

**TOWN OF WATERFORD
GENERAL FUND
2021-2022 PROPOSED BUDGET**

DEPT/AGENCY:

10136

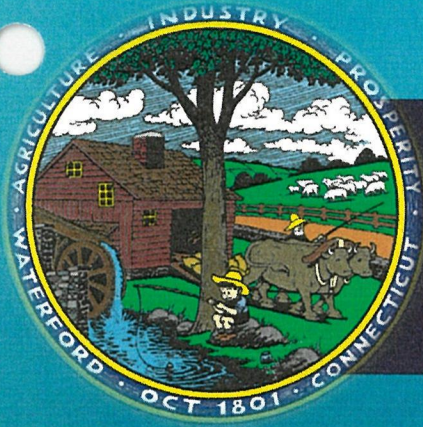
WATERFORD PUBLIC LIBRARY

LINE ITEM	DESCRIPTION	2019/2020 ACTUAL EXPENDED	2020/2021 RTM APPROP.	2020/2021 ADDITIONAL/ TRANSFERS	ACTUAL EXPEND & ENCUMB AS OF 1/1/21	2021/2022 DEPT/ AGENCY REQUEST	2021/2022 APPROVED BD/COMM. (11/10/20)	Department Request \$ Increase	Department Request % Increase
PERSONNEL COSTS									
51110	ADMINISTRATION	113,287	112,435		132,532	92,379	92,379	(20,056)	-17.84%
51210	CLERICAL/TECHNICAL	630,388	687,309		308,962	701,687	690,286	14,378	2.09%
51220	CUSTODIAL-MAINTENANCE	72,704	85,826		39,989	89,478	88,138	3,652	4.26%
51810	OVERTIME-SUNDAY	5,737	250		0	7,500	6,075	7,250	2900.00%
51910	FRINGE BENEFITS	2,876	3,195		0	0	0	(3,195)	-100.00%
51920	FICA	61,045	68,010		32,712	68,165	67,082	155	0.23%
	SUBTOTAL	886,037	957,025	0	514,195	959,209	943,960	2,184	0.23%
SERVICES									
52020	POSTAGE	347	325		128	325	325	0	0.00%
52040	SERVICE CONT.& REPAIRS	34,459	11,815		7,229	700	700	(11,115)	-94.08%
52070	REIMBURSABLE EXPENSE	656	667		143	690	690	23	3.45%
52090	FUEL OIL	8,709	10,951		546	0	0	(10,951)	-100.00%
52100	ELECTRICITY	32,068	34,000		15,077	0	0	(34,000)	-100.00%
52110	WATER	932	940		393	0	0	(940)	-100.00%
52120	SEWER	934	940		156	0	0	(940)	-100.00%
	SUBTOTAL	78,105	59,638	0	23,672	1,715	1,715	(57,923)	-97.12%
MATERIALS & SUPPLIES									
53010	OFFICE SUPPLIES	3,999	4,000		1,524	4,000	4,000	0	0.00%
53020	OTHER SUPPLIES	3,953	4,000		1,875	4,800	4,800	800	20.00%
	SUBTOTAL	7,952	8,000	0	3,399	8,800	8,800	800	10.00%
EQUIPMENT									
54160	BOOKS/RELATED MATERIAL	45,000	45,000		45,000	45,000	45,000	0	0.00%
	SUBTOTAL	45,000	45,000	0	45,000	45,000	45,000	0	0.00%
	DEPARTMENT TOTAL	1,017,094	1,069,663	0	586,266	1,014,724	999,475	(54,939)	-5.14%

Waterford Public Library

FY 2021 – 2022 Budget

Budget Function.....	1 - 2
Budget Summary.....	3
Budget Explanations by Category.....	4 - 7
Personnel worksheet.....	8 - 9
Fringe benefit worksheet.....	10
Revenue.....	11
Fines comparison.....	12
WPL '2020 Year At-A-Glance'/annual statistics.....	13 - 14
Connecticut State Library statistical charts.....	15 - 17
Waterford Public Library, Inc. budget.....	18
Waterford Public Library, Inc. audit.....	Attachment



“Waterford Public Library” FISCAL YEAR 2022 BUDGET

Town of Waterford

BUDGET FUNCTION

The Waterford Public Library is a town-owned and supported institution maintained for the benefit of the townspeople. By resolution of the Representative Town Meeting to the Town of Waterford, dated August 7, 1967, it was designated to be the *Principal Public Library* of the Town of Waterford. It is operated by the Board of Trustees of the Waterford Public Library, Inc. The Board of Trustees consists of twelve citizens of Waterford. The first selectman, the chair of the RTM Education Committee and the chair of the RTM Finance, Wage & Personnel Committee are ex-officio board members.

The Waterford Public Library is a non-partisan, non-sectarian institution dedicated to serving the public in the areas of education, information and recreation, making its services known and available to all.

The Waterford Public Library, Inc. is a nonprofit corporation with an endowment fund, the income of which is used toward the operation expenses of the Library, supplementing the annual appropriation of the Town. The board's contribution pays for the following:

- Approximately two-thirds of new library materials for all ages, including books, audio books (digital and on CD), movies, magazines, music CDs.
- Access to e-books, e-audiobooks, e-magazines, streaming videos and music.
- Access to online databases/
- All library programs for adults, children and teens, including related promotional materials.
- Furniture, equipment and building improvements, other than capital projects and repairs to building systems and infrastructure.
- Staff attendance at professional conferences, training workshops and continuing educations.
- Dues and memberships in professional organizations.

Mission

The mission of the Waterford Public Library is to help citizens of Waterford enrich their lives through access to ideas, information and entertainment available from books as well as a variety of other sources. To this end the Library provides an array of materials, services and professional assistance, as well as a facility for the support of educational, civic and cultural activities.

BUDGET FUNCTION (CONTINUED)

Strategic Goals

The LIBRARY as PLACE

The Waterford Public Library serves as the destination place for people of all ages to find educational, informational and recreational materials that will enrich their lives. The Library provides a wide array of materials, programs, services and professional assistance and a safe, clean, comfortable, attractive environment for public and staff.

