

BALTIMORE COUNTY
FISCAL YEAR 2014 RECOMMENDED BUDGET

DEPARTMENT OF LIBRARIES (037)

BUDGET SUMMARY

\$ in Thousands

PROPOSED CHANGE	GENERAL	SPECIAL	TOTAL	% Change Prior Year
FY 2013 - 2014 Change	\$ 1,338.3	\$ 30.6	\$ 1,368.9	3.3%
Recommended Reduction	-	-	-	
 BUDGET TRENDS				
FY 2012 Actual	\$ 34,070.3	\$ 7,379.7	41,450.0	
FY 2013 Approp.	33,925.3	7,351.7	41,277.0	-0.4%
FY 2014 Request	35,263.6	7,382.3	42,645.9	3.3%
Recommended	\$ 35,263.6	\$ 7,382.3	\$ 42,645.9	3.3%

PERSONNEL

PROPOSED CHANGE	<u>ALL FUNDS</u> FULL-TIME EQUIVALENT POSITIONS
FY 2013 - 2014 Change	0
Recommended Reduction	0
 BUDGET TRENDS	
FY 2012 Actual	492
FY 2013 Approp.	521
FY 2014 Request	521
Recommended	521

VACANCY DATA

Positions Vacant as of April 17, 2013*	8
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* Provided by BCPL

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BUDGET SUMMARY: The proposed FY 2014 budget for the Department of Libraries totals \$42.6 million, an increase of \$1.4 million, or 3.3%, from the FY 2013 budget. The General Fund portion of the budget increases by \$1.3 million, or 3.9%, while the Special Fund portion increases by \$30 thousand, or 0.4%. The increase in the budget is primarily due to a full year's worth of operating costs for the Owings Mills Branch. **See Exhibit 1 for additional detail.**

Exhibit 1			
FY 2014 Proposed Budget (\$ in 000's)			
How Much it Grows:	<u>General Fund</u>	<u>Special Fund</u>	<u>Total</u>
2013 Appropriation	\$ 33,925	\$ 7,352	\$ 41,277
2014 Request	<u>35,264</u>	<u>7,382</u>	<u>42,646</u>
\$ Increase	\$ 1,339	\$ 30	\$ 1,369
% Increase	3.9%	0.4%	3.3%
Where it Goes:			
Personnel Expenses:			
Owings Mills (increase from 6 months to 1 full year)			\$1,033
Increments and other salary adjustments			127
Turnover (increase from 1.3% to 1.6%)			(81)
Part-time salary reductions due to technology			(300)
Personnel-Related Expenses:			
Employee Health Insurance			381
Owings Mills (increase from 6 months to 1 full year)			67
FICA			14
Unemployment			10
County Retirement System			(2)
Parking Rental Subsidy (for employees and volunteers)			(15)
Operating Expenses:			
Library Books.....			77
Gas & Electric.....			48
Owings Mills (increase from 6 months to 1 full year including service contracts, maintenance, utilities, janitorial, electric).....			38
Professional Services (marketing, technology support, financial services)			37
Permits, Licenses, Fees.....			15
Rentals (equipment, facilities)			4
Data Processing Equipment Maintenance			(14)
Supplies (stationery, operational, janitorial, vehicle).....			(18)
Service Contracts (security services)			(20)
Reproduction (marketing and graphic production).....			(21)
Other Changes (mileage, conferences, telephones, postage).....			(11)
Total:.....			\$1,369

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RECOMMENDED BUDGET REDUCTIONS

No recommended reductions.

SIGNIFICANT PROGRAM/POLICY INITIATIVES AND/OR CHANGES:

1. Owings Mills Branch \$1.1 million

On March 21, 2013, BCPL opened its 19th and largest branch (54,333 square feet) at the Owings Mills Town Centre. The branch consists of a collection of 120,000 items, 70 public access computers, 6 self-service checkout stations, 4 study rooms, 65 study tables, and a children's early learning center. Amenities include a magazine lounge, 80 lounge chairs, a future café, and 4 LCD flat screen televisions. BCPL's proposed FY 2014 budget includes approximately \$1.9 million for full-time (\$1.2 million – increase of \$645,958 over the FY 2013 budget) and part-time (\$686,654 – increase of \$386,654 over the FY 2013 budget) personnel and \$139,733 in personnel-related costs (increase of \$67,531 over the FY 2013 budget) to operate BCPL's Owings Mills branch.

