
(unaudited)**

	YTD Budget	YTD Actuals	\$\$ Variance	Annual Budget
<b>REVENUE</b>				
Municipal Funding	\$9,780,000	\$9,780,000	\$0	\$9,780,000
Municipal Capital	\$0	\$202,519	\$202,519	\$0
Foundation Grants	\$415,000	\$415,000	\$0	\$415,000
Grants (restricted)	\$80,000	\$107,851	\$27,851	\$80,000
Passport Office	\$350,000	\$419,031	\$69,031	\$350,000
Rental Income	\$69,600	\$71,190	\$1,590	\$69,600
Pay to Print/Copiers Income	\$15,000	\$27,706	\$12,706	\$15,000
Other Revenue	\$10,000	\$170,159	\$160,159	\$10,000
Friends of Ferguson Revenue	\$170,000	\$154,925	(\$15,075)	\$170,000
<b>Total Revenue</b>	<b>\$10,889,600</b>	<b>\$11,348,381</b>	<b>\$458,781</b>	<b>\$10,889,600</b>
<b>EXPENSES</b>				
Wages	\$5,869,616	\$6,323,286	(\$453,670)	\$5,869,616
Benefits	\$1,818,748	\$1,668,569	\$150,179	\$1,818,748
Professional/Consulting Services	\$200,000	\$247,047	(\$47,047)	\$200,000
Equipment Rental	\$74,500	\$88,788	(\$14,288)	\$74,500
Maintenance	\$550,000	\$461,863	\$88,137	\$550,000
Capital Expenses	\$0	\$202,519	(\$202,519)	\$0
Conferences & Training	\$80,000	\$71,759	\$8,241	\$80,000
Library /Grant Funded Programs **	\$175,000	\$201,208	(\$26,208)	\$175,000
Library Resources	\$1,200,000	\$1,225,615	(\$25,615)	\$1,200,000
Marketing & Public Relations	\$18,016	\$31,458	(\$13,442)	\$18,016
Insurance Expenses	\$200,000	\$199,679	\$321	\$200,000
Software/ Equipment	\$44,720	\$171,951	(\$127,231)	\$44,720
Other Operating Expenses- Communication	\$47,000	\$52,043	(\$5,043)	\$47,000
Other Operating Expenses- Office Supplies	\$62,000	\$56,360	\$5,640	\$62,000
Other Operating Expenses-Electric/Gas/Water	\$330,000	\$334,739	(\$4,739)	\$330,000
Other Operating Expenses-Security Expenses	\$160,000	\$155,367	\$4,633	\$160,000
Other Operating Expenses	\$60,000	\$124,987	(\$64,987)	\$60,000
<b>Total Expenses</b>	<b>\$ 10,889,600</b>	<b>\$ 11,617,238</b>	<b>\$ (727,638)</b>	<b>\$ 10,889,600</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>\$ -</b>	<b>\$ (268,857)</b>	<b>\$ (268,857)</b>	<b>\$ -</b>
<b>**LESS: Grant Funded Expenses from Prior Year</b>	<b>-</b>	<b>(269,918)</b>	<b>(269,918.00)</b>	<b>-</b>
<b>LESS: Depreciation Expense</b>	<b>\$ -</b>	<b>(769,359)</b>	<b>\$ (769,359)</b>	<b>\$ -</b>
<b>NET SURPLUS/(DEFICIT) after Depreciation</b>	<b>\$ -</b>	<b>\$ (1,308,134)</b>	<b>\$ (1,308,134)</b>	<b>\$ -</b>



**Ferguson Library  
Operating Forecast  
July 1, 2025- June 30,2026**

<b>Revenue</b>	<b>Annual Budget</b>	<b>Year-end Forecast for 2025-2026</b>
Municipal Funding	\$ 10,169,000	\$ 10,169,000
Foundation Grant	450,000	450,000
Grants(Restricted)	30,000	16,537
Passport Office	375,000	177,792
Rental	71,532	71,532
Pay to Print \Copier	25,000	25,000
Other Revenue	20,000	20,000
Friends of Ferguson	175,000	175,500
<b>Total Revenue</b>	<b>\$ 11,315,532</b>	<b>\$ 11,105,361</b>

<b>Expenses</b>	<b>Annual Budget</b>	<b>Year-end Forecast</b>
Salaries	\$ 6,014,027	\$ 5,717,075
Benefits	1,968,501	1,900,000
Professional\Consulting	200,000	219,139
Equipment Rental	80,000	80,000
Maintenance	550,000	550,000
Conference \ Training	80,000	80,000
Library Programs Expense	175,000	169,560
Library Resources	1,005,000	1,005,000
Library Book Processing/Supplies	95,000	95,000
Library Software	200,000	209,236
Public Relations/Marketing	18,000	20,908
Insurance Expense	212,000	208,710
Software/Equipment	50,000	77,908
Communication	40,000	36,557
Office Supplies	45,000	44,562
Electric/Gas/Water	340,000	352,489
Security Expenses	165,000	160,836
Other Operating Expenses	78,004	86,434
<b>Total Expenses</b>	<b>\$ 11,315,532</b>	<b>\$ 11,013,414</b>
<b>Net Surplus/(Deficit)</b>	<b>\$ -</b>	<b>\$ 91,947</b>