The LIBRARY as COMMUNITY

The Waterford Public Library is a customer-centric organization committed to providing the community with the collections, programs, and services it needs and wants. The Library through outreach and marketing effectively and efficiently communicates its mission.

The LIBRARY as PEOPLE

People in Waterford consistently receive high quality library service provided by well-trained, dedicated, knowledgeable and customer-oriented staff.

The LIBRARY as ENTERPRISE

The Waterford Public Library is committed to working with the Town of Waterford for the optimal operation of the library. The Library continually explores development opportunities to enhance Library programs and services and ensures that its policies and procedures reflect its mission, goals and values.

COLLECTION, PROGRAMS AND SERVICES

- A collection of over 80,000 items including books, movies, magazines, newspapers, non-fiction DVDs and documentaries, audio books, digital books and music CDs for adults, children and young adults
- Downloadable e-books, e-audiobooks, e-magazines, streaming videos and streaming music
- Online databases and resources: *researchIT CT* (State of CT digital library databases), *Ancestry*, *A to Z World Travel*, *Bookflix* (K-3 chapter books), *Consumer Reports*, *DMV Driving Tests*, *JobNow*, *Mango Languages*, *TumbleBooks* (picture books)
- Reference service (aka 'help, problem solving, teaching, connecting') for all ages
- Readers' advisory for all ages
- 24/7 on-line reference and e-mail reference
- *Homebound Library Services* program, Interlibrary loan
- Public Access to computers with internet access, Microsoft Office applications.
- *Book-A-Tech*: one on one training and technology support; walk-in and by appointment
- Wi-Fi internet access and Wi-Fi printing
- Programming for all ages: including book and film discussions, lectures and author visits
- Story times for children; games, puzzles and toys for in-house use
- STEAM (Science, Technology, Engineering, Art & Math) programs for children and teens
- Teen section: NEW BOOKS, fiction, graphic novels, NUTMEG nominees and winners, digital books, TEEN TOPICS (non-fiction collection)
- Large print collection, Travel books and videos, 'Great Courses' audio and video, Spanish language collection
- Museum passes, Art Exhibits
- Cooperative initiatives with Waterford Public Schools, Recreation & Parks, Senior Services and Youth & Family Services
- Booklists, bibliographies, special displays and merchandised collections
- Historical Collection (Waterford and New London County)
- Meeting rooms for use by community groups and organizations
- Open 67.5 hours each week - including 26 Sundays (Fall/Winter) - FY'22 proposed schedule

FY2022 BUDGET SUMMARY

TOWN OF WATERFORD
GENERAL FUND
2021 -2022

DEPT/AGENCY: WATERFORD PUBLIC LIBRARY

LINE ITEM	DESCRIPTION	2020/2021 DEPT/AGENCY REQUEST	2021/2022 DEPT/AGENCY REQUEST
PERSONNEL COSTS			
51110	ADMINISTRATION	112,435	92,379
51210	CLERICAL/TECHNICAL	687,309	690,286
51220	CUSTODIAL-MAINTENANCE	85,826	88,138
51810	OVERTIME-SUNDAY	250	6,075
51910	FRINGE BENEFITS	3,195	0
51920	FICA	68,010	67,082
SUBTOTAL		957,025	943,960
SERVICES			
52020	POSTAGE	325	325
52040	SERVICE CONT.& REPAIRS	11,815	700
52070	REIMBURSABLE EXPENSE	667	690
SUBTOTAL		12,807	1,715
MATERIALS & SUPPLIES			
53010	OFFICE SUPPLIES	4,000	4,000
53020	OTHER SUPPLIES	4,000	4,800
SUBTOTAL		8,000	8,800
EQUIPMENT			
54160	BOOKS/RELATED MATERIAL	45,000	45,000
SUBTOTAL		45,000	45,000
DEPARTMENT TOTAL		1,022,832	999,475

BUDGET EXPLANATIONS BY CATEGORY

The FY'22 budget is predicated on library programs and services, hours, usage, overall activities and staffing at pre-COVID-19 levels.

Due to the COVID-19 pandemic the library closed to the public at the end business on March 13, 2020 and did not re-open until June 17, 2020. The closing impacted FY'20 expenditures in several line items, most significantly the 51000 series/personnel due to the temporary 'layoff' of part-time staff, and to a lesser extent the 52000 series/services due to reduced hours and usage. Calculations for determining FY'22 budget requests will be based on pre-COVID 19 staffing, hours and usage.

51000 SALARIES SERIES

Detailed information on salaries can be found in the *Personnel Worksheet* included in the packet. Personnel costs are calculated for a fiscal year with 261 working days v. 260 for FY'21. Calculations were made based on the RTM approved wage schedules in effect July 1, 2019. The minimum wage/library page rate reflects the state minimum wage.

We are committed to controlling personnel costs. We analyze staffing and usage patterns to make efficient and effective use of personnel at all levels. We reevaluate all positions as staff members resign or retire, update job descriptions and replace staff only when necessary. Over the past several years, we eliminated positions, zeroed out the clerical and technical substitute budget, reclassified positions and reallocated duties and responsibilities. Additionally, cross training has enabled us to fill short-term gaps due to illness, vacation, attendance at off-site meetings, programs and professional development.

51110 ADMINISTRATION

This line reflects the compensation including any longevity payment for the director. With the retirement of the director the budget for this line has been calculated at the beginning of the salary range for the classification NUMP-5 with no longevity.

51210 CLERICAL/TECHNICAL

This line reflects the compensation for professional librarians (MP) and clerical/technical staff (AS) - full time and regularly scheduled part-time staff, and library pages. Also included are longevity increases for six full-time employees. Seven part-time AS staff will receive annual half-step increases.

51220 CUSTODIAL/MAINTENANCE

This line includes the full-time building and grounds manager and two part-time custodians. These employees are responsible for cleaning and maintaining the library building, grounds, and mechanical systems and ensuring a safe, clean, sound, secure environment for customers and staff with increased sanitizing public and staff areas and workstations and periodic deep cleaning. The full-time building manager will receive the 18-month full step increase; one part-time custodian will receive an annual half-step increase.

