

BUCKS COUNTY
FREE LIBRARY  ESTABLISHED 1956

**2018 Operating and
Capital Budget**

**BUCKS COUNTY FREE LIBRARY
BUCKS COUNTY, PENNSYLVANIA**

**FINAL OPERATING AND CAPITAL BUDGET
FISCAL YEAR 2018**

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Prepared By:

Martina Kominiarek
Chief Executive Officer
and

John J. Doran III
Chief Financial Officer

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To obtain copies of this document, please visit our website at www.buckslib.org
or contact

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Message from the Library Board

The Bucks County Free Library serves our communities as a learning resource and public gathering place. Since our founding in 1956, we have provided the Bucks County community with an extensive catalog of materials, programs and resources. In addition to traditional services like book lending, we provide access to education, technology and inspiration, both online and at our seven branches.

Our 2018 Operating and Capital Budget will help us accomplish the community priorities and objectives reflected in our current strategic plan. Our citizens will benefit from increased funding from both the County of Bucks and the Commonwealth of Pennsylvania. In 2018:

- We will support high-bandwidth wireless connectivity and public access computers at all of our locations.
- We will host interactive story times, stay-and-play sessions in our children's areas and lively educational public performances of music and stories.
- We will provide a robust physical and electronic collection of books, movies and music that serves a diversity of reading, listening and viewing interests.
- We will offer inviting spaces for study, work, and connecting with others by conducting regular maintenance, ongoing physical improvements and capital projects in all of our facilities.

In the 61 years since our founding, many things have changed, but one thing stays the same: our library system plays a critical and valuable role within this community. In 2018, we look forward to serving the citizens of Bucks County and continuing to offer the community with safe and welcoming places to gather, explore new interests and connect with one another.

Bucks County has every reason to be proud of its libraries!

Roberta Foerst, President
Constance Moore, Vice President
Richard Rogers, Treasurer
Gerald Balchis, Secretary
William Draper, Trustee
Daniel Johansson, Trustee
Lawrence Jones, Trustee

Budget Message from the Chief Executive Officer

2018

In 2017, the Bucks County Free Library continued to provide our communities with strong collections of all types of materials for checkout and download, access to online resources for research and learning, and interactive programs for all ages.

We expanded our materials budget and online collections to include individual access to the New York Times from home and in the library. We added Newsbank, an archive of full text newspaper articles, including the Courier Times, the Intelligencer, the Philadelphia Inquirer, and the Morning Call. Investors can find comprehensive financial information in our new Morningstar subscription. All are free to Bucks County library card holders.

We made improvements to our facilities. In Doylestown, we installed the Backyard, an outdoor space where library users can read, relax, and enjoy nature and attend our programs and special events in 2018. In Quakertown, we installed the Discovery Studio, a room where we host changing interactive exhibits that spark the imagination. We began a renovation of the Levittown branch, which will include furniture and shelving upgrades. The renovation will be completed in 2018 with the help of funding from our Levittown Friends group.

In programming, we moved outside our walls to offer outreach and pop-up story times at many local businesses, from restaurants, to ice cream shops, to farmer's markets, to shopping malls throughout the County. We researched bookmobiles and firmed up plans to put a bookmobile on the road in 2018. In two of our branches, Bensalem and Levittown, we partnered with the Bensalem School District to offer lunches at the library as part of the Summer Food Program, a federally funded nutrition initiative targeted to at-risk children.

We introduced the Radio- Frequency Identification tags to our 477,666 items in our branches in late 2017 and will complete the project in early 2018. These tags will make your check out experience even smoother and faster. You are now able to use self-service checkout kiosks in our seven branches and check out multiple items at once.

There is so much going on at all our branches that I hope to see you at the library!



Martina Kominiarek, Chief Executive Officer

Bucks County Free Library Overview

Service Area

As a County library system, the Bucks County Free Library (BCFL) service area includes all of Bucks County. BCFL's seven branch libraries are located in Bensalem, Doylestown, Langhorne, Levittown, Lower Makefield, Perkasie, and Quakertown. As a designated Pennsylvania public library district and system, BCFL collaborates on county wide projects, shares a public catalog, and provides support services to 11 additional Bucks County public libraries. These libraries are independently governed and managed by their own local boards and directors.

