

1688 - 2013 • Celebrating 325 Years • Somerset County • New Jersey

# SOMERSET COUNTY LIBRARY SYSTEM

# 2013 BUDGET

As adopted by the  
Somerset County Library Commission

March 6, 2013

**RESOLUTION SETTING THE 2013 BUDGET FOR THE SOMERSET  
COUNTY LIBRARY SYSTEM**

**RESOLUTION #2013-023**

**WHEREAS**, the Somerset County Library Commission has carefully considered the budget requirements for providing library services to the fifteen member municipalities it serves; and

**WHEREAS**, the Commission wishes to respect the expressed tax initiatives of the Freeholder Board in 2013; and


**WHEREAS**, the Commission seeks to honor the recently-concluded agreement in force between it and the Office and Professional Employees International Union, Local No. 32, AFL-CIO regarding the pay-for-performance provisions it stipulates and;

**WHEREAS**, the Commission wishes to continue increasing the percentage of the Library operating budget dedicated to providing programs and materials to library users;

**NOW, THEREFORE, BE IT RESOLVED** that the Commission adopts an operating budget in the amount of \$16,114,334 and sets the Library Tax Rate at a level to provide \$15,254,959,

**AND REQUESTS** that the Board of Chosen Freeholders accept this budget and the tax rate it requires.

DATED: March 6, 2013

  
\_\_\_\_\_  
Art Carlson, Chairman

I certify that the above is a true copy of a Resolution passed by the Somerset County Library Commission at the meeting held on March 6, 2013.

  
\_\_\_\_\_  
Brian K. Auger  
Secretary to the Commission

# It's been a great year!

Service to our communities continued to expand in new ways 2012 with two events being especially emblematic –

- Manville joined the communities served by the County system.
- In the aftermath of Hurricane Sandy, many thousands of customers literally mobbed their local libraries as soon as power was restored.

## In both cases, the County Library was a place to reconnect.

This function of connecting is what our new strategic plan, *Transforming Lives, Strengthening Communities* is all about: as our new mission statement says – we “**partner with you to connect, to explore, to share and to discover**”.

And that's exactly what our customers did in 2012.

- Circulation increased 2.4% to 3.3 million items, enough to make a **stack of books 25 miles high**.
- Our library branches were visited 1.73 million times. It's as if the entire population of **Nebraska** walked through our libraries!
- We offered engaging programs to **110,000 people**. In other words, **we filled Patriots' stadium with eighteen sellout crowds!**



- Use of **eBooks increased 149%**.

# What's in store for 2013?

**O**ur budget plan for 2013 provides for a number of initiatives. Those specifically supporting the strategic plan are in **bold**. This proposal, with static ratables, assumes a tax rate that is effectively .3% lower than 2012.

- Maintain an essentially-flat tax rate
- Annualize the costs of incorporating Manville
- **Begin implementation of the key goals of the Strategic Plan**
- Update our current classification system, now more than twenty years old, by conducting a comprehensive classification and pay study using Hay methodology
- **Continue consolidating and centralizing system-level activities**
  - **analyze and restructure our programming and marketing efforts**
  - implement an automated time-tracking system for non-salaried staff
  - Continue converting staffing efficiencies into enhanced materials spending
- Implement a four-year replacement cycle for the computer fleet
- **Without adding to the position count, add the following positions: system training coordinator, director of strategic initiatives**
- **Seek grant and partnership opportunities for the Somerset County Digital Memory Project**
- **Partner with the County on an oral history project to commemorate the County's 325th anniversary**
- Institute an authority control project
- Increase available Library generated funds through creative partnership opportunities which provide optional, enhanced levels of service at a cost to the user
- **Update our web and social media presence**
- **Begin annual networking events with elected officials, advisory board members, and Friends leadership**

# REVENUES

REVENUES	2012	2013	Delta	Difference
Taxes	\$14,829,949	\$15,254,959	2.87%	\$425,010
A&O Taxes	\$24,030	\$9,244	-61.53%	-\$14,786
State Aid	\$81,632	\$83,771	2.62%	\$2,139
Fines	\$80,000	\$102,000	27.50%	\$22,000
Non-resident fees	\$5,920	\$3,600	-39.19%	-\$2,320
Copying Fees	\$1,500	\$1,500		
Interest	\$7,000	\$1,400	-80.00%	-\$5,600
2012 Carryover funds		\$233,860		\$233,860
General Reserves	\$475,000	\$422,066	-11.14%	-\$52,934
<b>Total</b>	<b>\$15,505,031</b>	<b>\$16,112,400</b>	<b>3.92%</b>	<b>\$607,369</b>