51810 OVERTIME

\$6,075

To comply with the first selectman's directive for a FY'21 level-funded budget, OVERTIME for Sunday Service continuously funded since FY'07 was eliminated. Due to savings in the 51000 series as well as the public's appeal for Sunday hours, our FY'22 budget request for OVERTIME includes \$5,900 to restore Sunday Service as previously scheduled for 21 Sundays from October through March.

An additional \$175 is requested for maintenance and/or custodial work in case of a building, natural disaster, or weather related emergency.

Expended FY'20 - \$5,738 Expended FY'19 - \$7,246 Expended FY'18 - \$7,001
(Budget/26 weeks, open/22 weeks)

51920 FICA

FICA has been calculated at 7.65%, per Board of Finance guidelines, and is included in the Personnel Worksheet - *Payroll Taxes*.

52020 POSTAGE

\$325

Postage costs include:

- United States Postal Service (USPS) for overdue notices.
Through an aggressive and successful campaign to gather customer e-mail addresses, only approximately 3.5% of all overdue notices are now sent by the USPS. Almost all new customers provide us with an email address at registration and we solicit email addresses when library cards are renewed. We anticipate using the USPS mail for approximately 300 overdue notices.
- Library business mail (bill payments, etc.) - we anticipate mailing approximately 350 library business items.
- The state funded 'DeliverIt!' Program provides for the free exchange of materials among libraries throughout the state, saving individual libraries the costs of mailing interlibrary loan materials.
The FY'22 request is the same as last year.

Expended FY'20 - \$348

Expended FY'19 - \$349

Expended FY'18 - \$375

52040 SERVICE CONTRACT & REPAIRS

\$700

Effective with this budget facility utilities and maintenance costs have been removed from department budgets. Our request for this line item will cover miscellaneous supplies used by the library building manager for miscellaneous repairs and grounds maintenance.

Expended FY'20 - \$34,469

Expended FY'19 - \$21,745

Expended FY'18 - \$24,908

52070 REIMBURSABLE EXPENSE

\$690

This line item is used to reimburse the building and grounds manager for work-related mileage, i.e., trips to the Quaker Hill book drop, vendors, courier runs, etc. Mileage for the last three years has averaged 1200/year. In-series transfers have covered realized shortfalls. With reimbursement at 57.5 cents per mile, we request \$690 for this line item for FY'22.

Expended FY'20 - \$656

Expended FY'19 - \$665

Expended FY'18 - \$639

(no activity 3/14-6/16/20)

53010 OFFICE SUPPLIES

\$4,000

This line item covers library-specific office supplies, which include vendor pre-processing of books, item and customer barcodes, spine labels, repair tape, book covers, video and audio jewel cases, and receipt paper for the circulation desk and self-check station. With the library's membership in a cooperative for purchasing library supplies at discounted prices, the support of the town's purchasing agent and streamlined processes and procedures, we have been able to maintain this line item at the current level for the last thirteen budgets.

Expended FY'20 - \$4,000

Expended FY'19 - \$3,999

Expended FY'18 - \$3,999

53020 OTHER SUPPLIES

\$4,800

Items purchased in this line item include consumables and cleaning products of all types including paper products, furniture and carpet cleaners, stain removers, lawn and ground supplies, etc.

Due to COVID-19 we anticipate the continued need for hand sanitizers, gloves, disinfectant wipes and sprays and any other necessary PPE for staff and public. The health and safety of all is paramount. Working with the prices provided by the purchasing agent, and analyzing usage over the past several months, we are requesting an additional \$800 to this line item. This is the first increase in this line in more than fifteen years.

FY'20 - \$3,954

Expended FY'18 - \$3,992

Expended FY'17 - \$3,994

54160 BOOKS/RELATED MATERIAL

\$45,000

This line item is the town's contribution, approximately one-third of the total expenditure, for the purchase of the following items:

- Books, DVDs, audio books (digital and on CD), magazines, newspapers, music CDs, and other materials for adults, children and teens.
- Access to: downloadable e-books, e-magazines, e-audio books, streaming videos and streaming music for adults, children and teens.
New this year: *hoopla* (movies, TV, music and more) and *Bookflix* (e-books for grades K-3).
- Access to online databases: *A to Z Travel*, *Ancestry*, *Brainfuse* (resume writing, test prep, career resources), *Mango Languages*, and *Tumblebooks* (animated picture books for children).

The library's professionally trained staff continually monitors how the collections are used and looks for new formats, collections and resources to ensure that the community has what it wants and needs. Each year a larger percentage of this budget is allocated for e-content. Monies are spent on high-demand subjects, best sellers and new books, DVDs, audio books and new formats and collections. Expenditures are reduced or eliminated on categories of minimal use or interest. Similarly, the library continues to review its purchases of materials in response to the availability of information online through either the Internet or the statewide and proprietary databases.

Regionalization remains a staple of library operations. Books and other library materials available at Groton Public Library, Mystic & Noank Library and Bill Memorial Library are shipped to Waterford within a few days of request. Library materials from the collections of hundreds of public, academic, school, and special libraries can be requested, picked up and returned to Waterford, thanks to the state-funded interlibrary loan system comprised of *BorrowIT* (formerly Connecticard) and *Deliver It!* (formerly Connecticar). Additionally, Waterford customers can use their library cards in any of the 192 public libraries throughout Connecticut. The cooperation among libraries and the vast interlibrary loan network in Connecticut greatly expands what an individual library can offer its customers and accounts for savings to a library's materials budget.

The library's goal is to be as responsive as possible to the public while operating in an efficient and cost effective manner. The library Board partners with the town and will continue to fund approximately two-thirds of the total library books, materials and services purchased. For the fourteenth consecutive year, there has been no increase in this line item.