Statistics

Population:	625,249
Registered Users:	181,664
Checkouts:	2,885,456
Collection Size:	498,511

In-Person Services

- Books, movies, music, newspapers, and magazines
- Special collections, such as board games, book club bags, exercise bags, early learning kits, educational toys, and cake pans
- Public access computers and free Wi-Fi access
- Copier/printers and high-resolution digital scanners
- Meeting rooms, group study rooms, and quiet study rooms
- Early learning programs, such as story times
- Help Desk assistance, including one-on-one assistance with technology and computer or device repair
- Passport Application Services (Bensalem)

Virtual Services

- Downloadable audiobooks, e-books, and magazine subscriptions
- Streaming videos and music
- Research databases, including business and genealogy
- Tutoring and homework help via Brainfuse
- Online learning via Lynda.com
- Early learning games via Let's Play School

BUCKS COUNTY FREE LIBRARY 2018 BUDGET							
GENERAL OPERATING BUDGET							
	2016	2017	2017	%	2018	2017 Actual vs	2017 Actual vs
	Budget	Budget	Actual	of Budget	Budget	2018 Budget	2018 Budget
INCOME						Variance	%
COUNTY ALLOCATION	6,003,000.00	6,003,000.00	6,003,000.00	100%	6,003,000.00	-	100%
STATE AID	2,684,306.18	2,684,306.18	2,684,306.18	100%	2,684,306.18	-	100%
LATE FEES	269,000.00	269,000.00	228,299.02	85%	205,000.00	(23,299.02)	90%
DONATIONS - GENERAL	60,000.00	60,000.00	153,478.00	N/A	79,000.00	(74,478.00)	51%
DONATIONS - EITC	60,000.00	60,000.00	44,000.00	N/A	25,000.00	(19,000.00)	57%
GRANTS	31,864.44	41,864.44	31,062.34	N/A	31,864.44	802.10	103%
PASSPORT INCOME - portion	-	50,000.00	50,000.00		79,774.26	29,774.26	160%
PHOTOCOPIER INCOME	53,000.00	53,000.00	63,108.74	119%	63,250.00	141.26	100%
VENDING MACHINE	5,000.00	5,000.00	4,306.70	N/A	4,000.00	(306.70)	93%
DISBROW TRUST INCOME	149,912.73	137,500.00	141,686.51	103%	137,500.00	(4,186.51)	97%
TOTAL REVENUE	9,316,083.35	9,363,670.62	9,403,247.49	100%	9,312,694.88	(90,552.61)	99%
PERSONNEL EXPENSES							
SALARIES & WAGES	4,406,800.46	4,415,752.69	4,085,998.25	93%	4,146,946.05	60,947.80	101%
BENEFITS	1,104,800.92	1,076,878.76	925,527.00	86%	988,924.18	63,397.18	107%
WORKER'S COMP	40,119.00	40,119.00	50,398.10	126%	56,906.00	6,507.90	113%
Breakage (Turnover)	(217,695.78)	(218,959.80)			(205,394.63)	(205,394.63)	
TOTAL PERSONNEL	5,334,024.60	5,313,790.65	5,061,923.35	95%	4,987,381.61	(74,541.74)	99%
MATERIALS							
BOOKS	705,500.00	696,200.00	824,263.80	118%	696,200.00	(128,063.80)	84%
AUDIO VISUAL	213,000.00	210,200.00	222,170.00	106%	182,900.00	(39,270.00)	82%
TOYS	5,000.00	6,500.00	18,582.00	286%	10,500.00	(8,082.00)	57%
SUBSCRIPTIONS & MICROFORMS	30,000.00	31,000.00	29,858.00	96%	31,000.00	1,142.00	104%
DATABASES	104,000.00	104,100.00	116,898.00	112%	135,400.00	18,502.00	116%
DOWNLOADS & STREAMING	387,400.00	427,400.00	445,849.00	104%	519,400.00	73,551.00	116%
PLATFORM FEES	42,600.00	24,600.00	24,600.00	100%	24,600.00	-	100%
TOTAL MATERIALS	1,487,500.00	1,500,000.00	1,682,220.80	112%	1,600,000.00	(82,220.80)	95%
GENERAL & ADMINISTRATIVE EXPENSES							