**Ferguson Library  
Proposed Operating  
July 1, 2026- June 30,2027**

<b>Revenue</b>	<b>Proposed 2026- 2027 Budget</b>
Municipal Funding	10,900,000.00
Foundation Grant	475,000.00
Grants(Restricted)	30,000.00
Rental	73,315.00
Pay to Print \Copier	25,000.00
Other Revenue	40,000.00
Friends of Ferguson	175,500.00
<b>Total Revenue</b>	<b>\$ 11,718,815</b>

<b>Expenses</b>	<b>Proposed 2026- 2027 Budget</b>
Salaries	6,216,175.00
Benefits	2,144,036.00
Professional\Consulting	200,000.00
Equipment Rental	80,000.00
Maintenance	550,000.00
Conference \ Training	80,000.00
Library Programs Expense	80,000.00
Library Resources	1,010,000.00
Library Book Processing/Supplies	100,000.00
Library Software	210,000.00
Public Relations/Marketing	25,000.00
Insurance Expense	222,600.00
Software/Equipment	80,000.00
Communication	40,000.00
Office Supplies	45,000.00
Electric/Gas/Water	357,000.00
Security Expenses	192,000.00
Other Operating Expenses	87,004.00
<b>Total Expenses</b>	<b>\$ 11,718,815</b>
<b>Net Surplus/(Deficit)</b>	<b>-</b>

## **PROPOSED OPERATING FUNDING 2026 – 2027 NARRATIVE**

We have enclosed our Board of Trustees-approved 2026-2027 operating budget request.

We are requesting \$10,900,000 from the City for the 2026-2027 operating budget, a 7% increase over current City funding.

### **Highlights of Request**

#### **Income:**

- The \$731,000 increase in city funding is necessitated by an increase in salaries, insurance, and utilities, the likely elimination of our passport services, as well as the unforeseen loss of Baker & Taylor as our provider of book-processing services.
- We have projected an increase in Foundation support of \$450,000 per year, a 5.5% increase, based on the experience of the last couple of years.
- The most significant change has been the decrease in revenue from our passport services. This has been driven by two new and unexpected changes in federal immigration policy. Firstly, raids by Immigration and Customs Enforcement (ICE) of passport centers and courthouses have discouraged many immigrants from going to places where ICE raids can happen. Secondly, the federal government has unexpectedly established a policy that bars non-profit libraries nationwide from processing passport applications. One CT library has already lost its passport services. If passport services are terminated on June 30<sup>th</sup>, the library would lose a service that generated \$419,009 in revenue in the previous fiscal year (net income to the library of \$230,000). At present, we continue to process passport applications, but with a very reduced flow of customers. Passport services currently generate slightly above or below \$20,000 per month compared to nearly \$35,000 per month in the previous fiscal year.

#### **Expenses:**

- A significant and unforeseeable impact on expenses has been the loss of our book-processing service provider, Baker & Taylor (B&T), which has gone out of business. None of the other service providers processes books as completely as B&T did, nor can they offer the deep discounts that B&T did. This puts us in a position of replacing B&T with a more expensive service, as well as having to do significantly more processing in-house, which requires more man-hours and therefore an increase in wage expense.

- The new union contract was signed today. Under the terms of the contract, in fiscal year 2027 wages will increase by 2.75%, which is the cost-of-living adjustment (COLA). In addition, we intend to fill two long-vacant positions. Namely, those are the Materials-management Director position and the Children's Librarian position.
- We are still covering costs for the West Side Branch (Police Activities League Community Center) with some small grants, but staffing costs are reflected in the Operating Budget.
- With the second year of this contract, the employee contribution to the health plans is 20.75%.
- Once again, we have increased the library resources budget—funds used to purchase new books, databases, DVDs, and e-materials. We would like to spend \$10 per capita on materials. We are currently spending \$6.69 (up from \$5.97 in FY 2023).

The significant decrease in revenue from passport services, the potential loss of those services altogether, and the cost of replacing the book-processing services of Baker & Taylor are the principal reasons for the library's request for a 7% increase in funding.

## **PROPOSED CAPITAL BUDGET 2026 – 2027 BUDGET NARRATIVE**

### **LONG TERM PROJECT**

#### **Main Library Restoration – HVAC Equipment Replacement - \$750,000**

Phase 1 of this project was completed by the end of the summer; we are about to award the contract for Phase 2. The requested funds for FY 2027 will continue this project through the completion Phase 3, which is the final phase. For Phase 2, the two best bids were from C&C Service and All State Construction, Inc., who bid \$2.1 million and \$2.4 million, respectively. An ARPA grant of \$2 million partially funded this project.

