

**SOMERSET COUNTY  
LIBRARY SYSTEM**

**2014 BUDGET**

**As amended and adopted by the  
Somerset County Library Commission**

**April 2, 2014**



**RESOLUTION SETTING THE 2014 BUDGET FOR THE SOMERSET  
COUNTY LIBRARY SYSTEM**

**RESOLUTION #2014-020-R**

**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 seeks to honor the 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 County has requested that the Library Commission assume in this budget cycle one-half of the payments pursuant to the Lease Agreement between the County and the Township of Bridgewater referenced in R07-217, a Resolution Authorizing the Execution of the Interlocal Agreement With the Township of Bridgewater, dated March 20, 2007; and

**WHEREAS**, the Commission will thereby be adding the sum of \$180,922.46 to the Library's operating expenses;

**NOW, THEREFORE, BE IT RESOLVED** that the Commission hereby rescinds its Resolution 2014-020, adopted at its March 5, 2014 meeting and adopts in its place this Resolution requesting an operating budget in the amount of \$16,423,261 and setting the Library Tax Rate at a level to provide \$15,770,861,

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

DATED: April 2, 2014

  
\_\_\_\_\_  
Al Ellis, 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 April 2, 2014.

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

# How did we do in 2013?

Our budget plan for 2013 provided for a number of initiatives. Those specifically supporting the strategic plan are in **bold**.

GOAL	COMMENTS
✓ Maintain an essentially-flat tax rate	
✓ Annualize the costs of incorporating Manville	
✓ <b>Begin implementation of the key goals of the Strategic Plan</b>	
Update our current classification system, now more than twenty years old, by conducting a comprehensive classification and pay study using Hay methodology	Deferred to 2014, pending a review of the structure of upper management.
<b>Continue consolidating and centralizing system-level activities</b>	The Staffing Review Committee continues to review each vacancy to find efficiencies.
✓ <b>Analyze and restructure our programming and marketing efforts</b>	Marketing study completed; implementation in early 2014.
✓ 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, using funds from increases to fines.	We took a different approach, implementing Chromebook borrowing and the rollout of Groovix, which allowed us to continue the useful life of the existing computer fleet.
<b>Without adding to the position count, add the following positions: system training coordinator, director of strategic initiatives</b>	Implemented only the director of strategic initiatives on an interim basis. The system coordinator position is deferred to 2014.
✓ <b>Submit a successful IMLS grant application for the Somerset County Digital Memory Project</b>	Deferred to the next IMLS grant cycle.
✓ <b>Partner with the County on an oral history project to commemorate the County's 325th anniversary</b>	



GOAL	COMMENTS
<p>✓ Institute an authority control project</p>	
<p>Increase available Library generated funds through creative partnership opportunities which provide optional, enhanced levels of service at a cost to the user</p>	
<p><b>Update our web and social media presence</b></p>	<p>The marketing study included a review of social media with specific recommendations to be implemented in 2014.</p>
<p>✓ <b>Begin annual networking events with elected officials, advisory board members, and Friends leadership</b></p>	



Rich Loomis received an award for his work with the County in creating the MySomersetCounty.org website.

From left: Peter Palmer, Joanne Vuouso, Rich Loomis, Brian Auger



The North Plainfield Library has a new Children's Room.

Somerville has a new Adult Reading Room.



# *What's in store for 2014?*

Despite remaining essentially flat, our plan for 2014 will allow for some new initiatives through additional eRate funding, the elimination of obsolete services and cost reductions in programming. Goals that specifically support our strategic plan are in **bold**.

## *We will ...*

- Hold down increases in the tax rate to less than the amount needed to accommodate negotiated pay increases, vendor price increases and increases to PERS.
- Reconfigure the upper and middle management structure of the organization.
- Update our current classification system, now more than twenty years old, by conducting a comprehensive classification and pay study using Hay or another appropriate methodology [carried over from 2013].
- **Continue implementing key goals of the strategic plan.**
  - **Continue consolidating and centralizing system-level activities**
    - **Implement recommendations of the marketing/publicity study.**
    - Continue converting staff efficiencies into enhanced materials spending.
  - **Without adding to the position count, implement the following positions: system training coordinator [from 2013], system program coordinator.**
  - **Seek continued grant and partnership opportunities for the Somerset County Digital Memory Project.**
  - **Implement the first phase of a mobile tech lab through grant funding [grant secured].**
  - **Provide at least one automated access point for DVDs and/or other popular materials outside library walls.**
  - **Create a strategic technology plan.**
  - **Completely revise the Library's web and social media presence.**

# NOTABLE CHANGES

The following table illustrates changes of \$10,000 or more from 2013.