ACCOUNTING/AUDIT/PR SERVICES	48,475.00	50,000.00	62,926.00	126%	61,620.00	(1,306.00)	98%
ADVERTISING - PUBLIC RELATIONS	12,500.00	5,125.00	3,950.00	77%	3,625.00	(325.00)	92%
ADVERTISING - PERSONNEL	4,000.00	4,000.00	6,596.00	165%	2,500.00	(4,096.00)	38%
VISA/MC FEES	12,900.00	12,900.00	13,406.00	104%	25,600.00	12,194.00	191%
CONTRACT SERVICES	67,680.00	59,158.00	60,315.00	102%	67,800.00	7,485.00	112%
PHOTOCOPIER LEASE	43,166.04	33,000.00	41,131.00	125%	42,000.00	869.00	102%
LEGAL SERVICES	30,000.00	40,000.00	17,784.00	44%	35,000.00	17,216.00	197%
LIBRARY PROGRAMS - CONTRACTED	103,864.44	67,000.00	64,191.00	96%	73,750.00	9,559.00	115%
MEALS & TRAVEL	37,600.00	36,700.00	36,413.00	99%	34,250.00	(2,163.00)	94%
MEMBERSHIP DUES	85,096.73	82,667.00	93,446.00	113%	91,220.00	(2,226.00)	98%
POSTAGE	27,860.00	31,060.00	32,622.00	105%	41,400.00	8,778.00	127%
PRINTING	22,000.00	12,000.00	20,972.00	n/a	15,000.00	(5,972.00)	72%
PROFESSIONAL EDUCATION	54,500.00	43,593.00	35,472.00	81%	47,080.00	11,608.00	133%
STATE AID TO CPLs	313,849.00	313,849.00	313,849.00	100%	313,849.00	-	100%
VENDING MACHINE SUPPLIES	5,000.00	5,000.00	3,321.00	66%	4,000.00	679.00	120%
SUPPLIES - GENERAL	55,500.00	42,500.00	48,735.00	115%	45,750.00	(2,985.00)	94%
SUPPLIES - MATERIALS	69,000.00	85,000.00	86,039.00	101%	230,000.00	143,961.00	267%
SUPPLIES - PROGRAMMING	43,600.00	78,964.44	59,161.00	75%	94,504.44	35,343.44	160%
TOTAL G&A EXPENSES	1,036,591.21	1,002,516.44	1,000,329.00	100%	1,228,948.44	228,619.44	123%
PROPERTY & OVERHEAD EXPENSES							
BUILDING SUPPLIES	61,235.00	60,000.00	52,075.00	87%	55,000.00	2,925.00	106%
COMPUTER EQUIP & SUPPLIES	135,629.37	100,880.00	100,656.00	100%	92,741.74	(7,914.26)	92%
BUILDING & EQUIPMENT REPAIR	151,345.00	77,000.00	28,468.00	37%	77,000.00	48,532.00	270%
DELIVERIES - GAS & REPAIRS	16,000.00	16,000.00	20,320.00	127%	24,000.00	3,680.00	118%
FURNITURE & SHELVING	80,000.00	135,000.00	109,919.00	81%	117,500.00	7,581.00	107%
BUILDING & GROUNDS CONTRACT SVCS	116,600.00	172,000.00	121,229.00	70%	187,115.00	65,886.00	154%
HVAC	36,778.00	37,840.00	42,823.00	113%	52,508.00	9,685.00	123%
INSURANCE	19,095.00	19,700.00	17,974.00	91%	18,730.00	756.00	104%
INTEGRATED ON-LINE SYSTEM	200,587.24	223,270.00	161,483.00	72%	182,560.38	21,077.38	113%
JANITORIAL	121,468.12	178,950.00	134,054.00	75%	140,770.00	6,716.00	105%
PBX	17,000.00	22,500.00	14,802.00	66%	25,500.00	10,698.00	172%
SOFTWARE	90,463.30	75,905.70	87,404.00	115%	106,591.02	19,187.02	122%
TELEPHONE	14,450.16	21,600.00	17,610.00	82%	18,000.00	390.00	102%
TELECOMMUNICATIONS	78,566.60	77,829.28	69,478.00	89%	79,441.36	9,963.36	114%
UTILITIES	296,000.00	291,000.00	277,536.00	95%	295,000.00	17,464.00	106%
WASTE REMOVAL	17,849.50	18,480.00	19,039.00	103%	18,794.12	(244.88)	99%
TOTAL P&O EXPENSES	1,453,067.29	1,527,954.98	1,274,870.00	83%	1,491,251.62	216,381.62	117%
SUM OF EXPENSES	9,311,183.10	9,344,262.07	9,019,343.15	97%	9,307,581.67	288,238.52	103%
NET INCOME/LOSS OVER EXPENSES	4,900.25	19,408.55	383,904.34		5,113.21		
* = does not include funds applied to asset purchases							
7							