#### **Bennett Branch - HVAC Replacement - Design/Installation - \$2,000,000**

The branch's HVAC equipment is original to the building, which was built in 2000. It is at the end-of-life and subject to frequent and costly repairs (\$46,000 in FY2025). Additionally, energy consumption is inefficient (over \$15,000 in FY2025). A budget for the new HVAC system has been established by HMA2 Architects and Legacy Engineers. The requested funds are for design, bid documents, and installation.

#### **Main Library Modernization/Repairs/Upgrade - \$500,000**

The requested funds will address three principal needs:

- Elevator system upgrade and modernization. An independent consultant advised us that the elevator operation, last upgraded in 2000, is beyond its useful life. The existing controls and door operators are in frequent need of repair. The estimated cost of this is \$300,000 to \$500,000.
- Repair 1913 windows. The original windows in the 1913 building are in desperate need of repair. The wooden mullions have deteriorated, are leaking, and are not energy efficient. The restoration firm that worked on the historic façade in 2016 had estimated the cost to restore to SHPO standards would be \$160,000.
- Remaining funds, if any, would be used to undertake the needed redesign of certain "book warehouse" stack areas into much-requested meeting rooms, quiet reading/study spaces, etc.

**East Side Library - \$350,000**

East Side demographics and surveys of neighborhood residents strongly support a library branch to serve that community. The cost estimate for design and construction of a 5,000 to 6,000 square foot facility is \$5,000,000. The project has federal funding support from a \$3 million congressionally directed funding request (earmark) that was awarded in FY 2023. This funding is designated for construction. Pre-construction/design phase has a budget of \$300,000.

**SHORT-TERM FINANCING**

**Technology Replacement/Expansion - \$150,000**

Prior funding provided hardware to refresh the staff and user workstations with Windows 11 readiness, expand virtual machine bays for increased VM workloads, and upgrade storage to strengthen the backup strategy. Each of those projects has been completed. FY 2026 funding will be used to continue machine upgrades, refresh and expand the RFID equipment including the security gates at the main library and Harry Bennett branch, upgrade and expand the security camera system at the Main Library and branches.

THE FERGUSON LIBRARY  
FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024



THE FERGUSON LIBRARY  
FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

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## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
The Ferguson Library  
Stamford, Connecticut

### **Opinion**

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, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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, 2025 and 2024, 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.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Ferguson Library and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Ferguson Library's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

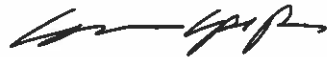
### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Ferguson Library's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Ferguson Library's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



James Oliveri CPA, PC

Fairfield, CT  
December 5, 2025

THE FERGUSON LIBRARY  
STATEMENT OF FINANCIAL POSITION  
AS OF JUNE 30, 2025 AND 2024

<b><u>ASSETS:</u></b>	<u>2025</u>	<u>2024</u>
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 1,160,903	\$ 1,428,097
Accounts receivable - City of Stamford	25,052	170,215
Accounts receivable - Other	354	282,167
Prepaid expenses	149,057	148,979
<b>Total Current Assets</b>	<u>1,335,366</u>	<u>2,029,458</u>
<b>NON-CURRENT ASSETS:</b>		
Interest in Net Assets of The Ferguson Library Foundation, Inc. - Reserve	85,000	85,000
Land, buildings and equipment net of accumulated depreciation (Note 5)	18,602,788	19,252,919
<b>Total Non-current Assets</b>	<u>18,687,788</u>	<u>19,337,919</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 20,023,154</u></u>	<u><u>\$ 21,367,377</u></u>
<b><u>LIABILITIES AND NET ASSETS:</u></b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable and accrued expenses	\$ 823,006	\$ 825,549
Pension liability	7,761,046	7,970,940
Note payable - Eversource	17,169	33,548
<b>Total Current Liabilities</b>	<u>8,601,221</u>	<u>8,830,037</u>
<b>LONG TERM LIABILITIES</b>		
Note payable - Eversource	-	17,169
Security deposit	9,600	9,600
<b>Total Long Term Liabilities</b>	<u>9,600</u>	<u>26,769</u>
<b>TOTAL LIABILITIES</b>	<u>8,610,821</u>	<u>8,856,806</u>
<b>NET ASSETS:</b>		
Without donor restrictions	11,207,220	12,093,289
With donor restrictions (Note 3)	205,113	417,282
<b>TOTAL NET ASSETS</b>	<u>11,412,333</u>	<u>12,510,571</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 20,023,154</u></u>	<u><u>\$ 21,367,377</u></u>

