

SOMERSET COUNTY LIBRARY SYSTEM
of NEW JERSEY

BUDGET 2023

Approved by the
Somerset County Library Commission

April 4, 2023



BUDGET 2023

SOMERSET COUNTY LIBRARY SYSTEM *of* NEW JERSEY



Somerset County Library System of New Jersey
partners with you to connect, to explore, to share, and to discover.

STRATEGIC PRIORITIES



Providing activities and places that **FOSTER SOCIAL INTERACTIONS AND CONNECTIONS.**



Connecting people to opportunities for **COMMUNITY ENGAGEMENT AND PARTICIPATION.**



Addressing the needs of **SHIFTING DEMOGRAPHICS.**



Exploring and enhancing the variety of ways **CUSTOMERS EXPERIENCE LIBRARY SERVICES.**

CORE SERVICES



Making **PERSONALIZED CONNECTIONS** between customers and materials.



Presenting programs that help community members **CONNECT, EXPLORE, SHARE, AND DISCOVER.**



Serving as a community **GATHERING SPACE.**



Promoting and supporting **LIFELONG LEARNING.**



Providing **TECHNOLOGY ACCESS AND EXPERTISE** that meet the needs of the community.



Creating opportunities that build Somerset County's **ECONOMIC AND WORKFORCE DEVELOPMENT.**

2023

For more information: [SCLSNJ.org/about/strategic-plan](https://www.sclsnj.org/about/strategic-plan).



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2022 IN REVIEW

In 2022 we...

- Maintained our *Library Journal* “Star” rating.
- Opened a new branch in Montgomery by transitioning collections, staff and library services from Mary Jacobs to Montgomery; and also added new services such as an outdoor holds locker and automated materials handling.
- Implemented mobile and BYOD (“Bring Your Own Device”) printing for customers.
- Begin circulating STEM kits.
- Onboarded three new branch managers.
- Redesigned, rearranged, and refurbished public and staff areas at Bridgewater with LAB monies.
- Conducted a third Managerial Development Cohort.
- Expanded community inclusion to include enhanced programs for members of the disabilities community.
- Developed plans for Mary Jacobs 2.0, a newly designed and reimagined “boutique” library in 3,000+ square foot space.
- Partnered with the county Department of Human Services to better help library users with mental health, substance use, and human service resource access.
- Continued to work with Emergency Rental Assistance Program (ERAP) coordinators in targeted communities to equitably increase community awareness of federal assistance monies.
- Offered a community open house day to celebrate the decades of exemplary Mary Jacobs branch service.
- Released a new, exclusive collection -- MixTapes, based on a staff suggestion and extensive staff input.



Traditional Mexican Dance Workshop
(families)
October 8
11:00 a.m. - noon
at the North Plainfield Library branch

Experience the joy of Mexican dance with Calpulli Mexican Dance Company! Dances will be modified to the participants' ability and often include the use of props!

Registration is required.
Visit SCLSNJ.org for more information.

The flyer features a photograph of two women in traditional Mexican dance attire, including large, colorful, flowing skirts and white blouses. The text is arranged in a clean, modern layout with decorative sun icons.

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2023: What Lies Ahead

Our plan for 2023 assumes at-the-cap growth in the budget. We will continue to seek and implement efficiencies in providing services. We will focus resources to match the strategic priorities and core services outlined in our strategic plan.

We will:

- Begin implementing the newly revised strategic plan, including a staff-wide refocus on all aspects of the user experience.
- Better align and integrate public- and non-public-facing services.
- Enhance service delivery efficiencies by adapting operating hours, providing and promoting opportunities for self-service and trying new service models.
- Partner with another library on our integrated library system.
- Work to extend reciprocal borrowing throughout Somerset County.
- Implement reciprocal borrowing to all New Jersey public library workers.
- Extend reciprocal borrowing to New Jersey county library card holders.
- Work with Watchung and Peapack and Gladstone on their library renovation projects.
- Redesign the Library's website.
- We will “float” the adult world languages collections and replenish our Spanish language collections.
- Enhance our social media presence within online library communities and share our job opportunities as a leading library system.
- Partner with academic and local county organizations on virtual and onsite recruitment events to showcase SCLSNJ as an employer of choice.
- Redesign our e-communications to align more with what our customers (told us) they need and want, and to also further improve our interactions (click-through rates).