2018 Operating Budget Highlights

This report discusses the highlights and significant variances. Comparisons are based on 2018 projected revenue and expenditures to 2017 actuals. The operating budget does not include any plans for expenditure of capital funds to cover routine operations.

As with any budget, this is a road map and management's best estimate based on current conditions. If the budgeted amount of revenue is not received or there is an unanticipated spike in costs, the library's management team will strategically delay certain purchases or reduce expenses accordingly.

Revenue

County and State Aid will remain the same at \$6,003,000 and \$2,684,306, respectively. Other items to note:

- We have reduced revenue from fines by \$23,000 since the increase of online resources does not carry any late fees. Book and related collection material circulation has decreased slightly over the last few years.
- In 2017, we received several large donations and with the changes in the tax laws have lower our expectations for 2018.
- We have increased the portion of the Passport fees by \$29,000 to cover the personnel and direct expenses of this department.

Personnel Expenses

Personnel expenditures projected for 2018 are close to 2017 actual personnel expenditures. Some positions have been restructured and there are no new positions in this budget. We will work with our union and insurance broker to keep healthcare premium increases to 10% or less.

Bargaining Unit Wages: Bargaining unit employees received a new three-year contract as of January 2018. Included in this contract is a 2% wage increase.

Management and Non-Represented Wages: In contrast to bargaining unit employees, management and non-represented employees at BCFL do not receive automatic annual salary increases. The last management increase was awarded in 2015. There will be a cost of living (COLA) increase of 2% in 2018. In order to accomplish goals for offering attractive compensation, the performance bonus will remain the same as in 2017. We will review in 2018 all salary ranges and include any adjustments in the 2019 budget.

Collection Material Expense

We have increased the material budget \$100,000 over the 2017 budget.

General & Administrative Expense

In 2018 we introduced self-service kiosks, where patrons can check out material and pay their fines. These kiosks and our public copiers, will accept credit card payments. We have increased our VISA/MC fees, \$12,000, as part of this enhancement. In 2018, our collective bargaining agreement was renewed and we increased our budget for legal fees by \$17,000.

We will renew our online training contract with InfoPeople and continue to provide training opportunities for all staff and increase our budget \$11,000.

Through extensive research and review of bid proposals, our largest vendor, Baker & Taylor, will process, catalogue and direct ship collection material to our branches. This will vastly decrease the time an item is purchased to when it is placed on the shelf. It will cost us an additional \$143,000.

Supplies for public program such as Summer Quest, Science in Summer and Penn's Little Village, will increase \$35,000.

Property & Overhead Expense

We plan to resurface and strip the Perkasio and Doylestown parking lots, improve parking lot lighting at several locations, continue to provide support for Penn's Little Village and have funds for various repairs, increasing the budget \$48,000 over last year's actual.