## Notes

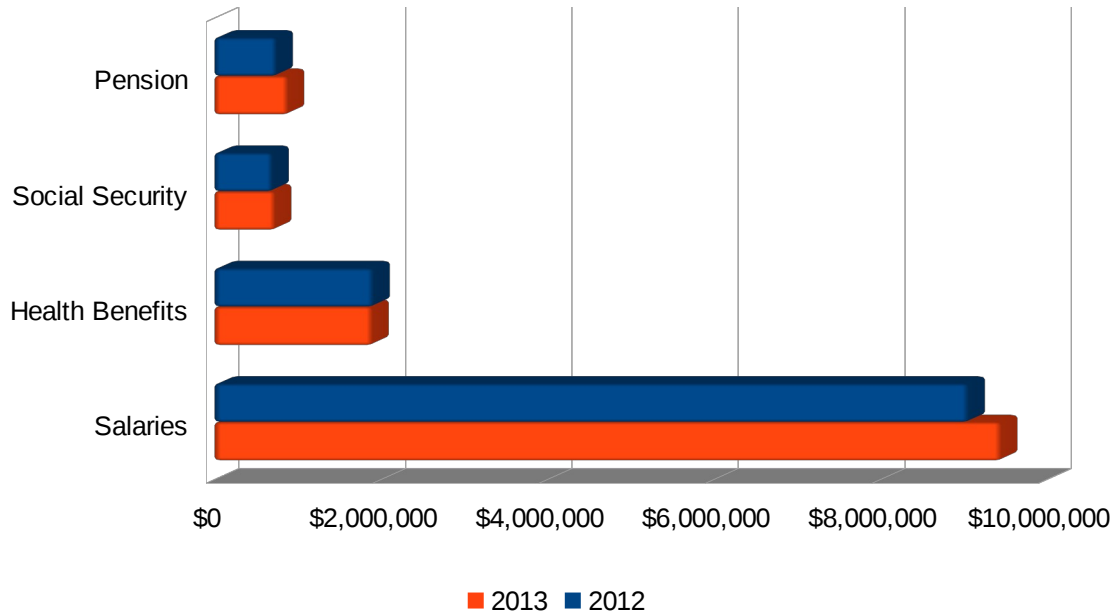
1. The *actual* taxes collected in 2013 were \$15,063,809. A “flat” budget for 2013 which includes Manville for the *full year* would be \$15,063,809, plus another share of their 6 month contribution, or \$234,352, or a total of \$15,298,161. We are requesting \$15,254,959, ~.3% less than that. See page 9.
2. 2012 Carryover funds reflect a one-time net overcharge resulting from the process of incorporating Manville into the System mid-year 2012. These funds were carried over by resolution #2012-053 to offset taxes collected in 2013.

# EXPENSES – PERSONNEL

		2012	2013	DELTA	DIFFERENCE
1010	Salaries	\$9,064,133	\$9,454,507	4.3%	\$390,374
1013	FSA	\$5,000	\$5,000		
1015	Waivers	\$76,125	\$85,000	11.7%	\$8,875
1036	Health Benefits	\$1,914,611	\$1,900,000	-0.8%	-\$14,611
1037	Social Security	\$699,230	\$729,772	4.4%	\$30,542
1039	Pension	\$750,000	\$886,000	18.1%	\$136,000
<b>SUBTOTAL</b>		<b>\$12,509,099</b>	<b>\$13,060,279</b>	<b>4.4%</b>	<b>\$551,180</b>

## Notes

1. Increases in salaries are a result of annualizing Manville staff and negotiated pay increases. The County is honoring all settled bargaining unit agreements and is awarding 2% increases to all staff grades 14 and above, 2.5% for all staff below grade 14.
2. While we have budgeted \$85,000 in waivers, we are saving a potential \$340,000 in benefits otherwise payable to eligible staff<sup>1</sup>.
3. While health insurance costs will decline 2.5% this year, the actual decline is 0.8% as a result of annualizing Manville staff.