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REVENUES

	2022	2023	DELTA
Non-resident fees	\$5,300	\$3,600	-32.08%
Copier Fees	\$10,200	\$11,600	13.73%
Passport Fees	\$43,400	\$57,700	32.95%
Taxes	\$18,293,499	\$18,645,769	1.93%
A & O Taxes	\$36,000	\$0	-100.00%
State Aid	\$116,036	\$116,072	0.03%
Interest	\$11,200	\$29,000	158.93%
Use of Fund Balance	\$984,000	\$1,190,000	20.93%
TOTALS	\$19,499,635	\$20,053,741	2.84%

NOTES

1. **General Reserves** is often referred to as “Fund Balance”. These are the aggregated unspent funds from prior years. They have two uses: they assist with cash flow and can be used as revenue in subsequent years.
2. **A & O Taxes** refers to added and omitted taxes which are collected during the year to account for revised property tax assessments on a given property (e.g., owner adds a finished basement that increases the value of the property).
3. **State Aid** is the amount of per capita funds received in the prior year from the NJ State Library. For information about how this is calculated, see the Appendix.
4. Anyone not otherwise eligible for a free card who wants full access to SCLSNJ services pays a **non-resident fee**.



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EXPENSES – PERSONNEL

	2022 Budget	2022 Actual	2023 Proposed	Deltas to 2022 Budget	
Salaries	\$10,825,202	\$10,328,973	\$11,093,777	\$268,575	2.48%
FSA Claims and Administration	\$5,000	\$6,065	\$5,000	\$0	0.00%
Waivers in Lieu of Benefits	\$95,000	\$101,699	\$102,000	\$7,000	7.37%
Health Benefits	\$2,576,069	\$2,314,068	\$2,360,350	-\$215,719	-8.37%
Social Security	\$835,395	\$758,666	\$856,477	\$21,082	2.52%
Pension	\$1,263,130	\$1,263,130	\$1,444,462	\$181,332	14.36%
Dental Benefits	\$60,000	\$63,386	\$64,000	\$4,000	6.67%
Voluntary Insurance	\$0	-\$5	\$0	\$0	
Conf/Mtgs/Staff Development	\$157,000	\$86,190	\$195,000	\$38,000	24.20%
Total	\$15,816,796	\$14,922,172	\$16,121,066	\$304,270	1.92%

Notes

1. “2022 Actual” includes encumbered (or “certified”) funds subject to subsequent de-certification.
2. The **Salaries** line assumes a 1% Merit basis and a 3% Guaranteed Minimum Increase assuming performance evaluations are consistent with the experience from prior years.
3. **FSA Claims and Administration** is the cost to provide health and child care savings accounts using pre-taxed income.
4. **Waivers in Lieu of Benefits** is the cost to offer a consideration to those staff who elect *not* to have health insurance because they are able to use their spouse’s insurance coverage. The sum is based on the experience from prior years.
5. **Pension** is the assessment we get from the County for our share of the total assessment for the Public Employee Retirement System. See the Appendix for an explanation of how this amount is calculated.
6. **Staff Development** costs include training and conference costs. Industry standards call for a staff development budget of 1% – 3% of total personnel costs. Our staff development costs represent 1.2% of the personnel budget. This line includes all training costs, fees, software licenses, trainers, materials and the costs of sending staff to professional conferences.



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EXPENSES – RESOURCES

	2022 Budget	2022 Actual	2023 Proposed	Deltas to 2022 Budget	
Preservation	\$500	\$0	\$500	\$0	0.00%
Programs	\$170,000	\$191,294	\$215,000	\$45,000	26.47%
Materials	\$1,900,000	\$1,870,017	\$1,910,000	\$10,000	0.53%
Digital Access	\$245,000	\$226,525	\$250,000	\$5,000	2.04%
Total	\$2,315,500	\$2,287,835	\$2,375,500	\$60,000	2.59%

Notes

1. “2022 Actual” includes encumbered (or “certified”) funds subject to subsequent de-certification.
2. These represent those expenses that place content directly “into the hands” of customers and total 11.8% of the overall budget.
3. **Preservation** covers any costs associated with rebinding or restoring historical materials of value.
4. **Materials** is all books, media, periodical and newspaper subscriptions, downloadable content and online resources.
5. **Digital Access** is the cost to provide high speed internet access, i.e., equipment, software and broadband costs.