Expended FY'20 - \$45,000 Expended FY'19 - \$44,998 Expended FY'18 - \$44,998

**TOWN OF WATERFORD
PERSONNEL WORKSHEET - LIBRARY
2021-2022 FISCAL YEAR**

Page 8

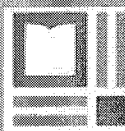
LINE 51920

DATE OF HIRE	POSITION	HOURS WORKED/ WEEK	HOURLY RATE	*SALARY 2020/2021	**SALARY 2021/2022	LONGEVITY	TOTAL EMPLOYEE SALARY	PAYROLL TAXES (F.I.C.A.)
51110 - ADMINISTRATION								
	Director	40		110,773.00	92,378.94		92,378.94	7,066.99
	TOTALS			110,773.00	92,378.94		92,378.94	7,066.99
51210 - CLERICAL/TECHNICAL								
09/15/08	Dept. Head - Adult	40	33.65	69,985.01	71,559.67	699.85	72,259.52	5,527.85
05/15/17	Dept. Head - Children's	40	33.65	69,985.01	71,559.67		71,559.67	5,474.31
06/28/07	Dept. Head - Circ & Tech Svcs.	40	37.00	77,208.87	78,946.07	772.09	79,718.16	6,098.44
09/15/08	Dept. Assistant - Adult	40	30.53	63,475.78	64,903.99		64,903.99	4,965.16
01/04/88	Technician II	35	27.06	49,249.20	49,438.62	600.00	50,038.62	3,827.95
03/09/92	Technician II	35	27.06	49,249.20	49,438.62	600.00	50,038.62	3,827.95
11/22/93	Technician II	35	27.06	49,249.20	49,438.62	600.00	50,038.62	3,827.95
09/30/20	Tech. Ass't - Circ & Tech Svcs.	35	24.45	46,755.80	44,670.15		44,499.00	3,404.17
05/30/06	Secretary II	35	29.83	54,290.60	54,499.41	350.00	54,849.41	4,195.98
VAC.	Info/Ref Ass't - Adult	12	22.45	14,539.20	14,062.68		14,062.68	1,075.80
09/23/19	Info/Ref Ass't - Adult	15	23.30	17,713.80	18,243.90		18,243.90	1,395.66
02/15/21	Info/Ref Ass't - Children's	19	22.45	26,582.40	22,265.91		22,265.91	1,703.34
VAC.	Info/Ref Ass't - Children's	16	22.45	21,256.56	18,750.24		18,750.24	1,434.39
08/20/12	Technician I	16	22.79	18,495.36	19,034.21		19,034.21	1,456.12
08/07/17	Technician I	12	20.13	12,261.16	12,609.43		12,609.43	964.62
09/04/18	Technician I	12	19.65	11,955.84	12,308.76		12,308.76	941.62
10/05/07	Technician I	14	24.54	17,865.12	17,933.83		17,933.83	1,371.94
n/a	***Pages			20,000.00	17,000.00		17,000.00	1,300.50
	TOTALS			690,118.11	686,663.78	3,621.94	690,285.72	52,806.86

51220 - CUSTODIAL/MAINTENANCE									Page 9
09/14/15	Bldg.& Grounds Manager	40	28.3000	56,056.00	59,090.40		59,090.40	4,520.42	
01/05/15	Janitor II	18	22.7200	20,760.48	21,347.71		21,347.71	1,633.10	
06/21/01	Janitor II	5	25.6700	8,009.00	6,699.87		6,699.87	512.54	
n/a	Substitutes			1,000.00	1,000.00		1,000.00	76.50	
	TOTALS			85,825.48	88,137.98		88,137.98	6,742.56	
51810 - OVERTIME									
				250.00	6,075.00		6,075.00	464.74	
51910 - FRINGE	(see Fringe Benefit Worksheet - pg. 11)						0.00	0.00	
TOTALS				886,966.59	873,255.70	3,621.94	876,877.64	67,081.15	943,958.79

- *FY'21 salaries for NUMP full-time staff were based on RTM approved rates effective 7/1/2020 for 260 workdays
- **FY'22 salaries for NUMP full-time Staff were based on RTM approved rates effective 7/1/2020 for 261 workdays
- *FY'21 salaries for AS/TC full-time and part-time staff were based on rates in effect through 6/30/20 for 260 workdays
- **FY'22 salaries for AS/TC full-time and part-time staff are based on rates in effect through 6/30/20 for 261 workdays
- **PAGES salaries at state minimum wage- increase of \$1.00 in August 2021.

WORKDAYS	WEEKS TO BUDGET
2021/2022	
261	52.2



WATERFORD

public library

2020 YEAR AT A GLANCE

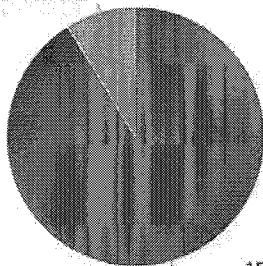
Connecticut Library Association
2019 Excellence in Public Library Services Award

166,448

Total Circulation

Total Electronic
Circulation

14,709
Electronic Circulation



151,739
Physical Circulation

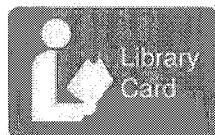
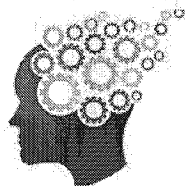
58%