BCPL will share the building and resources with CCBC, which will begin offering classes on July 8, 2013. BCPL occupies the first two floors while CCBC occupies floors four through six, with the third floor being shared between BCPL and CCBC. Shared space and resources include computer labs, faculty and administrative offices, multi-purpose testing and corporate training centers, and several "smart" classrooms. BCPL will be open Monday through Thursday, from 9:00 a.m. to 9:00 p.m., Fridays and Saturdays, from 9:00 a.m. to 5:30 p.m., and Sundays, from 1:00 p.m. to 5:00 p.m. CCBC's hours of operation are tentatively set at 8:00 a.m. to 10:30 p.m. on weekdays and 9:00 a.m. to 4:30 p.m. on weekends.

BCPL and CCBC will enter into a Memorandum of Understanding (MOU) whereby CCBC will serve as the "lead partner" and be responsible for building management and facility operations. The cost of the services (including utilities) will be divided based on assigned square footage, which includes assigned shares of common areas at the Centre (CCBC-57% and BCPL-43%). CCBC also will be responsible for public safety and these costs will be split 50/50 in accordance

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with the operating schedule of each entity. In this regard, BCPL's proposed FY 2014 budget also includes \$269,997⁽¹⁾ for its portion of operating costs to be paid to CCBC, which is an increase of \$37,885 over the FY 2013 budget.

BCPL should be prepared to discuss:

- ***When the MOU will be finalized;***
- ***Whether the draft MOU is based on the lower-cost existing contractual terms (e.g., CCBC contract vs. BCPL contract for authorized services);***
- ***Any challenges (e.g., staffing, parking, etc.) in light of on-going construction at the Town Centre site; and***
- ***Benefits and challenges of a shared-use facility.***

2. Technological Advancements (\$295,429) (net savings)

BCPL continues to identify technology initiatives to improve its operations and services offered to its patrons. In FY 2013, BCPL subscribed to Zinio (\$40,000 platform subscription and \$2,766 magazine subscription fees), an online service that allows an unlimited number of BCPL patrons the ability to instantly download to their electronic devices (at no-charge) more than 100 current magazine titles, 24 hours a day. BCPL advised that between inception (December 2012) and March 2013, Zinio downloads totaled 22,842. The proposed FY 2014 budget includes \$47,000 for Zinio subscription fees, a slight increase (\$4,234) over the FY 2013 budget.

In FY 2013, BCPL began offering a second e-book lending service (3M Cloud Library), which provides patrons the ability to access more than 2,500 titles. BCPL was the first library system in the nation to interface this service with its catalog system (Polaris) to make for a seamless transition for the user. In FY 2013, BCPL estimates costs of \$169,251 (\$10,000 subscription and \$159,251 content fees) and has advised that recent developments with two large publishing houses should expedite the time in which BCPL can purchase bestsellers and expand the selection of available e-book titles. BCPL advised that patrons' use of the 3M service has quadrupled since its launch in September 2012 (total downloads of 20,338 as of March 2013)

⁽¹⁾ BCPL's proposed FY 2014 budget was developed using an allocation of 57% (CCBC) to 43% (BCPL) for building management and facility operations as well as public safety costs instead of the 50/50 public safety cost allocation that appears in the current draft MOU. As a result, BCPL's FY 2014 budget is \$6,468 less than the amount needed based on the current draft MOU as of May 13, 2013.

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and that it expects this service to increase as more titles become available. The proposed FY 2014 budget includes the same level of funding for the 3M Cloud Library as in FY 2013 (\$169,251); however, BCPL advised that this amount could increase if more e-book titles become available, at which point it would reduce budgeted funds for print materials.