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EXPENSES – OPERATING

	2022 Budget	2022 Actual	2023 Proposed	Deltas to 2022 Budget	
Outside Contracts	\$20,500	\$22,939	\$48,000	\$27,500	134.15%
Advertising	\$1,300	\$645	\$1,000	-\$300	-23.08%
Postage	\$21,000	\$20,176	\$27,000	\$6,000	28.57%
Marketing & Public Relations	\$35,000	\$22,684	\$30,000	-\$5,000	-14.29%
Printing	\$10,000	\$2,697	\$10,000	\$0	0.00%
Vehicle Expenses	\$4,500	\$0	\$3,000	-\$1,500	-33.33%
Technology	\$390,000	\$349,276	\$393,000	\$3,000	0.77%
Equipment lease/purchase/repair	\$20,000	\$19,514	\$20,000	\$0	0.00%
Legal	\$45,000	\$75,647	\$60,000	\$15,000	33.33%
Audit	\$8,000	\$5,400	\$6,000	-\$2,000	-25.00%
Insurance/Bonding	\$103,996	\$99,652	\$107,000	\$3,004	2.89%
Municipal payments	\$376,043	\$336,967	\$385,000	\$8,957	2.38%
Consultants	\$0	\$0.00	\$0.00	\$0	-
MJACOB Foundation	\$0	\$9,533	\$90,000	\$90,000	100.00%
Office Supplies	\$75,000	\$94,107	\$85,000	\$10,000	13.33%
Travel Expenses	\$25,000	\$15,874.63	\$13,175.00	-\$11,825	-47.30%
New Vehicle	\$52,000	\$0	\$103,000	\$51,000	98.08%
Equipment	\$75,000	\$12,652	\$75,000	\$0	0.00%
Furniture/Fixtures	\$50,000	\$72,844	\$55,000	\$5,000	10.00%
Gasoline	\$5,000	\$0	\$6,000	\$1,000	20.00%
Bibliographic/Resource sharing services	\$50,000	\$68,775	\$40,000	-\$10,000	-20.00%
Total	\$1,367,339	\$1,229,382	\$1,557,175	\$189,836	13.88%

Notes

1. "2022 Actual" includes encumbered (or "certified") funds subject to subsequent de-certification.
2. **Outside Contracts** includes expenses for collection agency fees, background checks, payroll and social media management.
3. **Advertising** is the cost to place legal notices and to advertise nationally for high level vacancies.
4. **Auto Repairs** are provided as a shared service from the County and these are our typical charge-back costs.



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5. **Technology Expenses** are split across OPERATING and RESOURCES. Those expenses used to provide customer-facing digital access are reflected in RESOURCES to better reflect their purpose as a direct service rather than as overhead.
6. **Equipment** lease/purchase/repair is the public and staff access photocopier/printer/scanners.
7. **Legal** is slightly higher to reflect anticipated costs for beginning bargaining unit negotiations.
8. **Municipal Payments** are a Library Commission initiative (not otherwise binding) to provide a token offset to hosting municipalities for their costs in providing the branches we operate. The Commission created a \$200,000 pool of funds which is distributed proportionately to the number of square feet of library space offered by each town (except Bridgewater) with a branch. The balance is the sum paid to Bridgewater for use by SCLSNJ for system level services, set by agreement at 44.2% of total building operating costs.
9. **Vehicles** is the sum required to purchase two passenger vehicles.
10. **Equipment** is higher this year to provide for one-time equipment purchases required to outfit Montgomery.
11. **Furniture/Fixtures** provides for office furniture and small modification projects.
12. **Bibliographic/Resource** sharing covers the cost of access to cataloging data.