PERSONNEL		
Expense line	Delta to 2013 Actual	Notes
Salaries	\$299,000	Number reflects a 3% average increase, including negotiated increases plus average merit increases as well as a 2.5% overall decrease in the hourly budget.
Health benefits	(\$76,000)	Savings accrue from becoming a partially-self insured plan with stop loss coverage.
FICA	\$36,000	
PERS	\$80,000	
<b>Subtotal Personnel</b>	<b>\$339,000</b>	

NON PERSONNEL		
Expense line	Delta to 2013 Actual	Notes
Legal	\$17,000	This is the final year in the bargaining unit agreement.
Audit	\$13,000	We are proposing a system wide audit.
Reduce reliance on paid programmers	(\$50,000)	We propose a significant reduction in the use of outside, paid programmers.
Additional erate rebates	(\$30,000)	
Eliminate TNS, drop Comcast Internet	(\$10,000)	We are eliminating two obsolete or now redundant services.
Supplemental funding	\$246,900	This is the third and final year phase-in cost for this program (\$66,000) plus one-half of the Bridgewater Lease payment in the amount of \$180,922.
Staff development / training / conferences	\$21,000	Despite the increase, the total is well under 1% of the total personnel budget.
Bibliographic expenses / resource sharing	(\$13,000)	Subsequent-year costs for authority control are lower than first-year costs.
<b>Subtotal Non-personnel</b>	<b>\$14,000</b>	

# REVENUES

	<b>2013 Budget</b>	<b>2013 Actual</b>	<b>2014 Proposed</b>	<b>Delta to 2013 Actual</b>
Taxes	\$15,254,959	\$15,254,959	\$15,770,862	3.38%
A&O Taxes	\$9,244	\$9,244	\$32,864	255.52%
State Aid	\$83,771	\$83,771	\$86,336	3.06%
Fines	\$102,000	\$102,000	\$51,000	-50.00%
Non-resident fees	\$3,600	\$3,600	\$4,200	16.67%
Copying Fees	\$1,500	\$1,500	\$1,500	0.00%
Interest	\$1,400	\$1,400	\$1,500	7.14%
Excess Taxes from 2012	\$233,860	\$233,860	\$0	-100.00%
General Reserves	\$422,066	\$52,872	\$475,000	12.54%
<b>Total</b>	<b>\$16,112,400</b>	<b>\$15,743,206</b>	<b>\$16,423,262</b>	<b>1.93%</b>

## Notes

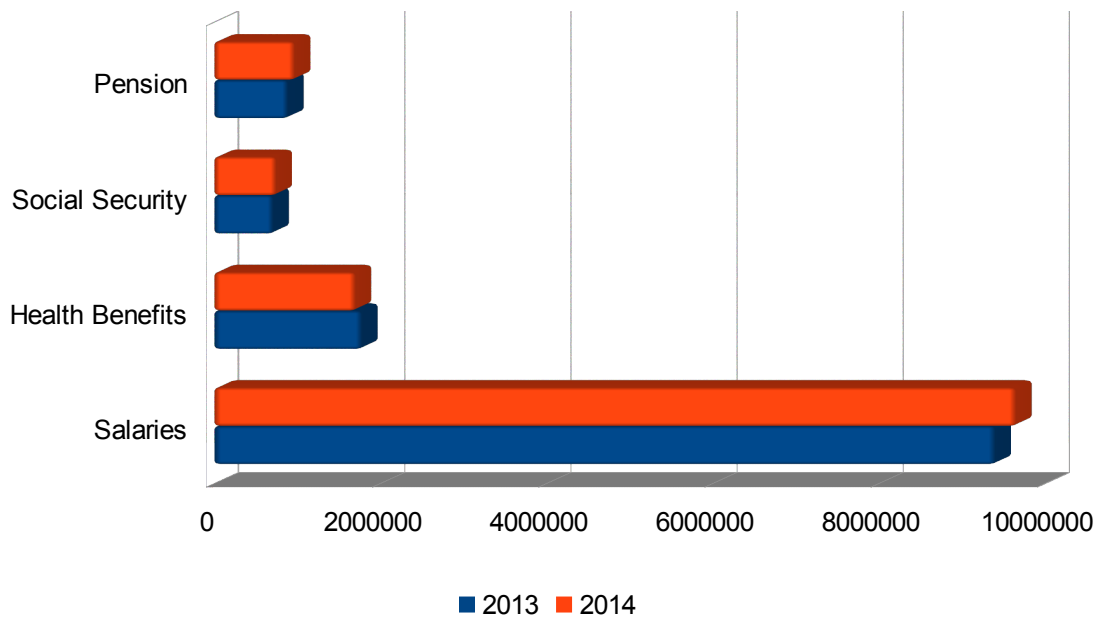
1. Excess taxes from 2012 were funds from a one-time net overcharge resulting from the process of incorporating Manville into the System mid-year 2012. These funds were carried over by resolution #2012-053 to offset taxes collected in 2013. They are not available for 2014.