THE FERGUSON LIBRARY  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2025

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>REVENUES, GAINS AND OTHER SUPPORT</b>			
City of Stamford - Operating	\$ 9,780,000	\$ -	\$ 9,780,000
City of Stamford - Capital	202,519	-	202,519
Contributions	740,105	-	740,105
Passports and photographs	419,009	-	419,009
Grants	-	107,851	107,851
Rents	71,190	-	71,190
Miscellaneous	27,706	-	27,706
Net assets released from restrictions	320,020	(320,020)	-
<b>TOTAL REVENUES, GAINS AND OTHER SUPPORT</b>	<b>11,560,549</b>	<b>(212,169)</b>	<b>11,348,380</b>
<b>FUNCTIONAL EXPENSES</b>			
Program services	8,123,130	-	8,123,130
Management and general	4,243,804	-	4,243,804
Fundraising	289,578	-	289,578
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>12,656,512</b>	<b>-</b>	<b>12,656,512</b>
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	<b>(1,095,963)</b>	<b>(212,169)</b>	<b>(1,308,132)</b>
<b>NON-OPERATING ACTIVITIES</b>			
Changes in pension benefit and postretirement obligations	209,894	-	209,894
<b>CHANGE IN NET ASSETS FROM NON-OPERATING ACTIVITIES</b>	<b>209,894</b>	<b>-</b>	<b>209,894</b>
Changes in net assets (Deficit)	(886,069)	(212,169)	(1,098,238)
Net Assets, Beginning of Year	12,093,289	417,282	12,510,571
<b>Net Assets, End of Year</b>	<b>\$ 11,207,220</b>	<b>\$ 205,113</b>	<b>\$ 11,412,333</b>

THE FERGUSON LIBRARY  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUES, GAINS AND OTHER SUPPORT</b>			
City of Stamford - Operating	\$ 9,516,053	\$ 14,747	\$ 9,530,800
City of Stamford - Capital	350,106	-	350,106
Contributions	412,807	96,444	509,251
Passports and photographs	395,966	-	395,966
Grants	163,565	192,699	356,264
Rents	86,855	-	86,855
Miscellaneous	34,147	-	34,147
Net assets released from restrictions	346,424	(346,424)	-
<b>TOTAL REVENUES, GAINS AND OTHER SUPPORT</b>	<b>11,305,923</b>	<b>(42,534)</b>	<b>11,263,389</b>
<b>FUNCTIONAL EXPENSES</b>			
Program services	7,723,882	-	7,723,882
Management and general	3,539,928	-	3,539,928
Fundraising	295,562	-	295,562
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>11,559,371</b>	<b>-</b>	<b>11,559,371</b>
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	<b>(253,448)</b>	<b>(42,534)</b>	<b>(295,982)</b>
<b>NON-OPERATING ACTIVITIES</b>			
Investment return - net	141	-	141
<b>CHANGE IN NET ASSETS FROM NON-OPERATING ACTIVITIES</b>	<b>141</b>	<b>-</b>	<b>141</b>
Net Assets, Beginning of Year	12,346,596	459,816	12,806,412
<b>Net Assets, End of Year</b>	<b>\$ 12,093,289</b>	<b>\$ 417,282</b>	<b>\$ 12,510,571</b>

THE FERGUSON LIBRARY  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2025

EXPENSES	Program Services	Management & General	Fundraising	Total
Salaries and related costs				
Salaries	\$ 3,646,905	\$ 2,521,355	\$ 155,025	\$ 6,323,285
Group insurance & other benefits	664,150	157,736	8,302	830,188
Payroll taxes	277,690	168,676	11,868	458,234
Pensions	315,522	53,221	11,404	380,147
Library resources				
Books and periodicals	505,119	-	-	505,119
Electronic media	388,969	-	-	388,969
Videos and recordings	18,502	-	-	18,502
Occupancy				
Utilities	267,792	66,947	-	334,739
Building maintenance	342,553	85,638	-	428,191
City Funded Expenditures		202,519	-	202,519
General insurance	131,788	67,891	-	199,679
Security services	155,367	-	-	155,367
Telephone and data services	61,484	15,371	-	76,855
General operating				
Professional fees	108,166	33,465	101,973	243,604
Technology system support	80,442	19,105	1,006	100,553
Grant funded expenses	471,126	-	-	471,126
Bank Fees	33,891	8,473	-	42,364
Library Processing and Supplies	92,259	-	-	92,259
Library Software	220,766	-	-	220,766
Office Expenses	40,806	-	-	40,806
Supplies	49,689	12,422	-	62,111
Equipment	132,491	56,782	-	189,273
Marketing & promotion	98,272	-	-	98,272
Automobile	19,381	4,845	-	24,226
<b>TOTAL EXPENSES BEFORE DEPRECIATION</b>	<b>8,123,130</b>	<b>3,474,446</b>	<b>289,578</b>	<b>11,887,154</b>
Depreciation	-	769,358	-	769,358
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 8,123,130</b>	<b>\$ 4,243,804</b>	<b>\$ 289,578</b>	<b>\$ 12,656,512</b>