At the start of FY 2014, BCPL expects to have Voice over Internet Protocol (VoIP) installed at all of its branches. BCPL's current telephone system is out-of-date, no longer supported or repairable. BCPL advised that after consultation with the County, it was able to "piggy-back" onto the County's VoIP project. VoIP will allow BCPL to utilize its existing broadband Internet access to place and receive phone calls. BCPL advised that the total cost of implementing VoIP is \$561,530 and estimates that monthly charges in FY 2014 to approximate FY 2013 costs (approximately \$6,000), however the VoIP system will be newer, supported, and allow BCPL to gather data on concurrent line usage, which is not available in its current system. BCPL advised that after VoIP is implemented, it will work with the County to ensure that it is deriving all of the possible benefits from this system.

BCPL continues its use of self-check out, which utilizes Radio Frequency Identification (RFID) technology to allow patrons to check out materials, so the need to use part-time circulation staff can be significantly reduced. BCPL advised that it has a 90% self-check out rate. The proposed FY 2014 budget reflects a savings of \$299,663 in part-time staffing costs due to the RFID technology.

BCPL should be prepared to discuss:

- ***Challenges of keeping up with emerging technologies;***
- ***Additional technology projects that could benefit patrons (and result in savings);***
- ***How e-lending costs compare to print lending costs; and***
- ***In what ways, if any, e-lending activity affects print lending costs and decisions (see Issue #3).***

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OTHER ISSUES:

3. Fines and Fees

BCPL generates a portion of its revenues (approximately 6%) through fines for overdue materials and fees for various services such as DVD/video rentals, lost card replacement, and copies. The proposed FY 2014 budget includes combined fine and fee revenue of \$2.5 million, an increase of \$50,000 from the \$2.4 million budgeted in FY 2013, primarily due to increased usage of BookAhead (\$45,000), which is a service to reserve a title before its release date.

BCPL advised that fines and fees are an incentive for customers to return items on a more timely basis in order to cost-effectively satisfy demand. BCPL further advised that it hasn't increased book fines since July 2009, because one of the more prominent concerns expressed by patrons is the relative higher rates charged by BCPL compared to other jurisdictions, which could lead to patrons not utilizing services.

While trying to hold the line on book fines, BCPL is faced with a burgeoning demand for downloadable materials, including electronic books, which do not present an opportunity for generating overdue fees, as borrowed material is automatically removed from a patron's device at the end of the borrowing period. BCPL advised that from July 2012 to March 2013, patrons initiated a total of 172,444 downloads (120,482 e-book, 29,120 e-audiobook, and 22,842 magazine).

BCPL should be prepared to discuss:

- ***Whether e-lending activity has impacted the resources available to purchase hard-copy materials; and***
- ***Any new strategies it is considering for generating revenues in the electronic era.***

4. Hours of Operation

BCPL advised that one of its primary goals is to provide convenient hours of operation to the public while maintaining vital library services in challenging economic times. To this end during FY 2013, BCPL extended its Sunday hours (at a cost of \$24,833) to include the months of

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September and May (previously Sunday hours were only offered for October through April), which is more consistent with the school year, for 9 branches (Pikesville, Perry Hall, Arbutus, Catonsville, Cockeysville, North Point, Randallstown, Sollers Point, and White Marsh). These locations will compliment the four other BCPL branches that maintain Sunday hours year-round (Towson, Owings Mills, Woodlawn, and Rosedale).

BCPL should be prepared to discuss the feasibility of it increasing Sunday hours at its other branches.

5. Bookmobiles

BCPL currently operates four bookmobiles that serve County residents. "Library on the Go, Senior" is a handicap-accessible vehicle that carries approximately 3,000 volumes and makes community stops in Edgemere, Owings Mills, Jacksonville, and Rosedale. "Library on the Go, Junior" is also a handicap-accessible vehicle that carries approximately 2,000 volumes and generally serves senior centers, retirement homes, and special needs schools. The vehicles provide checkout, return, reservation, and delivery services. The other two bookmobiles, "Read Rover" and "Read Rover Plus," focus on serving children and offer monthly visits to licensed day care facilities. In addition to picture and easy nonfiction books, these bookmobiles offer story time programs for pre-readers, themed flyers which include reading tips, a craft idea, book lists, CDs, DVDs, and storytelling materials.