# EXPENSES – PERSONNEL

	2013 Budget	2013 Actual as of 1/31/14	2014 budget	Delta to 2013 Actual	Delta to 2013 Actual
1010 Salaries	\$9,454,507	\$9,396,668	\$9,646,411	\$249,743	2.66%
1013 FSA Claims and Administration	\$5,000	-\$4,329	\$4,000	\$8,329	-192.40%
1015 Waivers In Lieu of Benefits	\$85,000	\$83,337	\$83,000	-\$337	-0.40%
1036 Health Benefits	\$1,900,000	\$1,775,877	\$1,700,000	-\$75,877	-4.27%
1037 Social Security	\$729,772	\$708,076	\$744,300	\$36,224	5.12%
1039 Pension	\$886,000	\$886,000	\$966,810	\$80,810	9.12%
4101 Staff Development	\$45,000	\$62,514	\$83,960	\$21,446	34.31%
<b>Total</b>	<b>\$13,105,279</b>	<b>\$12,908,144</b>	<b>\$13,228,481</b>	<b>\$320,337</b>	<b>2.48%</b>

## Notes

1. Salary increases are the result of negotiated pay increases. The overall increase reflects a 2.5% savings in the hourly budget.
2. Staff development costs include training and conference costs. Industry standards call for a staff development budget of 1% - 3% of total personnel costs. Even with the planned increase, our staff development costs are .64% of the personnel budget.