See independent auditor's report and notes to financial statements

THE FERGUSON LIBRARY  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2024

EXPENSES	Program Services	Management & General	Fundraising	Total
Salaries and related costs				
Salaries	\$ 3,803,344	\$ 1,886,911	\$ 151,296	\$ 5,841,551
Group insurance & other benefits	489,795	281,381	20,505	791,681
Payroll taxes	276,952	137,040	11,008	425,000
Pensions	274,472	28,988	9,385	312,845
Library resources				
Electronic media	449,939	-	-	449,939
Books and periodicals	441,846	-	-	441,846
Videos and recordings	15,132	-	-	15,132
Occupancy				
Utilities	293,210	73,303	-	366,513
Building maintenance	214,735	53,684	-	268,419
General insurance	123,237	63,486	-	186,723
Security services	147,923	-	-	147,923
Telephone and data services	67,875	16,969	-	84,844
General operating				
Grant funded expenses	387,089	-	-	387,089
Professional fees	213,344	33,465	101,973	348,782
Technology system support	240,008	60,002	1,395	301,405
Other	123,231	30,808	-	154,039
Equipment	102,316	43,850	-	146,166
Supplies	32,584	57,180	-	89,764
Marketing & promotion	12,833	-	-	12,833
Automobile	14,015	3,504	-	17,519
<b>TOTAL EXPENSES BEFORE DEPRECIATION</b>	<b>7,723,882</b>	<b>2,770,569</b>	<b>295,562</b>	<b>10,790,013</b>
Depreciation	-	769,359	-	769,359
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 7,723,882</b>	<b>\$ 3,539,928</b>	<b>\$ 295,562</b>	<b>\$ 11,559,372</b>

See independent auditor's report and notes to financial statements

THE FERGUSON LIBRARY  
STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ (1,098,238)	\$ (295,982)
Adjustments to reconcile change in net assets to net cash provided by / (used in) operating activities:		
Depreciation	769,358	769,359
Non-cash change in Pension Liability	(209,894)	139
Decrease in Accounts Receivable	426,978	49,841
Increase in Prepaid Expenses	(78)	(51,094)
Decrease in Accounts Payable and Accrued Expenses	(2,543)	(282,272)
<b>Net Cash Provided By Operating Activities</b>	<b>(114,417)</b>	<b>225,909</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of Land, Building and Equipment	(119,229)	(250,580)
<b>Net Cash Used In Investing Activities</b>	<b>(119,229)</b>	<b>(250,580)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
(Decrease) / Increase in Note payable - Eversource	(33,548)	(34,516)
<b>Net Cash Provided By Financing Activities</b>	<b>(33,548)</b>	<b>(34,516)</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(267,194)</b>	<b>(59,187)</b>
Cash and Cash Equivalents, Beginning Of Year	<b>1,428,097</b>	<b>1,603,875</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 1,160,903</b>	<b>\$ 1,428,097</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Interest Paid	\$ -	\$ -

**THE FERGUSON LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

**NOTE 1 - NATURE OF ORGANIZATION**

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.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared on the accrual basis of accounting. The accrual basis of accounting recognizes income as it is earned and expenses as they are incurred.

The financial statements of the Library have been prepared in accordance with generally accepted accounting principles which require reporting its financial position and activities according to the following asset classifications:

Net assets without donor restrictions - net assets that are not subject to donor-imposed restrictions and may be expended for any purpose at the discretion of the Library's management and Board of Directors.

Net assets with donor restrictions - net assets subject to restrictions imposed by donors. Some restrictions are temporary in nature which can be met by actions of the Library or by the passage of time. Other donor restrictions are perpetual in nature where the donor has directed that the funds be maintained in perpetuity.

**Property and Equipment**

It is the Library's policy to capitalize property and equipment over \$5,000, building improvements over \$10,000 and land improvements over \$20,000. Lesser amounts are expensed. Purchased property and equipment are 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 net assets with donor restrictions.

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. Property and equipment are depreciated using the straight-line method based on the following estimated useful lives of the assets:

Buildings and improvements	20 to 40 years
Furniture and fixtures	7 years
Equipment	3 to 5 years

**THE FERGUSON LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Cash and Cash Equivalents**

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

**Investments**

The Library reports investments at fair value 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 net assets without donor restrictions 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.

**Use of Estimates**

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.

**Accounts Receivable**

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**

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 net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions (purpose restricted or perpetuity) depending on the nature of the restrictions.

**Uncertainty in Income Taxes**

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, 2022, 2023 and 2024 remain subject to examination by federal and state of Connecticut taxing jurisdictions.

**Functional Expenses**

The cost of providing program and other activities have been summarized on a functional basis in the statement of activities and in detail in the statement of functional expenses. Certain costs have been allocated among program and supporting services. Support expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Library. Expenses have been allocated on the basis of estimates made by management.

***Library Resources***

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

**THE FERGUSON LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Supplies***

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.

***Risks and Uncertainties***

The library relies heavily on funding from grants and appropriations from the City of Stamford. On June 30, 2025 and 2024, this approximated 87% of total support. Future funding levels are dependent upon the city's appropriations. Current discussions at the federal level include reductions in education-level funding, which may indirectly affect the Library's operations. To date the courts have ruled against deductions.

