

BUCKS COUNTY
FREE LIBRARY  ESTABLISHED 1956

**2019 Operating and
Capital Budget**

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

2019 OPERATING AND CAPITAL BUDGET

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Prepared By:

Martina Kominiarek
Chief Executive Officer
and

John J. Doran III
Chief Financial Officer

In Memoriam

The Bucks County Free Library board appreciates the hard work and effort of our Trustee, Daniel Johansson, who passed away on November 27, 2018. He will be missed.

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

2019 OPERATING AND CAPITAL BUDGET

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

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Chief Financial Officer
Bucks County Free Library
150 South Pine ST
Doylestown, PA 18901
Phone: (215) 348-0332

Budget Message from the Chief Executive Officer

2019

In 2019, the Bucks County Free Library will continue to offer our communities 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 have a full slate of new initiatives we will be rolling out in 2019.

Our children's services staff plan to visit pre-school and daycare to offer as many story times as possible to children that might not be able to visit the library. We will put a small bookmobile on the road and make appearances at special events throughout the County. We will open two innovative spaces at our Bensalem and Quakertown branches, DIY Studios where adults can be creative using a laser printer, vinyl cutter, t-shirt press, or button machine. We will expand our volunteer program to include new, exciting job descriptions that go beyond shelving materials or dusting shelves.

At the Board and executive level, we will complete a long-term facilities plan for all branches, which we will use as a guide for renovation and improvements moving forward.

In our facilities, we also will upgrade our restrooms in Doylestown and Perkasie. Thanks to a major matching grant from the Pennsylvania Keystone Recreation, Park and Conservation Fund, together with Bucks County capital funds, we will replace the metal roof in Doylestown. In our Yardley-Makefield Branch, we will build a new interactive pre-school learning space called Career Corner.

We are looking forward to a busy and productive year.

