

Q&A

Bernardsville Public Library Financial and Related Issues

This is a working document – items will be added in reverse chronological order as community members suggest additions.

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Q: What is the 1/3 mil I hear people talking about?

A: A mill is 1/10 of a cent. One-third (1/3) of a mil equals 0.000333333. Multiply this fraction by the equalized assessed value of the real estate in a New Jersey municipality and you get the minimum required allocation for library funding for the next year if the town has a municipal library. There is a two-year lag in the assessment year and the funding year. The Department of Consumer Affairs determines how the real estate values are equalized on an annual basis.

Q: Can't the library cut expenses by closing the library earlier in the evening? It doesn't look like the library is very busy at that time.

A: In the first quarter of 2012, almost 3,000 people attended evening programs (2,972) and nearly 7,500 items were checked out (7,470) between 7 pm and 9 pm. The library doesn't look busy because there is less traffic in the central area at that time.

Q: Why doesn't the library apply for grants?

A: The library does apply for grants and is awarded some, but these have invariably been for specific projects (mobile app, ESL), not for operating expenses. Most grant makers give grants to organizations where they have a physical presence and other restrictions that Bernardsville doesn't meet due to the mainly residential nature of the town.

Bernardsville Library Foundation
Questions and Answers
April 2012

Q: What roles do the Friends of the Bernardsville Public Library and the Bernardsville Library Foundation play in supporting the Bernardsville Public Library and how are their objectives different?

A: These non-profit volunteer organizations support the Library in different ways. The Foundation provides money to fully fund the operating budget in current years and is establishing an endowment fund to provide a permanent source of funding for operating budget support. The Friends fund programs and services that are not covered by the Library's operating budget. These include such items as children's programs, ESL instruction, concerts and computers for Library patrons.

Q: How does our Library rank, statewide and nationally?

A: A national rating organization (Hennen American Public Libraries) ranked our Library as the best public library in N.J., and it consistently is ranked in the top 1% or 2% of all public libraries in the nation.

Q: How do the Friends, the Foundation and the Library Board of Trustees work together?

A: The Library Board of Trustees is responsible for overseeing the Library, setting policy and working with the Library Director to prepare the annual budget presented to the Mayor and Council for funding. The Friends and the Foundation solicits gifts from Bernardsville residents and other sources to support the Board in fulfilling the Library's mission.

Q: Why does the operating budget of the Library need Foundation funding?

A: New Jersey law contains a formula for minimum funding of municipal libraries based on the average of a municipality's property values over the previous three years. The law also allows the Borough's funding to be supplemented with monies from other sources. Bernardsville's property values have gone down in each of the last four years, but Library expenses have gone up. The Borough has allocated more from our tax dollars to the Library than the state-required minimum amount in each of the last two years. Last year the Bernardsville Library Foundation was established to seek public donations to help bridge the operational funding gap.

Q: How much did the Borough budget for the Library in 2011, and was it more than the state mandated?

A: The legal minimum was \$852,000 but the Borough recognized the value of maintaining the services and hours of the Library and appropriated \$897,000, the same amount that was provided in 2010 when the minimum required funding was \$860,000.

Q: What did the Foundation contribute to the Library for 2011?

A: The Library received \$33,000 from the Foundation for 2011, absorbing the unavoidable cost increases from 2010.

Q: What expenses are included in the Library operating budget?

A: The operating expenses of the Library include all the costs needed to keep the Library open and available for public use. These include employee salaries, books and other materials, utilities, maintenance, and technology-related expenses. It is noteworthy that some labor expenses are minimized through the generosity of volunteers. For example, the Bernardsville Garden Club helps maintain the wonderful planting around the Library and volunteers run the ESL program and maintain the Local History Room.

Q: *What will the Foundation contribute to the Library in 2012?*

A: The total need for Foundation help to keep the current level of excellence is expected to be about \$65,000 if the Mayor and Council meet the need for municipal funding in the Library Board's 2012 initial draft base budget.

Q: *Will nonendowment gifts to the Foundation in 2012 all be provided to the Library?*

A: Possibly. The need is greater in 2012 and the nonendowment reserve monies on hand from 2011 may also be needed to fully fund Library operations.

Q: *What expenses does the Foundation have?*

A: The Foundation's largest expenses in 2011 were for sponsoring our first Homes of Distinction fundraising event and for mailing our introductory letter to all local residents. There are significant donations of food, drinks and services to support the Homes of Distinction Fundraisers. In 2011, the Foundation's start-up year, expenses were about 9% of total income. In 2012, expenses are expected to be 5% to 8% of total income. The Foundation does everything possible to minimize expenses. To date, many costs have been met by members of the Library Board and Foundation Board. For example, the Foundation Trustees hosted a Donor Recognition Reception in February 2012 without any Foundation payment for refreshments through the generosity of Foundation Trustees.