Management continues to monitor developments in the local budget.

**NOTE 3 - NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions which are time or purpose restricted are available for the following purposes:

Ann Sexton	\$ 53,623
Friends	46,969
CT State Judicial Branch	20,194
Sue Greenberg	10,000
Howard Kaplan	9,817
Rosenshen	9,508
Boehn Family	6,718
Book Mobile	6,700
Purdue mental health	6,326
IMLS	5,279
PAL Literacy Grant	5,089
First county Foundation	4,732
Staff Development	3,271
Stamford Rotary	3,000
Pitney Bowes	2,000
HBB Lecture Series	1,773
Harry Block	1,713
Incentive	1,442
Everyday Democracy	1,260
Guinta Room	1,227
State of CT	1,080
Whittingham-Travel Books	1,000
Community Art Project	574
Large Print Book	546
Timothy Duffy	509
Constance Hubbard	500
First County Bank	263
Total	<u>205,113</u>

**THE FERGUSON LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

**NOTE 4 - NET ASSETS RELEASED FROM RESTRICTIONS**

Assets were released from restrictions during the year ended June 30, 2025 for the following purposes:

State of CT (Fiber)	125,340
Ann Sexton	82,972
Rosenshen	27,473
Mobile Kitchen	15,000
City of Stamford	13,000
Guinta Room	8,773
IMLS	8,090
First County Bank	7,237
Purdue mental health	5,435
First County Foundation	5,348
United Way Grant	3,509
Boehm Family	3,282
Italian Center Of Stamford	3,000
HBB Lecture Series	1,730
Lone Pine	1,706
Howard Kaplan	1,586
Sopong Kim	1,500
CT State Judicial Branch	1,475
Large Print Book	1,454
Community Art Project	1,110
Strawberry Hill	1,000
	<u>320,020</u>

**NOTE 5 - LAND, BUILDINGS AND EQUIPMENT**

Asset cost and accumulated depreciation consist of the following:

	<u>2025</u>	<u>2024</u>
Land	\$ 228,500	\$ 228,500
Buildings & Improvements	33,718,407	33,599,181
Equipment	6,064,773	6,064,773
Vehicles	<u>560,441</u>	<u>560,441</u>
	40,572,121	40,542,895
Accumulated Depreciation	<u>21,969,333</u>	<u>21,199,976</u>
	<u>\$ 18,602,788</u>	<u>\$ 19,252,919</u>

**THE FERGUSON LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

**NOTE 6 – INCOME TAX**

The Organization is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). Contributions made to the Organization are qualified for the maximum tax deductions allowable under the United States Internal Revenue Code. The Organization is required to file a Return of Organization Exempt from Income Tax (Form 990) annually. In addition, the Organization is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes. The Organization has determined it has no activities subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS, for the years ended June 30, 2025 and 2024.

**NOTE 7 - DEFINED BENEFIT PENSION PLAN**

The Library has a contributory defined benefit pension plan for all salaried employees hired before January 31, 2019. 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 with the benefit capped at 74.25% of final average annual compensation. The Library's policy is to fund costs currently in amounts recommended by the actuarial consultants. This plan is not available to employees hired after February 1, 2019.

Funding for Year Ended June 30, 2025	\$ 81,214
Adjustment to Pension Expense per valuation	<u>253,662</u>
Pension Expense - Exhibit B	<u>\$ 334,876</u>

Total participant contributions were \$164,550 and total benefits paid were \$914,292 for the year ended June 30, 2025.

Total employer and employee contributions expected to be paid during the next fiscal year are \$341,833 and \$388,851 respectively.

Net periodic benefit cost included the following components:

Service Cost	\$ 292,343
Interest Cost	831,966
Expected Return on Plan Assets	(786,443)
Recognized Net (Gain) Loss	(3,026)
Amortization of Prior Service Cost	<u>36</u>
Net Pension Benefit Expense	<u>\$ 334,876</u>

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

Prior Service Cost	\$ (36)
Amortization of net (loss) gain	3,026
Net (Gain) Loss	<u>(1,508,594)</u>
Total	<u>\$ (1,505,604)</u>

**THE FERGUSON LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

Amounts expected to be recognized as components of net periodic benefit cost in fiscal year end June 30, 2025:

Amortization of Net Loss (Gain)	\$ 390,970
Amortization of Prior Service Cost (Credit)	<u>(36)</u>
Total Estimated Net Periodic Benefit Cost	
Amortization	<u>\$ 390,934</u>

Assumptions used for disclosure information:

	<b><u>2025</u></b>	
Expected Rate of Return	6.75%	
Weighted Average Discount Rates	5.50%	
Rates of Increase in Compensation Levels	2.4%	Plus a merit increase based on service

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:

	<b><u>2025</u></b>
Accumulated Benefit Obligation	<u>\$ 14,329,865</u>
Projected Benefit Obligation	\$ 15,666,473
Plan Assets at Fair Value	<u>14,469,734</u>
Plan Assets in Excess (Deficit) of Projected Benefit Obligation	<u>\$ (1,196,739)</u>

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

<b><u>Fiscal Year End</u></b>	<b><u>Amount</u></b>
June 30, 2026	\$ 1,094,000
June 30, 2027	\$ 1,045,000
June 30, 2028	\$ 1,008,000
June 30, 2029	\$ 1,141,000
June 30, 2030	\$ 1,283,000
June 30, 2031 - 2035	\$ 6,249,000

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. USI has been retained as the investment advisor and custodian.