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, adult ability tools, early learning kits, educational toys, and tools
- 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 2019 BUDGET							
GENERAL OPERATING BUDGET							
	2017	2018	2018	%	2019	2018 Actual vs 2019 Budget	2018 Actual vs 2019 Budget
	Budget	Budget	Actual	of Budget	Budget	Variance	%
INCOME							
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	205,000.00	212,817.00	104%	204,580.00	(8,237.00)	96%
DONATIONS - GENERAL	60,000.00	79,000.00	156,405.00	198%	113,000.00	(43,405.00)	72%
DONATIONS - EITC	60,000.00	25,000.00	25,000.00	100%	25,000.00	-	100%
GRANTS	41,864.44	31,864.44	26,584.00	83%	26,500.00	(84.00)	100%
PASSPORT INCOME - portion	50,000.00	79,774.26	79,774.26	100%	105,000.00	25,225.74	132%
PHOTOCOPIER INCOME	53,000.00	63,250.00	65,099.00	103%	62,500.00	(2,599.00)	96%
VENDING MACHINE	5,000.00	4,000.00	4,420.00	111%	4,000.00	(420.00)	90%
INTEREST	-	-	1,800.00	N/A	1,800.00	-	100%
DISBROW TRUST INCOME	137,500.00	137,500.00	153,990.69	112%	153,000.00	(990.69)	99%
TOTAL REVENUE	9,363,670.62	9,312,694.88	9,413,196.13	101%	9,382,686.18	(30,509.95)	100%
PERSONNEL EXPENSES							
SALARIES & WAGES	4,415,752.69	4,146,946.05	4,084,898.00	99%	4,278,026.75	193,128.75	105%
BENEFITS	1,076,878.76	988,924.18	886,615.00	90%	1,030,339.82	143,724.82	116%
WORKER'S COMP	40,119.00	56,906.00	56,906.00	100%	56,906.00	-	100%
Breakage (Turnover)	(218,959.80)	(205,394.63)			(232,652.16)	(232,652.16)	
TOTAL PERSONNEL	5,313,790.65	4,987,381.60	5,028,419.00	101%	5,132,620.40	104,201.40	102%
MATERIALS							
BOOKS	696,200.00	696,200.00	698,776.00	100%	695,200.00	(3,576.00)	99%
AUDIO VISUAL	210,200.00	182,900.00	161,838.00	88%	133,000.00	(28,838.00)	82%
TOYS	6,500.00	10,500.00	10,000.00	95%	10,500.00	500.00	105%
SUBSCRIPTIONS & MICROFORMS	31,000.00	31,000.00	30,000.00	97%	31,000.00	1,000.00	103%
DATABASES	104,100.00	135,400.00	132,450.00	98%	132,450.00	-	100%
DOWNLOADS & STREAMING	427,400.00	519,400.00	541,336.00	104%	571,250.00	29,914.00	106%
PLATFORM FEES	24,600.00	24,600.00	25,600.00	104%	26,600.00	1,000.00	104%
TOTAL MATERIALS	1,500,000.00	1,600,000.00	1,600,000.00	100%	1,600,000.00	-	100%
GENERAL & ADMINISTRATIVE EXPENSES							
ACCOUNTING/AUDIT/PR SERVICES	50,000.00	61,620.00	59,700.00	97%	59,700.00	-	100%
ADVERTISING - PUBLIC RELATIONS	5,125.00	3,625.00	6,503.72	179%	13,625.00	7,121.28	209%
ADVERTISING - PERSONNEL	4,000.00	2,500.00	686.00	27%	2,000.00	1,314.00	292%
VISA/MC FEES	12,900.00	25,600.00	25,767.00	101%	26,340.00	573.00	102%
CONTRACT SERVICES	59,158.00	67,800.00	55,205.00	81%	40,350.00	(14,855.00)	73%
PHOTOCOPIER LEASE	33,000.00	42,000.00	35,771.00	85%	38,400.00	2,629.00	107%
LEGAL SERVICES	40,000.00	35,000.00	27,500.00	79%	27,500.00	-	100%
LIBRARY PROGRAMS - CONTRACTED	67,000.00	73,750.00	59,000.00	80%	50,000.00	(9,000.00)	85%
MEALS & TRAVEL	36,700.00	34,250.00	42,500.00	124%	48,300.00	5,800.00	114%
MEMBERSHIP DUES	82,667.00	91,220.00	89,000.00	98%	89,712.00	712.00	101%
POSTAGE	31,060.00	41,400.00	40,000.00	97%	42,400.00	2,400.00	106%
PRINTING	12,000.00	15,000.00	15,000.00	100%	15,000.00	-	100%
PROFESSIONAL EDUCATION	43,593.00	47,135.00	59,000.00	125%	61,817.00	2,817.00	105%
STATE AID TO CPLs	313,849.00	313,849.00	313,849.00	100%	313,849.00	-	100%
VENDING MACHINE SUPPLIES	5,000.00	4,000.00	2,739.00	68%	4,000.00	1,261.00	146%
SUPPLIES - GENERAL	42,500.00	45,750.00	56,500.00	123%	57,040.00	540.00	101%
SUPPLIES - MATERIALS	85,000.00	230,000.00	101,444.00	44%	230,000.00	128,556.00	227%
SUPPLIES - PROGRAMMING	78,964.44	94,504.44	57,000.00	60%	62,029.00	5,029.00	109%
TOTAL G&A EXPENSES	1,002,516.44	1,229,003.44	1,047,164.72	85%	1,182,062.00	134,897.28	113%
PROPERTY & OVERHEAD EXPENSES							
BUILDING SUPPLIES	60,000.00	55,000.00	57,698.00	105%	61,000.00	3,302.00	106%
COMPUTER EQUIP & SUPPLIES	100,880.00	92,741.74	97,168.00	105%	103,780.00	6,612.00	107%
BUILDING & EQUIPMENT REPAIR	77,000.00	77,000.00	58,239.00	76%	74,000.00	15,761.00	127%
DELIVERIES - GAS & REPAIRS	16,000.00	24,000.00	19,547.00	81%	32,000.00	12,453.00	164%
FURNITURE & SHELVEING	135,000.00	117,500.00	133,067.00	113%	90,500.00	(42,567.00)	68%
BUILDING & GROUNDS CONTRACT SVCS	172,000.00	187,115.00	146,930.00	79%	151,800.00	4,870.00	103%
HVAC	37,840.00	52,508.00	39,557.00	75%	44,338.00	4,781.00	112%
INSURANCE	19,700.00	18,730.00	18,746.00	100%	20,920.00	2,174.00	112%
INTEGRATED ON-LINE SYSTEM	223,270.00	182,560.38	174,269.00	95%	182,211.35	7,942.35	105%
JANITORIAL	178,950.00	140,770.00	136,456.00	97%	141,048.50	4,592.50	103%
PBX	22,500.00	25,500.00	25,500.00	100%	8,000.00	(17,500.00)	31%
SOFTWARE	75,905.70	106,591.02	97,000.00	91%	156,146.59	59,146.59	161%
TELEPHONE	21,600.00	18,000.00	18,000.00	100%	18,000.00	-	100%
TELECOMMUNICATIONS	77,829.28	79,441.36	69,244.33	87%	72,744.33	3,500.00	105%
UTILITIES	291,000.00	295,000.00	284,221.00	96%	288,000.00	3,779.00	101%
WASTE REMOVAL	18,480.00	18,794.12	19,199.00	102%	18,794.12	(404.88)	98%
TOTAL P&O EXPENSES	1,527,954.98	1,491,251.62	1,394,841.33	94%	1,463,282.89	68,441.56	105%
SUM OF EXPENSES	9,344,262.07	9,307,636.66	9,070,425.05	97%	9,377,965.29	307,540.24	103%
NET INCOME/LOSS OVER EXPENSES	19,408.55	5,058.22	342,771.08		4,720.89		
* = does not include funds applied to asset purchases							
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2019 Operating Budget Highlights