Grounds contract services will increase by \$65,000. In 2017, our snow removal costs were minimal, but we have had major storms in early 2018 and we need to ensure we have funds for snow removal. Our annual maintenance fees for The Backyard, will be partially covered by a donation from the Friends of Doylestown Library.

In 2018, we will renew Blue Cloud Analytics, a Sirsi report module, for \$21,000. We will budget an increase in our telephone – PBX system over 2017 actuals for maintenance and better service by \$10,000

The software budget increased \$19,000. Several software packages for our servers, desktops and anti-virus programs are up for renewal in 2018.

Our utilities expense has not increased in several year, but we will budget \$17,000 to cover any increases.

**Bucks County Free Library
Capital Budget
2018-2020**

<u>Capital Projects</u>	2018	2019	2020
Outreach Bookmobile	175,000.00		
Doylestown - Technical Services Restroom Renovations	100,000.00		
Levittown Mobile Shelving and furniture upgrades	130,000.00		
Facilities Master Plan	75,000.00		
Mobile Service Desk & Self-Check	100,000.00		
IT Backup Generator	100,000.00		
Windows overlooking Doylestown Backyard garden		110,000.00	
Doylestown Elevator Rehab		168,000.00	
County-wide Shelving - 2019 & DY carpet		200,000.00	
Perkasie Restrooms Rehab		75,000.00	
Levittown Fire Alarm System		50,000.00	
Doylestown Fire Suppression System		75,000.00	
County-wide Shelving - 2020			100,000.00
Yardley Fire Alarm System			45,000.00
Yardley Staff Break Room Rehab			25,000.00
Bensalem Staff Break Room Rehab			25,000.00
Bensalem Fire Alarm System			50,000.00
Total	680,000.00	678,000.00	245,000.00

County Projects - Information only	2018	2019	2020
Doylestown Window Replacement - 1st Floor			230,000.00
DY - Metal Roof		750,000.00	
Total County Capital Projects	-	750,000.00	230,000.00

2018-2020 Capital Budget Highlights

At this time, BCFL plans to use our capital funds account to complete these projects. BCFL will apply for grants and search for other funding sources, such as potential donors or favorable variance from our operating budget, to cover the costs of these projects. Our Capital projects for the years 2018-2020 are listed below.

2018

Outreach Bookmobile - \$175,000

One of our strategic goals is to take library services out beyond our walls. A Bookmobile will allow us to provide services to senior centers, market days, daycare and summer camps as well as parts of the county that lack in library services.

Doylestown Technical Services Restroom Renovations – \$100,000

Staff restrooms in the back hallway are original to the building (1988). After renovation, BCFL will open these restrooms to the public to accommodate the high amount of public traffic in the building.

Levittown Mobile Shelving and Upgrades - \$130,000

The Levittown branch will become mobile. This project started in 2017 and with \$65,000 from the Friends of Levittown Library, will be completed in 2018. This project also includes reupholster and purchase of furniture.

Facilities Master Plan - \$75,000

For many years we have held \$40,000 aside to have June Garcia and an architect perform a branch-wide facilities master plan. We have received a proposal that will include a discovery, assessment and research portion; an analysis; and a final documentation and presentation.

Mobile Service Desk & Self-Check Furniture - \$100,000

As our RFID self-check kiosks are deployed, we anticipate the need for different service desks and furniture to make the areas attractive.

IT Server Room Generator - \$100,000

The IT department servers are located in the Doylestown Branch. Our check-out system, computer and internet access all rely on these servers and they need to be operational during a power outage in Doylestown. We will work with the County engineers to develop and install a generator.

2019

Windows Overlooking Doylestown Backyard Garden - \$110,000

We will install windows on the rear portion of the Doylestown branch to match the existing section of windows. This will allow a larger view of the Backyard garden.

Doylestown Elevator Rehabilitation – \$168,000

The Doylestown elevator is original to the building (1988) and we have received an engineering review which includes a partial overhaul.

County-Wide Mobile Shelving & DY Carpet - \$200,000

We will use this amount annually to continue making all of our shelving, mobile, across the county. This will allow easier access to material, move for large events, and reposition for future displays.