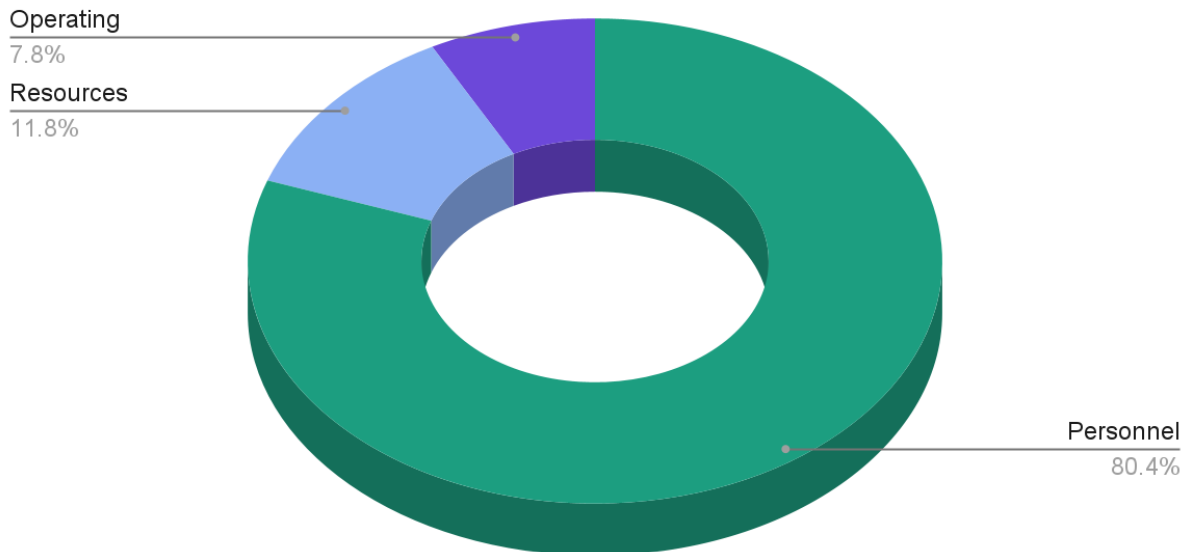


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TOTAL BUDGET

	2022 Budget	2022 Actual	2023 Proposed	Deltas to 2022 Budget	
Personnel	\$15,816,796	\$14,922,172	\$16,121,066	\$304,270	1.92%
Resources	\$2,315,500	\$2,287,835	\$2,375,500	\$60,000	2.59%
Operating	\$1,367,339	\$1,229,382	\$1,557,175	\$189,836	13.88%
TOTAL	\$19,499,635	\$18,439,390	\$20,053,741	\$554,106	2.84%



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PROJECTED USE OF THE FUND BALANCE

We propose to continue using surplus funds (fund balance) from prior years in three ways:

- to ensure adequate cash flow,
- to act as revenue for succeeding years and
- to fund one-time extraordinary planned purchases.

Assuming the following to be true:

- the tax rate increases for the years 2022 and 2025 will be 2%,
- all other revenue increases between 2023 and 2025 will also be 2%, and that
- we will add 3.1% of the approved prior year's budget to each subsequent year's fund balance,

WE ANTICIPATE FUND BALANCES AS FOLLOWS:

2022	2023	2024	2025
\$1,637,867	\$1,261,197	\$938,281	\$611,035



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**RESOLUTION SETTING THE 2023 BUDGET FOR THE SOMERSET COUNTY
LIBRARY SYSTEM
RESOLUTION 23-04-04**

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

NOW, THEREFORE, BE IT RESOLVED that the Commission adopts an operating budget in the amount of \$20,053,741 and sets the Library Tax Rate at a level to provide \$18,645,769;

AND REQUESTS that the Board of County Commissioners accept this budget and the tax rate it requires.

DATED: April 4, 2023

Roberta Karpinecz, Chair

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 5, 2023.

Brian K. Auger
Secretary to the Commission



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APPENDIX --

HOW STATE AID IS CALCULATED

The Per Capita State Aid (PCSA) program is the largest public library grant program administered by the State Library and is the foundation of state support for public libraries. The program is authorized pursuant to N.J.S.A. 18A:74-3 et seq.

In order to qualify for PCSA, libraries must meet minimum standards based on the population size of the community or communities they serve. There are standards for numbers of professional and other staff, operating hours, collections and other public service requirements. If the requirements are not met, the amount of PCSA is reduced. [Details can be found here](#)¹.

A sliding scale is used to calculate PCSA that is based on how close a given library's funding is to "full funding". Full funding is one half mil (.00050); our 2022 tax rate was .000443.

All of this assumes that the PCSA program itself is fully-funded, which it has not been since 2009. Because the program is not fully-funded, annual awards are pro-rated so as to not overspend the total amount available for award. [The statute governing the apportionment of state aid can be found here](#)².

HOW THE PERS COST IS CALCULATED

Equal to the PERS Contribution Rate published by the State of NJ multiplied by the annualized second quarter PERS pensionable wages from two years prior.

Therefore, for this year:

- PERS Contribution Rate: 17.11%
- 2021 annualized 2nd Q pensionable wages: \$8,442,206.90
- Result: \$1,444,461.60, rounded to \$1,444,462

¹ https://www.njstatelib.org/services_for_libraries/resources/library_law/page02-2/

² https://www.njstatelib.org/services_for_libraries/resources/library_law/state_aid/