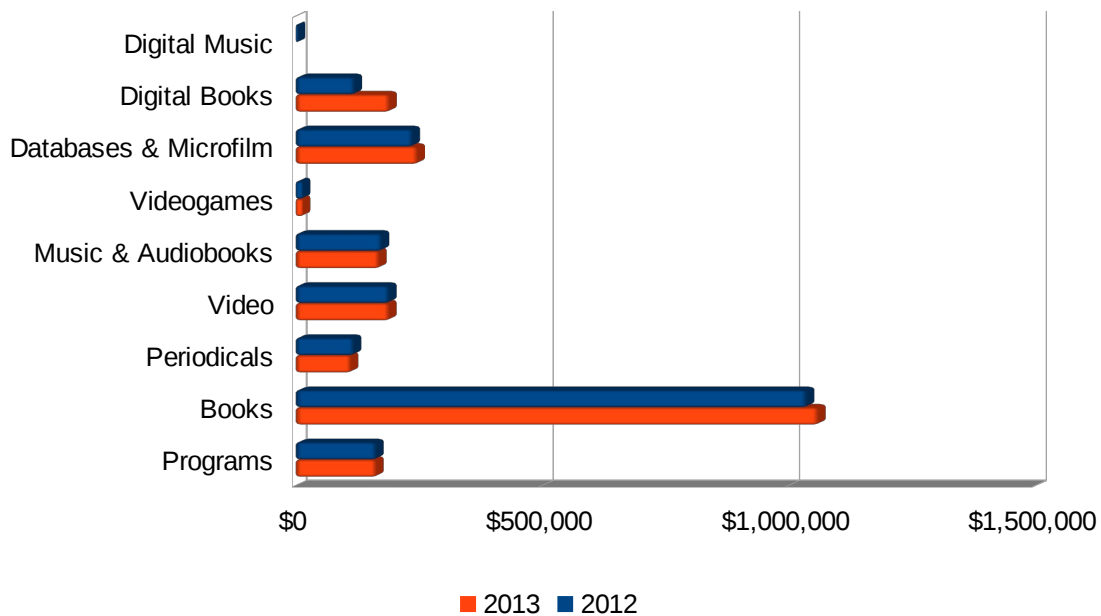
<sup>1</sup> as an example, if someone eligible for family coverage elects the waiver, the cost to provide the waiver is \$5,000, but the net savings to the Commission is \$20,195 (\$25,195 - \$5,000, where \$25,195 is the cost of family coverage).

# EXPENSES – MATERIALS AND PROGRAMS

		2012	2013	DELTA	DIFFERENCE
2812	Programs	\$164,000	\$164,000		
3303	Books	\$1,037,500	\$1,060,500	2.2%	\$23,000
3304	Periodicals	\$118,385	\$112,385	-5.1%	-\$6,000
3305	Video	\$190,000	\$190,000		
3306	Music & Audiobooks	\$175,000	\$170,000	-2.9%	-\$5,000
3307	Videogames	\$15,000	\$15,000		
3308	Databases & Microfilm	\$237,586	\$247,500	4.2%	\$9,914
3309	Digital Books	\$120,000	\$190,490	58.7%	\$70,490
3310	Digital Music	\$4,500		-100.0%	-\$4,500
	<b>SUBTOTAL</b>	<b>\$2,061,971</b>	<b>\$2,149,875</b>	<b>4.3%</b>	<b>\$87,904</b>

## Notes

1. Materials spending (does not include programming) represents 12.33% of the overall operating budget, up slightly from last year (12.24%).



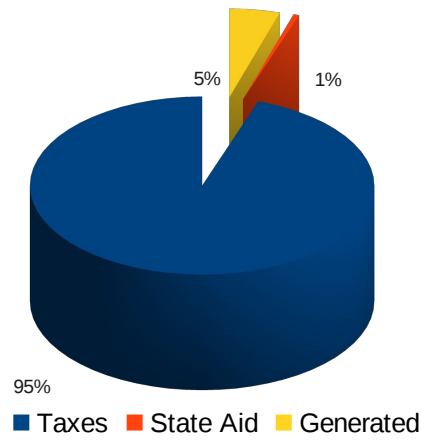
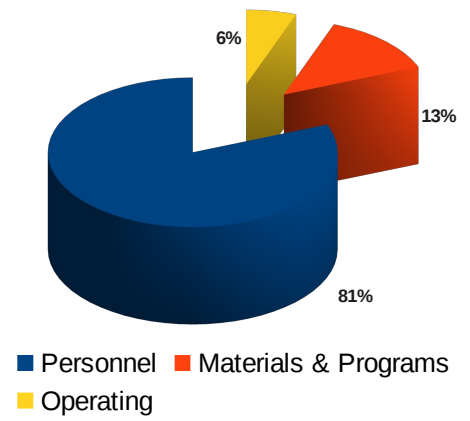
## EXPENSES – OPERATING