**THE FERGUSON LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

**NOTE 8 - DEFINED CONTRIBUTION PLAN**

The Library has adopted a Governmental Money Purchase Plan for all full time employees hired on or after January 1, 2020, and any individual who transfers their balance from The Ferguson Library Employees' Pension Plan. New hires become eligible when they complete ninety (90) days of service. Individuals who transfer their account balance are eligible the day the transfer is completed.

The plan requires mandatory 5% contributions by both the employer and the employee based on W-2 Compensation minus any overtime and bonus. Vesting is on a graduated scale with 0% in years 0-2, and 20% each year in years 3 to 7. Individuals hired prior to January 1, 2020 who transfer their account balances are 100% vested immediately. The Library's contribution to the plan for the year ended June 30, 2025 was \$380,147.

**NOTE 9 – NOTE PAYABLE-EVERSOURCE ENERGY**

On December 21, 2020 The Library entered into an agreement with The Connecticut Light and Power Company D/B/A Eversource Energy (Eversource). The Library agreed to install energy efficient equipment at the Harry Bennett Branch. Eversource in its capacity as manager of the Connecticut Energy Efficiency Fund (CEEF) would provide a \$50,000 incentive and finance the remaining \$42,623.66 for the equipment. The project was completed in March of 2021.

The loan is interest free and requires forty-four (44) payments of \$968.72 beginning in September of 2021. This loan has been paid off during the current year.

In addition, in March of 2022, Eversource has agreed to finance the Energy Efficiency Project installation. This note is in the amount of \$91,568.31 and will cover the remaining costs of the projection to get all energy efficient equipment in place and running.

The loan is interest free and requires forty-eight (48) payments of \$1,907.67 beginning in April of 2022.

Amounts due over the remaining three years are as follows:

<b><u>Fiscal Year Ending</u></b>	<b><u>Amount</u></b>
June 30, 2026	17,169
	<b><u>\$ 17,169</u></b>

**NOTE 10 - FASB ASC 606 REVENUE FROM CONTRACTS WITH CUSTOMERS**

The Financial Accounting Standards Board (FASB) issued new guidance that created Topic 606 Revenue From Contracts with Customers in the Accounting Standards Codification (ASC). Topic 606 requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods and services. Topic 606 also requires a contract liability to be recorded when an entity has the right to receive payment in advance of the satisfaction of performance obligations. Financial statements prepared using generally accepted accounting principles must follow the Topic 606 Guidelines.

**THE FERGUSON LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

**NOTE 10 - FASB ASC 606 REVENUE FROM CONTRACTS WITH CUSTOMERS  
(CONTINUED...)**

The Library has various revenue sources. Unconditional contributions (restricted or unrestricted) would not be subject to the guidelines of FASB Topic 606. Fines, equipment income and passport fees would not be subject to the Topic 606 guidelines as the income is recognized at the time the service is fulfilled. Municipal funding and rental fees are recognized ratably on a month by month basis which would adhere to Topic 606 guidelines for recognition.

Grants that require some sort of performance measure or obligation would be subject to Topic 606 guidelines and require an adjustment for a contract liability in the amount of revenue not recognized for the unfulfilled performance obligations.

The Library had no uncompleted contracts at July 1, 2022 so no retrospective adjustment has been made. Further at June 30, 2025 there were also no uncompleted contracts requiring adjustment.

**NOTE 11 - LEASE COMMITMENTS**

As of the reporting date, the Company has no operating leases or finance leases, as defined in Accounting Standards Codification ("ASC") Topic 842, Leases. Accordingly, the disclosures required by ASC 842 are not applicable.

**NOTE 12 - CONCENTRATION OF CREDIT RISK**

The Library maintains its cash balances at one financial institution. At times during the year the balance on deposit may be in excess of Federal Deposit Insurance Corporation (FDIC) limits. At June 30, 2025 the Library had deposit balances of \$1,160,903 which were in excess of FDIC insurance limits.