Perkasie Restrooms Rehab - \$75,000

The Perkasie restrooms need to be renovated and ADA compliant.

Levittown Fire Alarm System - \$50,000

The Levittown branch fire alarm system is original to the building (1990) and needs to be replaced to keep it in compliance with local ordinances and standards.

Doylestown Fire Suppression System - \$75,000

The fire suppression system at the Doylestown branch is original to the building (1988) and needs to have an engineering review and possible certain components will need to be replaced.

Doylestown Metal Roof Replacement – \$750,000

The Doylestown metal roof is original to the building (1988). It is visibly rusted and damaged. This is a specialty roof, and a professional engineering study will be completed in 2018 to determine replacement plans and costs. A reasonable estimate for this project is \$750,000, but will confirm this with a professional estimates and alternatives. We will submit a Keystone Grant in 2018 but the majority of the grant work and funding will occur in 2019. We will work directly with the County of Bucks to bid this project and help offset the cost of the replacement.

2020

County-Wide Mobile Shelving - \$100,000

We will use this amount annually to continue making all of our shelving, mobile, across the county. This will allow easier access to material, move for large events, and reposition for future displays.

Yardley Fire Alarm System - \$45,000

The Yardley-Makefield branch fire alarm system is original to the building (1990) and needs to be replaced to keep it in compliance with local ordinances and standards.

Yardley Staff Breakroom Rehab – \$25,000

This staff breakroom is original to the building, 1990, and the kitchen, bathroom and furniture needs to be replaced.

Bensalem Staff Breakroom Rehab - \$25,000

This staff breakroom is original to the building, 1981, and the kitchen, bathroom and furniture needs to be replaced.

Bensalem Fire Alarm System - \$50,000

The Bensalem branch fire alarm system is original to the building (1981) and needs to be replaced to be in compliance with local ordinance and standards.

Doylestown Window Replacement – \$230,000

The windows in Doylestown are original to the building (1988) and need to be replaced. Seals are visibly broken. New windows will be more energy efficient and reduce heating and cooling costs. The County of Bucks will directly bid this project.

2018 General and Reserve Funds

In 2017, BCFL established reserve funds to allow more sustainability for the future. These reserve funds include:

General Operating Reserve – These funds will support operations in the event of funding delays primarily by the County or State. The minimum amount to be designated as operating reserve will be an amount sufficient to maintain ongoing operations for three (3) months. The current balance necessary for this fund is \$2,500,000.

Capital Reserve – These funds will be used to cover future capital needs over and above any County allocation. Funds deposited into this account will occur only after the General Operating Reserve fund balances have been reached. The balance in this fund is unlimited and will be evaluated against future capital replacement needs.

Collection Material Endowment – This fund was established to provide an additional source of funding for purchases of collection materials (books, audio material, downloads, etc.). Revenue from book sales, lost and damaged fees and memorial donations, may be deposited into this account. We may use the interest, dividends and appreciation of stock, within a total return policy, to transfer to our operating budget.

Additions and Usage

General Fund

Only revenue and expenses from the 2018 operating budget.

Capital Reserve

We anticipate \$77,500 will be added to the Capital Fund from lost card, meeting room and passport revenue during 2018. Investment interest, dividends or gains/losses are not included. \$680,000 of capital improvements will be made in 2018 and details can be found in the 2018-2020 capital budget section.

Collection Material Endowment

We anticipate \$35,000 being added to this endowment, from book sales, memorial donations and lost and damaged fees in 2018. There are no plans to spend any of this fund in 2018.

Locations

Bensalem

3700 Hulmeville Road
Bensalem, PA 19020

Perkasie

491 Arthur Avenue
Perkasie, PA 18944-1033

Doylestown

150 South Pine Street
Doylestown, PA 18901-4932

Quakertown

401 West Mill Street
Quakertown, PA 18951-1248

Langhorne

301 South Pine Street
Langhorne, PA 19047-2829

Yardley Makefield

1080 Edgewood Road
Yardley, PA 19067-1648

Levittown

7311 New Falls Road
Levittown, PA 19055-1006