382
Programs

9,207
Program
Attendance

542
New Library Cards

108,114
Library Visitors



12,499

Computer Sessions

15,000

Reference questions
answered

68,793

Website Hits

1,111

Online Searches

www.waterfordpubliclibrary.org

WATERFORD PUBLIC LIBRARY - FY'20 STATISTICS

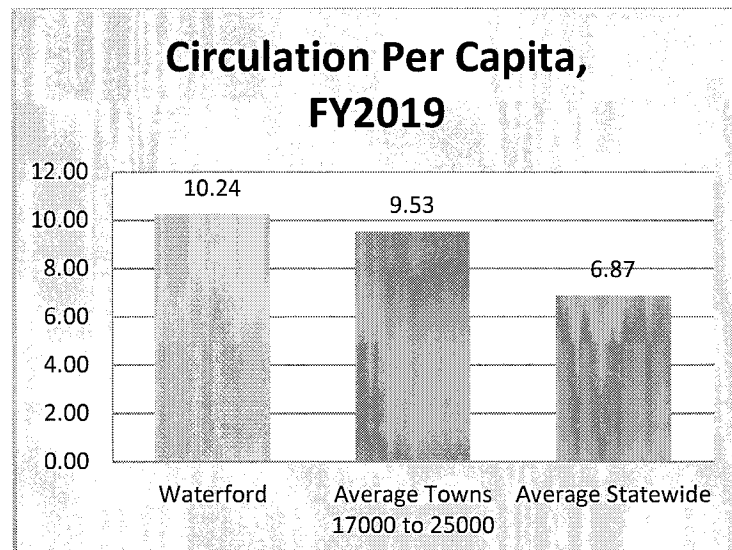
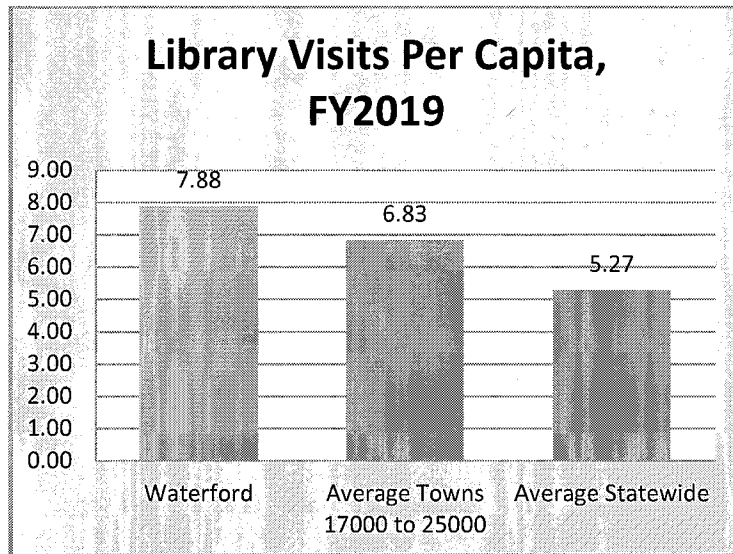
COVID-19

Library closed 3/14/20 - 6/16/20

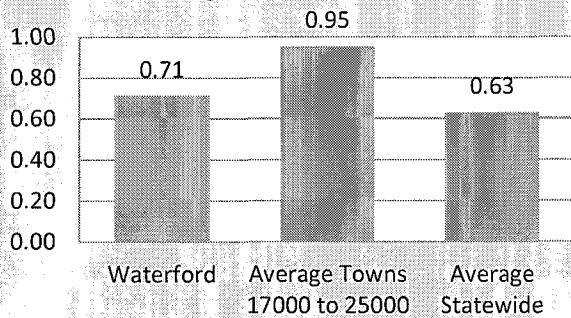
Re-opened 6/17/20 - 6/30/20 with limited hours (38 vs. 64.5)

CHECK-OUTS	
ADULT	
BOOKS	55,066
MAGAZINES	1,965
VIDEOS	19,185
AUDIOBOOKS	5,774
MUSIC CDs	1,844
MUSEUM PASSES	194
DOWNLOADS	14,709
GAMES/LAUNCHPADS	435
TOTAL	99,172
CHILDREN	
BOOKS	43,091
MAGAZINES	102
VIDEOS	4,027
AUDIOBOOKS	736
MUSIC CDs	649
TOTAL	48,605
TEEN	
BOOKS	3,962
GRAND TOTAL CHECK-OUTS	151,739
CHECK-INS	126,581
DOWNLOADS (ADULT CIRC.)	
E-BOOKS	7,410
E-AUDIOBOOKS	5,341
E-MAGAZINES	704
E-VIDEOS	1,254
TOTAL	14,709
WEBSITE HITS	68,793
ONLINE SEARCHES	7,191
ADULT REFERENCE/INFORMATION (includes telephone reference during closure)	12,800
CHILDREN'S REFERENCE/INFORMATION (includes telephone reference during closure)	3,200
MOBILE DEVICE USERS (July - March; does not include parking lot usage)	3,588
ADULT COMPUTER SESSIONS	11,451
CHILDREN'S COMPUTER SESSIONS	1,448
INTERLIBRARY LOAN (items for customers obtained from other libraries)	5,762
CUSTOMER DOOR COUNT	108,114
ADULT PROGRAMS Sessions/Attendance	120/1,600
CHILDREN	248/7,451
TEEN	14/156
GRAB & GO (curbside pickup) appointments 5/18/20-6/30/20	1,112
LIBRARY CARD REGISTRATION	842
COMMUNITY USE OF MEETING ROOMS	329

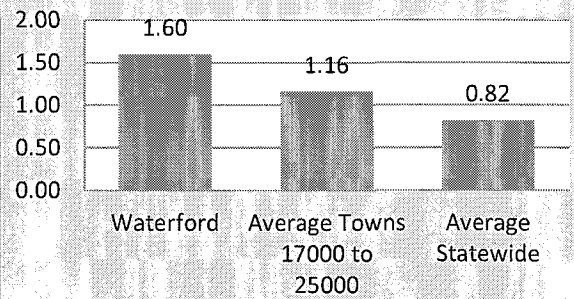
Connecticut State Library – Public Library Annual Statistical Report 2019
(latest available data)