		2012	2013	DELTA	DIFFERENCE
2002	Outside Contracts	\$3,500	\$5,000	42.9%	\$1,500
2102	Advertising	\$1,000	\$1,000		
2202	Postage	\$19,000	\$19,000		
2301	Printing	\$15,000	\$10,000	-33.3%	-\$5,000
2302	Public Relations	\$19,000	\$19,000		
2501	Auto Repairs	\$4,000	\$4,000		
2602	Automation Expenses	\$355,980	\$309,046	-13.2%	-\$46,934
2605	Repairs	\$13,600	\$10,500	-22.8%	-\$3,100
2701	Legal	\$45,000	\$24,000	-46.7%	-\$21,000
2802	Audit	\$18,000	\$18,000		
2803	Preservation	\$500	\$500		
2805	Consultants		\$50,000		\$50,000
2813	Insurance/Bonding	\$85,000	\$80,000	-5.9%	-\$5,000
	Supplemental funding	\$66,000	\$132,000	100.0%	\$66,000
4101	Conference/Meetings	\$39,512	\$45,000	13.9%	\$5,488
4501	Travel Expenses	\$16,000	\$16,000		
5101	Vehicle Expenses	\$1,500		-100.0%	-\$1,500
5305	Equipment	\$4,000	\$4,000		
5701	Furniture/Fixtures	\$40,000	\$32,000	-20.0%	-\$8,000
5814	Medical Supplies	\$210	\$200	-4.8%	-\$10
5815	Supplies	\$75,000	\$65,000	-13.3%	-\$10,000
7401	Gasoline	\$13,000	\$8,000	-38.5%	-\$5,000
9401	Bibliographic services	\$99,159	\$50,000	-49.6%	-\$49,159
	<b>SUBTOTAL</b>	<b>\$933,961</b>	<b>\$902,246</b>	<b>-3.4%</b>	<b>-\$31,715</b>

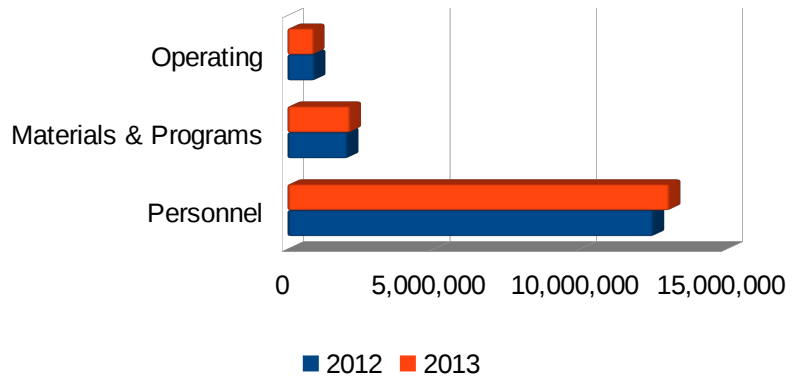
### Notes

1. Automation expenses reflect lower costs for print management services as well as an e-rate discount of \$61,934 which will be used to offset telecom costs.
2. Supplemental funding is at the year two level.
3. Conferences/Meetings reflect increasing hotel reimbursements from \$100 to up to \$150/night and provide additional reimbursements for membership in state and national professional organizations.
4. Bibliographic services reflect lower costs for cataloging utility services.
5. The current pay and classification scheme, based on the Hay methodology used by the County and the

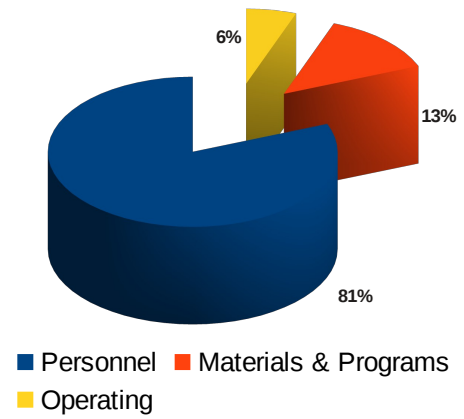
Parks Commission, is more than twenty years old. Funds would pay for a consultant study to recommend a simplified and reconfigured pay and classification scheme for 2014.