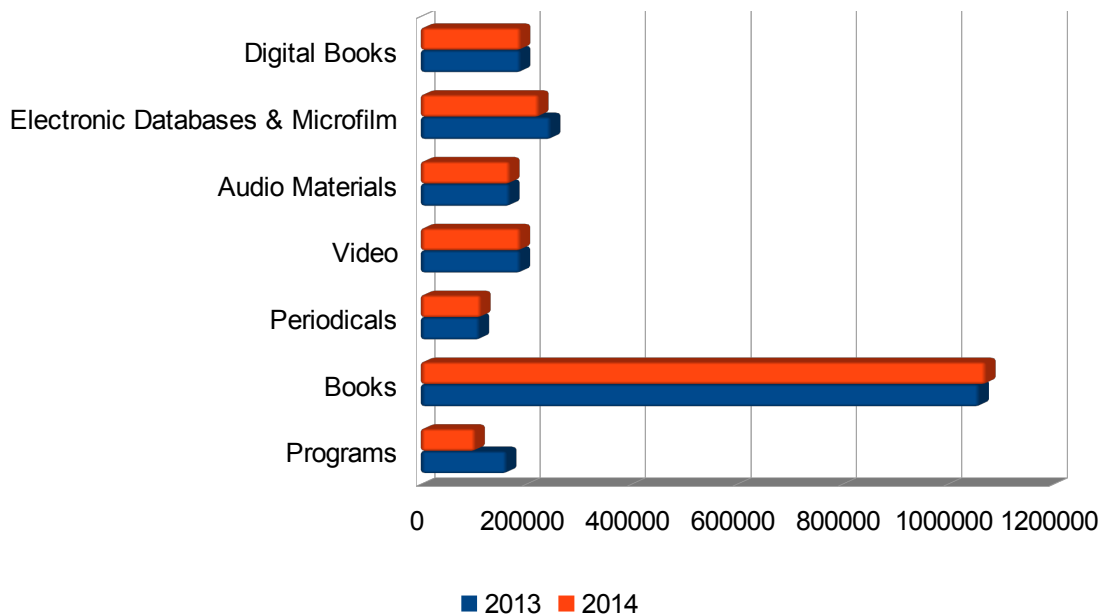


# EXPENSES – MATERIALS AND PROGRAMS

	2013 Budget	2013 Actual as of 1/31/14	2014 budget	Delta to 2013 Actual	Delta to 2013 Actual
2803 Preservation	\$500	\$0	\$500	\$500	
2812 Programs	\$164,000	\$157,300	\$104,000	-\$53,300	-33.88%
3303 Books	\$1,060,500	\$888,213	\$1,073,000	\$184,787	20.80%
3304 Periodicals	\$112,385	\$127,884	\$115,000	-\$12,884	-10.07%
3305 Video	\$190,000	\$268,557	\$190,000	-\$78,557	-29.25%
3306 Audio Materials	\$170,000	\$183,621	\$170,000	-\$13,621	-7.42%
3307 Circulating CD-ROMs	\$15,000	\$32,306	\$15,000	-\$17,306	-53.57%
3308 Electronic Databases & Microfilm	\$247,500	\$240,965	\$225,000	-\$15,965	-6.63%
3309 Digital Books	\$190,490	\$122,622	\$190,490	\$67,868	55.35%
<b>Total</b>	<b>\$2,150,375</b>	<b>\$2,021,468</b>	<b>\$2,082,990</b>	<b>\$61,522</b>	<b>3.04%</b>

## Notes

1. The program budget was reduced by making a cut to branch allocations for paid programmers.
2. Anticipated periodicals increases were higher in 2013 than planned. Cuts reflect reasoned growth to the 2013 budget.
3. Materials and Programming expenses are 12.82% of the total budget.



# EXPENSES – OPERATING

		2013 Budget	2013 Actual as of 1/31/14	2014 budget	Delta to 2013 Actual	Delta to 2013 Actual
2002	Outside Contracts	\$5,000	\$2,769	\$8,668	\$5,899	213.02%
2102	Advertising	\$1,000	\$835	\$1,000	\$165	19.74%
2202	Postage	\$19,000	\$19,196	\$20,000	\$804	4.19%
2301	Printing	\$10,000	\$17,408	\$16,000	-\$1,408	-8.09%
2302	Public Relations	\$19,000	\$4,702	\$11,000	\$6,298	133.94%
2501	Auto Repairs	\$4,000	\$3,062	\$4,000	\$938	30.62%
2602	Automation Expenses	\$309,046	\$335,553	\$300,000	-\$35,553	-10.60%
2605	Equipment Service/Repairs	\$10,500	\$10,848	\$11,000	\$152	1.40%
2701	Legal	\$24,000	\$19,431	\$36,000	\$16,569	85.27%
2802	Audit	\$18,000	\$4,675	\$18,000	\$13,325	285.03%
2805	Consultants	\$50,000	\$7,277	\$50,000	\$42,723	587.09%
2813	Insurance/Bonding	\$80,000	\$83,213	\$86,000	\$2,788	3.35%
2824	Supplemental Funding	\$132,000	\$134,417	\$380,923	\$246,506	183.39%
4501	Travel Expenses	\$16,000	\$20,789	\$20,000	-\$789	-3.79%
5305	Equipment	\$4,000	\$5,683	\$4,000	-\$1,683	-29.61%
5701	Furniture/Fixtures	\$32,000	\$17,570	\$32,000	\$14,430	82.13%
5814	Medical Supplies	\$200	\$465	\$200	-\$265	-57.02%
5815	Supplies	\$65,000	\$64,611	\$65,000	\$390	0.60%
7401	Gasoline	\$8,000	\$7,866	\$8,000	\$134	1.71%
9401	Bibliographic/Resource sharing services	\$50,000	\$53,225	\$40,000	-\$13,225	-24.85%
	<b>Total</b>	<b>\$856,746</b>	<b>\$813,594</b>	<b>\$1,111,791</b>	<b>\$298,196</b>	<b>36.65%</b>

## Notes

1. Cuts in automation expenses include elimination of the telephone notification system, cable broadband services and increased offsets from federal eRate rebates.
2. Legal costs are increased in anticipation of bargaining unit negotiations in Q3 & Q4.
3. Supplemental funding costs have risen the third and final time to a total of \$200,000. In addition, the Commission is assuming one-half of the total amount (\$180,922) that the County is obligated to pay Bridgewater under the terms of a 2007 lease agreement. The share will rise to 100% in 2015 and beyond.
4. Bibliographic/Resource sharing services reductions reflect savings from lower-cost vendors.