

THE FERGUSON LIBRARY
MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES
January 6, 2021

Present:

Board Members: A. Livingston (Chair); E. Bromley; S. Frederick; R. Granata;
M. Hyman; S. Kim; S. O'Shea

Citizen Advisers: No Citizen Advisers were present

Staff: A. Knapp; N. Bochicchio; L. Avellar; C. Harper; C. Hubbard; E. Joseph;
S. LaPerla

Guest: Dino Reda of Van Brunt DuBiago & Company

The meeting was called to order and was held via zoom.

Mr. Reda presented a draft of the auditor's report as of June 30, 2020. He said the report contained an "unqualified opinion". He reviewed the financial statements contained in the report and the accompanying notes. A motion made by Ms. Bromley and seconded by Mr. Kim to accept the report was approved.

Ms. Knapp presented the proposed operating budget for 2021-2022 for submission to the Mayor. It calls for \$8.975 million of funding from the city, a 4% increase over current funding. A discussion followed on the defined benefit plan expense as presented in the proposed budget. Ms. Knapp explained that the amount used is the actuarial recommendation for plan funding for fiscal 2022. It was suggested that the "pension expense" (net periodic benefit cost) is the true cost of the plan, which Mr. Bochicchio said is \$992,161 for 2020-2021 as recently determined by the actuary. It was agreed to use this amount as the budgeted pension expense for 2021-2022. The recommendation was that this amount be used for the 2021-2022 operating budget and that the employer contribution to the plan be made as a balance sheet entry. Further, it was suggested that depreciation expense be added to the operating budget, which is estimated to be \$796,000 for FY 2022. It was agreed that the city would not fund the library to the level of these additional expenses, however, it should know what the true cost of the library's operation is. With these changes to the proposed operating budget for 2021-2022, a motion made by Mr. Frederick and seconded by Mr. Granata to adopt the 2021-2022 operating budget, was approved.

There being no further business, the meeting was adjourned.

Robert J. Granata
Secretary