This report discusses the highlights and significant variances. Comparisons are based on 2019 projected revenue and expenditures to 2018 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 \$8,237 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 2018, we received several large donations and have only budgeted the amount that we are certain will be received in 2019.
- We have increased the portion of the Passport fees by \$25,226 to cover our overall operating expenses.

Personnel Expenses

Personnel expenditures projected for 2019 are to increase \$104,201 over actual 2018. We are looking at filling one full time and one part time position. We will work with our insurance broker to keep healthcare premium increases to 10% or less.

Bargaining Unit Wages: Bargaining unit employees received a new three-year contract in 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. We have not budgeted a salary increase in 2019 and the performance bonus will remain the same as in 2017 and 2018.

Collection Material Expense

The material budget is \$1,600,000, the same as in 2018.

General & Administrative Expense

Contract services will decrease by \$12,855 since we completed the collection material outsourcing project in early 2018.

In late 2018, we began to outsource the cataloging and delivery of our books. This enables our material to reach our branches up to a week faster. The increase of processing materials will increase \$128,556, but we eliminated several positions that would have cost us \$180,000 in 2019.

Property & Overhead Expense

We plan to resurface and stripe the Quakertown and Langhorne parking lots, improve parking lot lighting and curbs at Langhorne, continue to provide support for Penn's Little Village and have funds for various repairs that occur during the year, increasing the budget \$15,761 over last year's actual.

Gas and Repairs has increased \$12,453 since we plan to have a new outreach vehicle.

We have budgeted \$90,500, which includes funds from the Disbrow Trust, to purchase and reupholster furniture. This is decreased by \$42,567 over 2018 expenditures.

Since we realigned our phone system in 2018, our PBX fees will decrease \$17,500.

The software budget increased \$59,147. Several software packages for our servers, desktops and anti-virus programs are up for renewal in 2019 and our warranty period for the self-check kiosks will expire in early 2019. Since these machines are still new to us, we will extend the warranty contract, costing \$55,021.

2019-2021 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.

2019

Outreach Vehicle - \$200,000

One of our strategic goals is to take library services out beyond our walls. This vehicle 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. We had approved \$175,000 for this project in 2018. We have attended conferences and looked at vehicles and plan to move forward with a purchase and implantation in 2019.

Doylestown Staff Restroom Renovations – \$174,000

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. Bids for this project were approved by the board in October 2018 with construction to occur in 2019. The amount for this projector will be drawn from our Covenant Bank capital account fund.