**NOTE 13 - RELATED PARTIES**

The Ferguson Library Foundation Inc. and the Friends of the Ferguson Library are organizations whose sole purpose is to support the Ferguson Library by making contributions for programs and operations. The organizations have made the following contributions to the library:

	<u>2025</u>	<u>2024</u>
Ferguson Library Foundation, Inc.	\$ 415,000	\$ 369,800
Friends of the Ferguson Library	\$ 154,925	\$ 139,451

**THE FERGUSON LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

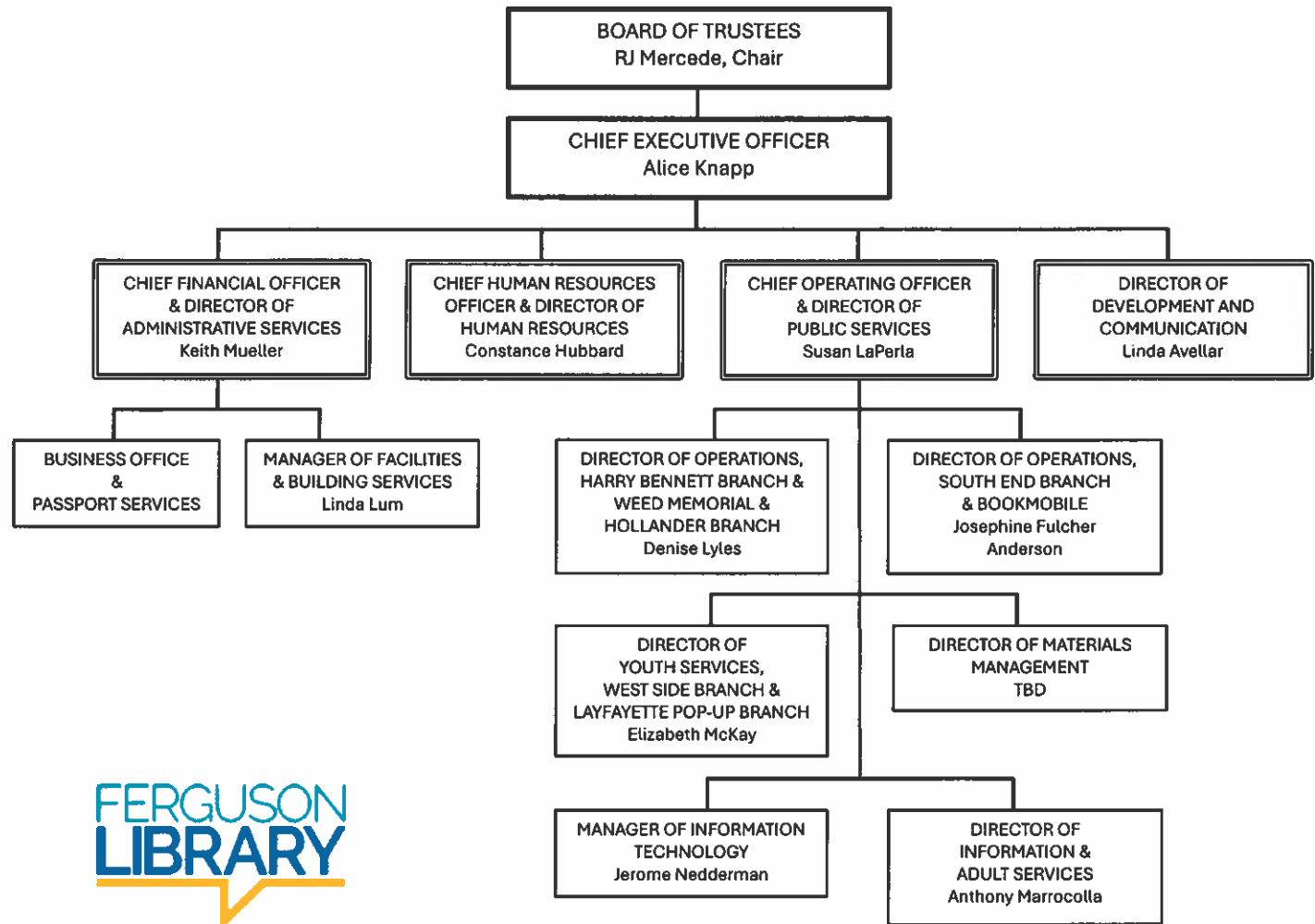
**NOTE 14 - AVAILABILITY AND LIQUIDITY**

The following represents the Library's financial assets at June 30, 2025 available to meet general expenditures.

Cash and cash equivalents	\$ 1,160,903
Accounts Receivable	<u>25,757</u>
Total Financial Assets	<u>1,186,660</u>
Less amounts not available to be used within one year	205,113
Net assets with donor restrictions	<u>25,052</u>
Accounts Receivable - City of Stamford	<u>230,165</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 956,495</u>

**NOTE 15 – SUBSEQUENT EVENTS**

In accordance with ASC 855, the Organization evaluated subsequent events through December 5, 2025, the date these financial statements were available to be issued. As of that date, the Organization has become aware that its primary supplier and processor of books is closing in January of 2026. While books can be obtained from other vendors, it may be difficult to source a vendor who can also process books. The library may face increased processing costs in the next fiscal year, and it is unknown how much that cost increase would be.



December 2025