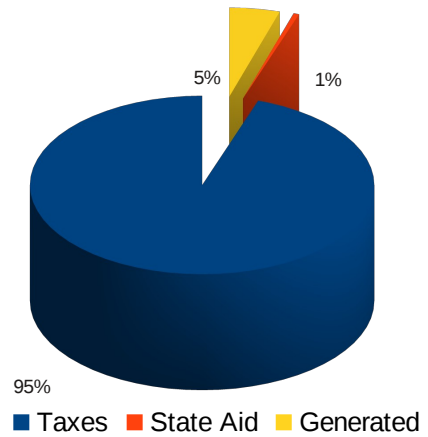
By holding down operating expenses, we have been able to increase funds available for materials despite the increases in personnel costs. Personnel costs increased as a result of annualizing Manville staff and negotiated pay increases.



Despite increased personnel costs, we have increased the percentage of the budget for materials.



State aid has remained static, having been cut significantly a few years back. We are exploring ways to expand Library generated funds while remaining true to our public library roots and mission.



# COMPARISON OF 2012 AND 2013 TAXES BY MUNICIPALITY

	Library estimate of 2012 Gross taxes	Amount of taxes to return per original plan	Library estimate of net taxes to have been collected in 2012	2012 ACTUAL TAXES COLLECTED	Proposed 2013 taxes	Difference with 2012 ACTUAL	Proposed 2013 taxes if no adjustment to Manville's value and no credit for the taxes already received	Effective "credit" for taxes overpaid in 2012
<b>BOUND BROOK</b>	\$343,115		\$343,115	\$347,508	\$348,498	\$990	\$353,998	\$5,499
<b>BRANCHBURG</b>	\$1,230,779		\$1,230,779	\$1,253,122	\$1,231,862	-\$21,260	\$1,251,301	\$19,439
<b>BRIDGEWATER</b>	\$3,803,979		\$3,803,979	\$3,874,725	\$3,755,202	-\$119,523	\$3,814,459	\$59,257
<b>GREEN BROOK</b>	\$617,068		\$617,068	\$629,105	\$601,739	-\$27,366	\$611,234	\$9,495
<b>HILLSBOROUGH</b>	\$2,503,206		\$2,503,206	\$2,543,380	\$2,628,326	\$84,946	\$2,669,801	\$41,475
<b>MANVILLE</b>	\$467,720	\$233,860	\$233,860	\$234,352	\$434,785	\$200,433	\$434,785	
<b>MILLSTONE</b>	\$23,442		\$23,442	\$23,867	\$23,787	-\$80	\$24,163	\$375
<b>MONTGOMERY</b>	\$1,896,898		\$1,896,898	\$1,925,626	\$2,000,372	\$74,746	\$2,031,938	\$31,566
<b>NORTH PLAINFIELD</b>	\$705,353		\$705,353	\$699,723	\$683,730	-\$15,993	\$694,519	\$10,789
<b>PEAPACK/GLADSTONE</b>	\$301,424		\$301,424	\$306,829	\$306,030	-\$800	\$310,859	\$4,829
<b>ROCKY HILL</b>	\$55,541		\$55,541	\$56,474	\$55,108	-\$1,366	\$55,978	\$870
<b>SOMERVILLE</b>	\$531,069		\$531,069	\$539,964	\$528,402	-\$11,562	\$536,740	\$8,338
<b>S. BOUND BROOK</b>	\$138,700		\$138,700	\$140,802	\$129,600	-\$11,202	\$131,645	\$2,045
<b>WARREN</b>	\$1,742,583		\$1,742,583	\$1,773,359	\$1,816,717	\$43,358	\$1,845,384	\$28,668
<b>WATCHUNG</b>	\$702,932		\$702,932	\$714,973	\$710,800	-\$4,173	\$722,016	\$11,216
<b>TOTALS</b>	<b>\$15,063,809</b>	<b>\$233,860</b>	<b>\$14,829,949</b>	<b>\$15,063,809</b>	<b>\$15,254,959</b>	<b>\$191,150</b>	<b>\$15,488,819</b>	<b>\$233,860</b>

## Notes

Manville was part of SCLS for only one-half of 2012. A "flat" budget for 2013 which includes Manville for the full year would be last year's total of \$15,063,809, plus another share of their 6 month contribution, or \$234,352, or a total of \$15,298,161. We are requesting \$15,254,959, which is ~.32% less than that.