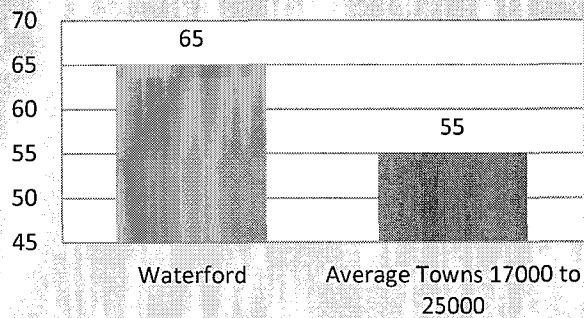
Program Attendance Per Capita, FY2019



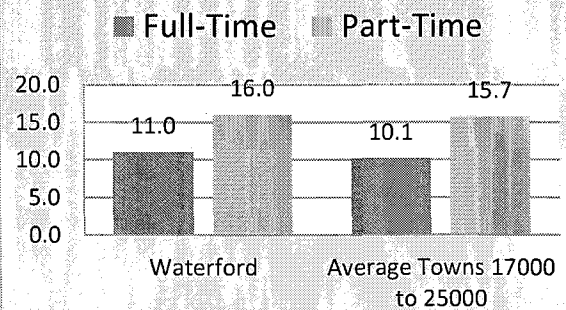
Reference Questions Per Capita, FY2019

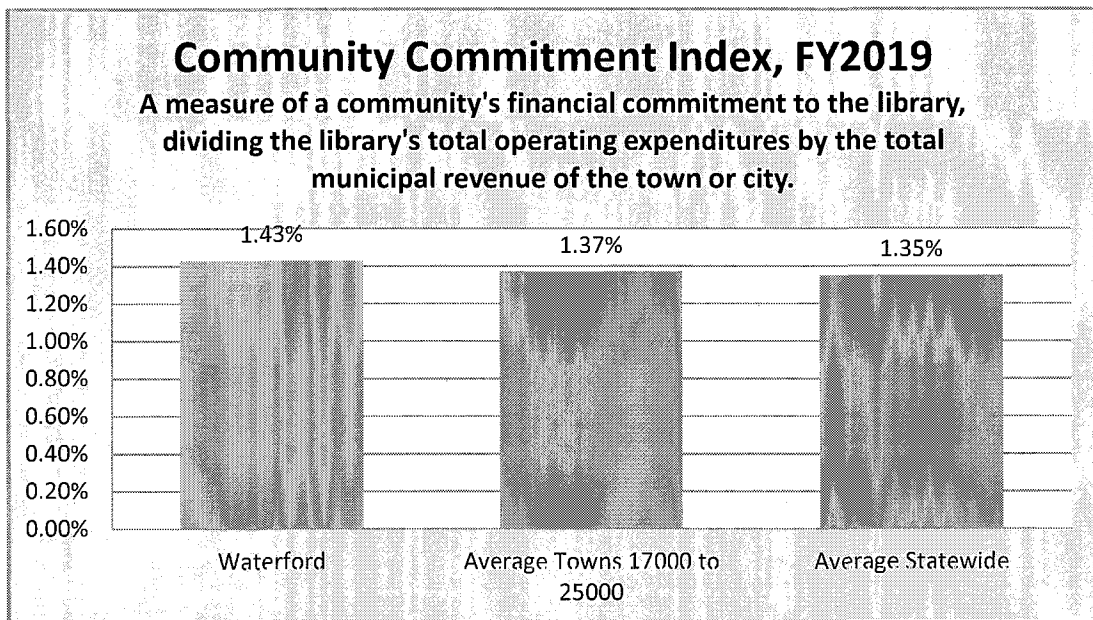
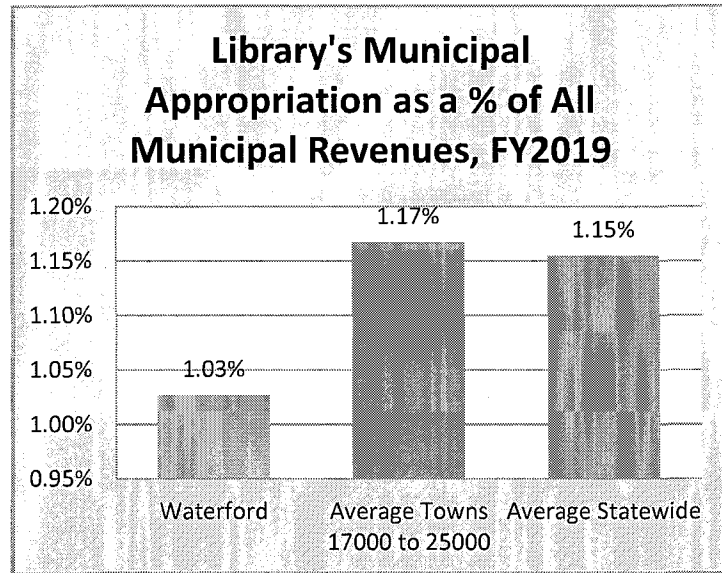


Hours Open in a Typical Week, FY2019



Number of Library Employees, FY2019





THE WATERFORD PUBLIC LIBRARY, INC.
Corporate Account

FY'22

Disbursements

Auditor	\$4,000
Books & materials	\$83,852
Building equipment & supplies	\$3,000
Dues, conferences, education	\$2,500
Furniture & building improvements	\$3,000
Insurance	\$191
Miscellaneous	\$1,500
Office equipment & supplies	\$4,000
On-line subscriptions	\$25,000
Programs & community relations	\$12,000
Public copier/scanner	\$3,000
TOTAL	\$142,043

FUNDS EXPECTED FY'21

\$154,387

***FUNDS APPROPRIATED FY'20/FUNDS RECEIVED FY'20**

\$145,795/\$120,795

***COVID-19 Library closed - 3/14/20-6/16/20**

Programs cancelled; material ordering curtailed

THE WATERFORD PUBLIC LIBRARY, INC.

Financial Statements

June 30, 2020

Aldrich, Mulcahy & Associates, LLC – Certified Public Accountants

The Waterford Public Library, Inc.

June 30, 2020

Table of Contents

Independent Accountant's Audit Report.....	1-2
Statements of Assets, Liabilities and Net Assets – Modified Cash Basis	3
Statements of Revenues, Expenses and Changes in Net Assets – Modified Cash Basis	4
Statements of Functional Expenses-Modified Cash Basis	5
Notes to Financial Statements	6-11



ALDRICH, MULCAHY & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANTS' REPORT

To the Board of Trustees of
The Waterford Public Library, Inc.
Waterford, Connecticut

We have audited the accompanying financial statements of The Waterford Public Library, Inc. (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets - modified cash basis as of June 30, 2020, and the related statements of revenues, expenses and changes in net assets - modified cash basis, and statement of functional expenses-modified cash basis 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 the modified cash basis of accounting as described in Note 1: this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

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 auditors' judgement, 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 assets, liabilities and net assets of The Waterford Public Library, Inc. as of June 30, 2020, and its revenue, and expenses and changes in net assets and its functional expenses for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

We have previously audited the Waterford Public Library, Inc.'s June 30, 2019 financial statements and we expressed an unmodified audit opinion on those financial statements in our report dated September 25, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent in all material respects, with the audited financial statements from which it has been derived.