In November 2012, the "Read Rover" bookmobile (with a mileage of 84,125) suffered total damage in an accident. BCPL replaced the vehicle in February 2013 by purchasing a used bookmobile (with 30,000 miles) from Caroline County for \$35,900.

On May 7, 2012, the Council authorized the County to enter into a Conditional Purchase Agreement not to exceed approximately \$83 million to finance the cost of various equipment purchases. Of this amount, \$435,000 is earmarked for BCPL to purchase three new bookmobiles (2 to be purchased in FY 2014 and 1 in FY 2015).

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BCPL advised that it continually evaluates the demand for services at each of its bookmobile stops to phase out locations with low demand and add locations from its waiting list (see Exhibit A for potential changes BCPL is considering for FY 2014).

BCPL should be prepared to discuss:

- ***Timing for implementing proposed changes and the impact of the new Owings Mills branch on stops;***
- ***The extent of its waiting list and the approximate time frame to service requests;***
- ***How it promotes the bookmobile services to patrons at scheduled stops; and***
- ***How it notifies potentially affected patrons in the event that it is considering phasing out a given scheduled stop.***

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Exhibit A

<u>Stop</u>	<u>Location</u>	<u>Proposed Action</u>
<u>Community Stops</u>		
New Town Village Center	Owings Mills	Drop - Owings Mills library
North Point Road	Edgemere	Drop - low attendance
<u>Senior Living - "Library on the Go Senior" and or "Library on the Go Junior"</u>		
Park View Miramar Landing	Essex	Add
Park View Fullerton	Fullerton	Drop/Change - low door count
Brightview Fullerton	Fullerton	Drop/Change - low door count
Masonic Home	Hunt Valley	Drop/Change - low door count
New Town Senior Apartments	Owings Mills	Drop/Change - low door count
Morningside House Assisted Living	Parkville	Add
Emeritus Pikesville	Pikesville	Drop/Change - low door count
Woodholme	Pikesville	Drop/Change - low door count
Sunrise	Pikesville	Drop/Change - low door count
Brightwood	Pikesville	Drop/Change - low door count
Annen Woods Senior Housing	Pikesville	Add
Reister's View/Reister's Clearing	Reisterstown	Drop/Change - low door count
Meadows	Reisterstown	Add
Presbyterian Home	Towson	Drop/Change - low door count
<u>Children - "Read Rover" and or "Read Rover Plus"</u>		
Y Journeys Preschool	Catonsville	Add
Michele's Open Arms	Chase	Add
Jamie Bennett	Dundalk	Add
Twice as Nice	Edgemere	Drop - not enough children
Christine & Kim's Day Care	Edgemere	Add
Katie's Kids	Essex	Drop - dropped BCPL service
Saint Stephens Creative	Essex	Drop - delinquent library card account
Little Cubs Family Day Care	Essex	Add
Step by Step	Hunt Valley	Drop - delinquent library card account
CAN the Learning Garden	Loch Raven	Drop - delinquent library card account
Coopers Corner Day Camp	Middle River	Add
Lil Kidz Kastle	Owings Mills	Drop - delinquent library card account
Magic Moments	Owings Mills	Drop - delinquent library card account
Melissa Ward	Owings Mills	Add
Celebree of Perry Hall	Perry Hall	Drop - delinquent library card account
Discovery at Woodholme	Pikesville	Add
Discovery at Fort Garrison	Pikesville	Add
Discovery at Summit Park	Pikesville	Add
Bell Family Day Care	Randallstown	Drop - not enough children
Brenda's Day Care	Randallstown	Drop - location closed
Excellent Start	Randallstown	Drop - delinquent library card account
His Way Family Child Care	Reisterstown	Add
Thirza Cruz	Reisterstown	Add
Promised Generations	Rosedale	Add
Hillendale	Towson	Drop - delinquent library card account
Forest Christian Child Care	Upperco	Add
Loftin Love Learning Center	Windsor Mill	Add