IT Server Room Generator - \$50,000

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 an engineer to develop and install a generator.

Doylestown Elevator Rehabilitation – \$178,000

The Doylestown elevator is original to the building (1988) and we have received an engineering review and a proposal which includes a partial overhaul. This project was approved by the board during the budget review in March 2018.

County-Wide Mobile Shelving and Doylestown Carpet - \$150,000

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. With the removal of the Doylestown stacks, we will need to replace the carpet underneath.

Perkasie Restroom Renovations - \$75,000

The Perkasie restrooms are original to the building. We will upgrade and bring the restrooms to current requirements. This project is partially funded by a \$47,824 bequest received in 2018 and a commitment from the Friends of Pierce Library for \$25,000.

Doylestown Metal Roof Replacement – \$886,920

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 was completed to determine replacement plans and costs. We received a Keystone Grant for \$443,460 in late 2018 and the County of Bucks will match the funds up to \$400,000 and we will cover the remaining \$43,460. The County will bid this project.

2020

County-Wide Mobile Shelving - \$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.

Windows Overlooking Doylestown Backyard Garden - \$200,000

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.

Perkasie Brick Façade Repair and Replacement - \$65,000

Many of the bricks need to be placed at the Perkasie branch. We will be asking the Pierce Library Association, owners of the building, to fund this project.

Doylestown Window Replacement 1st Floor– \$200,000

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.

2021

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 Flat Roof Replacement - \$400,000

In 2019-2020, the Doylestown metal roof will be replaced. The remainder of the roof, above Collection Management and Administration, will have an engineering assessment, put out to bid and replaced.

Levittown HVAC replacements - \$60,000

According to our capital replacement program, the Levittown HVAC units will be up for replacement.

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.

Doylestown Window Replacement – 2nd Floor - \$100,000

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

Bensalem Parking Lot Resurfacing - \$100,000

According to our capital replacement program, the Bensalem parking lot will be up for replacement. The County of Bucks will directly bid this project.

2019 General and Reserve Funds

Listed below are the additions and subtractions to all of our General and Reserve Funds.

General Fund

This fund is our general operating account. It acts as the account to receive allocations from State and County government, as well as funds from fines, grants, donations and other revenue sources. This account is also used to cover all of our operating expenses, such as payroll, general and administrative and overhead costs.

Capital Fund

Not to be confused with our Capital Reserve Fund, this account holds funds for immediate capital needs. When bequests or large non-operating funds are received, they are deposited into this account. A determination is made as to hold for immediate capital needs or to transfer to our Capital Reserve Fund.

General Operating Reserve – These funds will support operations in the event of funding delays primarily by the County or State. The minimum amount designated as operating reserve is equal 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 balance has 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 2019 operating budget.

Capital Fund

We received a bequest of \$47,824, designated for the Perkasio branch in 2018. These funds will be put towards the Perkasio Restroom Renovations. We received an unrestricted bequest of \$202,000 in 2018, which we held for Doylestown Staff Restroom renovations, IT server room back up generator, and our portion of the Doylestown Metal Roof Replacement.

Operating Reserve Fund

We do not plan on any additions or usage of this fund.

Capital Reserve

We anticipate \$108,500 will be added to the Capital Fund from meeting room and passport revenue during 2019. Investment interest, dividends or gains/losses are not included in this budget. \$528,000 of capital improvements will be made in 2019 and details can be found in the 2019-2021 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 2019. There are no plans to spend any of this fund in 2019.

Locations

Bensalem

3700 Hulmeville Road
Bensalem, PA 19020

Doylestown

150 South Pine Street
Doylestown, PA 18901-4932

Langhorne

301 South Pine Street
Langhorne, PA 19047-2829

Perkasie

491 Arthur Avenue
Perkasie, PA 18944-1033

Quakertown

401 West Mill Street
Quakertown, PA 18951-1248

Yardley Makefield

1080 Edgewood Road
Yardley, PA 19067-1648

Levittown

7311 New Falls Road
Levittown, PA 19055-1006