Aldrich, Mulcahy & Associates, LLC

Waterford, CT 06385
September 30, 2020

THE WATERFORD PUBLIC LIBRARY, INC.
STATEMENT OF ASSETS, LIABILITIES AND
NET ASSETS - MODIFIED CASH BASIS
AS OF JUNE 30, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

ASSETS		2020	2019
CURRENT ASSETS			
Cash		\$ 4,766	\$ 8,186
Investments- board designated endowment		<u>2,783,082</u>	<u>2,780,092</u>
TOTAL CURRENT ASSETS		2,787,848	2,788,278
 ART COLLECTIONS		 <u>55,600</u>	 <u>55,600</u>
 TOTAL ASSETS		 <u><u>\$ 2,843,448</u></u>	 <u><u>\$ 2,843,878</u></u>
 NET ASSETS			
 NET ASSETS			
Without Donor Restrictions			
Board designated (note 4)		\$ 2,783,082	\$ 2,780,092
Undesignated		<u>60,366</u>	<u>63,786</u>
Total net assets without donor restrictions		<u>2,843,448</u>	<u>2,843,878</u>
 TOTAL NET ASSETS		 <u><u>\$ 2,843,448</u></u>	 <u><u>\$ 2,843,878</u></u>

See accountant's report and accompanying notes.

THE WATERFORD PUBLIC LIBRARY, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS -
MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

	<u>2020</u>	<u>2019</u>
SUPPORT AND REVENUE		
State and private grants	\$ 13,659	\$ 14,178
Annual mailing appeal	29,486	38,094
Other fundraising	135	59
Contributions	1,706	2,195
Intergovernmental	15,325	16,570
Book sales and service	6,058	7,307
Investment income	52,236	44,466
Gain (loss) on investments	7,309	100,624
Miscellaneous	9,997	12,186
TOTAL SUPPORT AND REVENUE	<u>135,911</u>	<u>235,680</u>
EXPENSES		
Program services	120,063	137,402
Management and general	15,030	14,878
Fundraising	1,248	1,081
TOTAL EXPENSES	<u>136,341</u>	<u>153,361</u>
CHANGE IN NET ASSETS	(430)	82,319
NET ASSETS, BEGINNING	<u>2,843,878</u>	<u>2,761,559</u>
NET ASSETS, ENDING	<u><u>\$ 2,843,448</u></u>	<u><u>\$ 2,843,878</u></u>

See accountants report and accompanying notes.

THE WATEFORD PUBLIC LIBRARY, INC.
STATEMENT OF FUNCTIONAL EXPENSES-MODIFIED CASH BASIS
JUNE 30, 2020 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

	<u>Program services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>2020</u>	<u>2019</u>
Accounting	\$ -	\$ 3,900	\$ -	\$ 3,900	\$ 3,900
Occupancy	10,131	-	-	10,131	22,655
Conferences	1,722	-	-	1,722	3,423
Insurance	-	191	-	191	191
Books & Library Materials	67,688	-	-	67,688	74,247
Online resources	21,030	-	-	21,030	15,311
Investment fees	-	10,939	-	10,939	10,787
Public Relations	9,158	-	-	9,158	12,193
Office Supplies	3,354	-	-	3,354	4,169
Miscellaneous	5,855	-	-	5,855	4,269
Museum Passes	1,125	-	-	1,125	1,135
Fundraising	-	-	1,248	1,248	1,081
	<u>\$ 120,063</u>	<u>\$ 15,030</u>	<u>\$ 1,248</u>	<u>\$ 136,341</u>	<u>\$ 153,361</u>

See accountant's report and accompanying notes.

THE WATERFORD PUBLIC LIBRARY, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Purpose of Organization

The Waterford Public Library, Inc. (Organization), was formed to establish and perpetually maintain a free public library for the benefit of the inhabitants of the Town of Waterford, and to promote all the purposes which usually appertain to such libraries.

The Organization's primary sources of revenue are contributions, grants, and investment income.

Financial Reporting

The financial statements of the Organization have been prepared on the modified cash basis of accounting. Revenues are recognized when received and expenses are recognized when paid. Contributions of collections are recognized at fair market value when gifted.

Basis of Presentation

The Organization has presented its financial statements in accordance with the modified cash basis of accounting. In addition, the Organization is required to report information regarding its financial position and activities within the two classes of net assets: Without Donor Restrictions or With Donor Restrictions. The Organization also presents a statement of cash flows.

Net Assets Without Donor Restrictions

Net assets without donor restrictions are neither perpetually nor temporarily restricted by donor-imposed stipulations and include revenue from fees, certain investment income, and all gifts, grants, and contributions that are free of donor restrictions. These amounts are currently available at the discretion of the Organization's Board for use in its operations.

Net Assets With Donor Restrictions

Net assets with donor restrictions account for unspent contributions that are restricted by the donor as to use for specific purposes or during specific time periods.

Prior Year Summarized Financial Information

The financial statements include certain prior-year summarized financial information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with the modified cash basis of accounting. Accordingly, such information should be read in conjunction with the Organization's audited financial statements as of and for the year ended June 30, 2019, from which the summarized information was derived.

THE WATERFORD PUBLIC LIBRARY, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Contributions

Contributions received are recorded as with or without donor restrictions depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase net asset with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Revenues, Expenses and Changes in Net Assets - Modified Cash Basis as net assets released from restrictions.

Grants and Contracts

Grants and contracts are generally considered to be exchange transactions in which the grantor or contractor requires the performance of specific activities.