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APPROPRIATION DETAIL

	<u>FY 2012 ACTUAL</u>	<u>FY 2013 APPROP</u>	<u>FY 2014 REQUEST</u>	<u>NET CHANGE</u>	
				<u>AMOUNT</u>	<u>%</u>
<u>General Fund</u>					
3701 General Administration					
General Fund	\$ 6,813,715	\$ 6,421,530	\$ 6,903,806	\$ 482,276	7.5%
Special Fund	1,352,655	1,409,500	1,373,237	(36,263)	-2.6%
Total	<u>8,166,370</u>	<u>7,831,030</u>	<u>8,277,043</u>	<u>446,013</u>	<u>5.7%</u>
3702 Circulation/Information Services					
General Fund	13,434,902	13,810,612	14,489,460	678,848	4.9%
Special Fund	2,889,000	2,935,412	3,076,700	141,288	4.8%
Total	<u>16,323,902</u>	<u>16,746,024</u>	<u>17,566,160</u>	<u>820,136</u>	<u>4.9%</u>
3703 Customer Support Services					
General Fund	10,577,357	11,182,091	11,078,144	(103,947)	-0.9%
Special Fund	2,443,000	2,351,200	2,342,800	(8,400)	-0.4%
Total	<u>13,020,357</u>	<u>13,533,291</u>	<u>13,420,944</u>	<u>(112,347)</u>	<u>-0.8%</u>
3704 Buildings/Vehicle Maintenance & Operation					
General Fund	3,244,298	2,511,116	2,792,200	281,084	11.2%
Special Fund	695,000	655,600	589,600	(66,000)	-10.1%
Total	<u>3,939,298</u>	<u>3,166,716</u>	<u>3,381,800</u>	<u>215,084</u>	<u>6.8%</u>
Grand Total	<u>\$ 41,449,927</u>	<u>\$ 41,277,061</u>	<u>\$ 42,645,947</u>	<u>\$ 1,368,886</u>	<u>3.3%</u>
<u>Funds Recap:</u>					
Total General Fund	\$ 34,070,272	\$ 33,925,349	\$ 35,263,610	\$ 1,338,261	3.9%
Total Special Fund	<u>7,379,655</u>	<u>7,351,712</u>	<u>7,382,337</u>	<u>30,625</u>	<u>0.4%</u>
All Funds Total	<u>\$ 41,449,927</u>	<u>\$ 41,277,061</u>	<u>\$ 42,645,947</u>	<u>\$ 1,368,886</u>	<u>3.3%</u>

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PERSONNEL DETAIL				
	<u>FY 2012 ACTUAL</u>	<u>FY 2013 APPROP</u>	<u>FY 2014 RECOMM</u>	<u>NET CHANGE</u>
3701 General Administration	18	18	18	0
3702 Circulation/Information Services	369	404	404	0
3703 Customer Support Services	86	85	85	0
3704 Buildings/Vehicle Maintenance & Operation	<u>19</u>	<u>14</u>	<u>14</u>	<u>0</u>
All Funds Total	<u><u>492</u></u>	<u><u>521</u></u>	<u><u>521</u></u>	<u><u>0</u></u>

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MAINTENANCE OF EFFORT (M.O.E.)

		<u>M.O.E.</u>
1 <u>Minimum Library Program</u>		
(a) Baltimore County Population	809,941	
(b) Amount per Capita	\$ 14	
(c) Minimum Library Program (a) x (b)		\$11,339,174
2 <u>Local Share</u>		
(a) Local Wealth for Baltimore County	\$ 55,151,750,914	
(b) Statewide total minimum program	\$ 81,596,046	
(c) Statewide local share percentage	60%	
(d) Statewide local share (b) x (c)	\$ 48,957,628	
(e) Total wealth of all counties	\$ 443,648,559,722	
(f) Multiplier (d)/(e)	0.01104%	
(g) Local Share = Local wealth (a) x multiplier (f)		\$ 6,088,753
3 <u>State Share of Minimum Program Contingent Upon Meeting Local Share (1 - 2)</u>		<u>\$ 5,250,421</u>
4 <u>Amount Over Local Share</u>		
Proposed FY 2014 General Fund Appropriation		\$35,263,610
Local Share (2)		<u>6,088,753</u>
Amount Over Local Share		<u>\$29,174,857</u>