Revenue Recognition

Contributions are recognized when received by the Organization that is, in substance, unconditional. All donor-restricted contributions are reported as increases in net assets with restrictions. When a restriction expires, net assets with restrictions are reclassified to net assets without restrictions.

Contributed property is recorded at fair value at the date of the donation. If the donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, property and equipment are recorded as unrestricted support.

Investment income is recognized when earned. The change in realized and unrealized gains and losses is included in the change in net assets in the statement of activities. Investment income include interest, dividends and capital gain distributions.

THE WATERFORD PUBLIC LIBRARY, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

Investments in marketable equity and all debt securities are carried at fair value. Fair value is determined based on quoted market price (Level 1 inputs as discussed in Note 3).

Program expenses

Reference materials such as books and videos are expensed as program costs and are considered the property of the Town of Waterford. In addition, other costs such as occupancy expenses (building maintenance and the purchase of furniture) are considered program expenses and are expensed as incurred.

Property and Equipment

Property and equipment acquisitions which exceed \$1,000 become the property of the Town of Waterford. The Organization expenses as program services all acquisitions less than \$1,000.

Art Collections

As of July 1, 2005, the Organization capitalized its art collection retroactively in conformity with accounting principles generally accepted in the United States of America. The art collection items acquired prior to July 1, 2005 were appraised and they were determined to have a value of \$55,000.

Subsequently to July 1, 2005, art collection items acquired by the Organization will be recorded at fair market value if donated, and at cost if purchased.

Fair Value Measurements

The fair value of the Organization's financial instruments are determined using quoted prices in active markets for identical assets as required by accounting principles generally accepted in the United States of America.

Income Taxes

The Waterford Public Library is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, and therefore, has no provision for federal or state income taxes.

The Organization's Form 990, Return of Organization Exempt from Income Tax are subject to examination by the IRS, generally for three years after they were filed.

The Organization did not recognize any liability for uncertain tax positions as defined by accounting principles generally accepted in the United States of America.

Subsequent Events

Subsequent events have been evaluated through September 30, 2020, which is the date the financial statements were available to be issued. There, were no subsequent events identified that require disclosure.

THE WATERFORD PUBLIC LIBRARY, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2020

2. CONCENTRATIONS

Support and Revenue Concentrations

The Organization receives significant support in the form of salaries and fringe benefits paid to the Town of Waterford employees who provide librarian staffing services to the library and the use of the Library facilities which are owned by the Town of Waterford. Any significant reduction in the level of this support would have a negative impact on the Organization's programs and activities.

Credit Risks

The organization's financial instruments that are exposed to concentrations of credit risk consist of cash and cash equivalents, and investments. The Organization places its cash deposits with high credit quality institutions. Such deposits are fully covered by federal depository insurance. Investments are considered by management to be sufficiently diversified to minimize individual investment and industry concentration risks. However, investments are subject to risks of the securities market as a whole.

3. INVESTMENTS

Investments (All Level 1) as of June 30, 2020 are comprised of the following:

	<u>2020</u>
Money market funds	\$ 141,081
Exchange traded funds	259,288
Fixed income funds	383,343
Bonds mutual funds	512,905
Corporate stocks	28,325
Equity mutual funds	1,458,140
	<u>\$ 2,783,081</u>

In accordance with accounting principles generally accepted in the United States of America, the Organization's carrying amounts of cash approximates fair value under Level 1.

Net investment income is comprised of the following:

	<u>2020</u>
Interest and dividends	\$ 52,236
Less: investment fee and charges	10,939
	<u>\$ 41,297</u>

The net gain (losses) on investments is comprised of the following:

	<u>2020</u>
Realized gains (losses)	\$ 50,381
Unrealized gains (losses)	(43,072)
	<u>\$ 7,309</u>

THE WATERFORD PUBLIC LIBRARY, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2020

4. BOARD DESIGNATED ENDOWMENT

The Organization's board designated endowment consists of investments in various marketable securities as outlined in Note 3. Net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The philosophy contained in UPMIFA focuses on the following factors:

1. The duration and preservation of a fund
2. The purpose of the organization and the donor designations thereto
3. General economic conditions
4. The possible effects of inflation and deflation
5. The expected total return of the charitable assets
6. Other resources of the organization
7. The investment policies of the organization

Endowment Net Assets composition by type of fund as of June 30, 2020:

Board designated endowment fund	\$	2,783,082
---------------------------------	----	-----------

Changes in Endowments Net Assets for the year ended June 30, 2020 are as follows:

	Without Donor Restrictions
Endowment net assets, beginning of year	\$ 2,780,092
Investment return:	
Investment income, net	41,297
Contributions	29,779
Net appreciation (realized and unrealized)	7,309
Total investment return	\$ 78,385
Appropriation of assets for expenditures	75,395
Endowment net assets, end of year	\$ 2,783,082

Board Policies and Objectives

The Organization has an objective to provide for conservation of capital through the use of a diversified portfolio of prudent investments. The Board of Trustees policy is to limit spending in any fiscal year to between three percent (3%) and five percent (5%) of the average fair market value of the endowment's assets at the end of the last three previous fiscal years. The minimum objective is to conserve and protect assets over the long term. An additional objective is to beat the rate of inflation as defined by the CPU annually. The base measure for the equity allocation will be the S&P 500 with dividends reinvested. On an individual basis, all securities will be compared to the appropriate index representing that investment universe. The target allocation is between 50% and 70% on a market basis shall be invested in the equity market. With balance in fixed income securities.

THE WATERFORD PUBLIC LIBRARY, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2020

5. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The liquidity and availability of the Organization's financial Assets consist of Cash and Investments to fund general expenditures as of June 30, 2020 total \$2,787,848 of which \$60,366 is held for restricted purposes, resulting in \$2,727,482 in financial assets available to support general expenditures for the upcoming year.

6. OTHER MATTERS

On March 11, 2020 the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The Organization cannot reasonably estimate the length or severity of this pandemic, or the extent to which the disruption may materially impact the organization's financial position, results of operations, and cash flows in fiscal 2021.