



LibraryLinkNJ

THE NEW JERSEY LIBRARY COOPERATIVE

Town Hall

May 19 and 21, 2025

Meeting Agenda

- **Presentation on the following topics**
 - Proposed FY26 Budget (July 1, 2025 to June 30, 2026)
 - Proposed changes to the LibraryLinkNJ Bylaws
 - FY26 statewide delivery service Cost Share contribution
- **Time for Q&A**
 - Please limit your question or comment to two minutes
 - Individuals that have not yet asked a question or commented will be given priority
 - We will do our best to respond to your question or comment in the time allotted for this meeting
- **Wrap-up**

Proposed FY26 Budget

A draft of the ***Proposed LibraryLinkNJ FY26 Budget*** is located at

<https://drive.google.com/file/d/19bMGeYiQM9Xe32OirwqzVbYQJEgV3gDP/view?usp=sharing>



Proposed FY26 Budget (cont'd)

- We **expect to receive flat funding** from NJSL in FY26 (July 1, 2025 - June 30, 2026). However, our funding could be impacted by changes to the State budget before it is finalized.
- The total expenses in the **FY26 budget is \$78,585 less than FY25**. This is a **3.5% reduction** from last year.
- We have **reduced our use of reserves** to balance the budget in FY26.
- The budget includes a **2.6% COLA for staff** as recommended by our Personnel Committee using the NJLA salary guide.
- The **health insurance line includes a 10% increase** in anticipation of a possible increase in plan costs for calendar year 2026.

Proposed FY26 Budget (cont'd)

Budget lines in the following areas were reduced significantly to create a more sustainable budget that continues to maintain a high level of service to our members:

- 7747 - Office Equipment / Furnishings
- 7756 - Legal
- 7758 - Organizational Memberships (NJLA, ICOLC)
- 7771 - Software
- 7772 - Supplies/Office Expenses
- 9724-l - CE Technology (e.g., Zoom)
- 9724-m - LearningSpace - On Demand Staff Development
- 9726-c - Delivery Supplies (plastic bags & totes)
- 9760 - Strategic Initiatives & Special Projects

Proposed FY26 Budget (cont'd)

- The proposed budget includes a **10% (average) increase to the cost share** contributed by libraries receiving statewide delivery 2, 3, 4, or 5 days per week.

LibraryLinkNJ - The New Jersey Library Cooperative
***Proposed* BUDGET - Fiscal Year 2026**

Line #	SOURCE OF INCOME	FY25	FY26
4530a	State Funds Grant	\$1,750,000	\$1,750,000
4530b	Bank Interest	\$65,000	\$47,000
4530c	Fund Balance Appropriated	\$144,780	\$73,186
	Total Income	\$1,959,780	\$1,870,186

Line #	REIMBURSEMENT INCOME	FY25	FY26
4747	Other Income - Fees from CE Workshops	\$20,000	\$25,000
4797c	Other Income - Libraries Delivery Cost Share	\$192,000	\$207,000
4797	Other Income - Libraries pay for extra delivery days	\$37,700	\$28,709
	Total Reimbursement Income	\$249,700	\$260,709
	GRAND TOTAL INCOME	\$2,209,480	\$2,130,895

Line #	OPERATING EXPENSES	FY25	FY26
7732	IT Consulting	\$1,800	\$500
7744	Accounting & Other Professional Services	\$25,000	\$25,000
7746	Auto - Mileage	\$2,500	\$2,500
7747	Office Equipment / Furnishings	\$8,000	\$2,500
7751	Retirement Plan - 403(b)	\$75,000	\$70,000
7754	Insurance-Worker (Health and Fringe Benefits)	\$120,000	\$138,000
7756	Legal	\$18,000	\$15,000
7757	Insurance-Organization	\$10,000	\$9,000
7758	Organizational Memberships (NJLA, ICOLC)	\$3,500	\$2,000
7759	Insurance-Other (3 year 10% Bond on Retirement Plan)	\$550	\$0
7760	Postage	\$750	\$750
7765	Professional Materials & Memberships	\$0	\$300
7770	Payroll Expenses	\$586,000	\$580,000
7770	Taxes	\$59,000	\$58,000
7770-2	Contractually Obligated Employee Expenses	\$1,000	\$500
7771	Software	\$5,000	\$2,500
7772	Supplies/Office Expenses	\$5,000	\$2,500
7774	Telephone	\$3,200	\$3,500
	Total Operating Accounts:	\$924,300	\$912,550

Line #	MANDATED EXPENSES (Contractual & Services)	FY25	FY26
9723	Committee / Board Support	\$500	\$100
9724	CE: Programs, Subsidies, Scholarships, Staff & Board Development		
9724-a	Professional Development Subsidies for Libraries	\$0	\$0
9724-b	Board Development	\$500	\$500
9724-c	Staff Professional Development	\$10,000	\$12,000
9724-i	Sponsorships & Subsidies for Organizations/Conferences	\$5,000	\$5,000
9724-j	Scholarships - NJLA Equity Scholarships	\$8,500	\$8,500
9724-k	Webinars & Programs (Presenter Fees)	\$10,000	\$10,000
9724-l	CE Technology (e.g., Zoom)	\$6,000	\$3,000
9724 m	LearningSpace - On Demand Staff Development	\$12,000	\$8,000
9726	Delivery - LLNJ Expense	\$854,680	\$856,236
	Delivery - Fuel Surcharge	\$36,000	\$0
9726-b	Delivery Postage	\$500	\$500
9726-c	Delivery Supplies (plastic bags & totes)	\$18,000	\$15,000
9734	Planning & Evaluation Services	\$0	\$0

9737	Public Relations & Marketing		
9737-a	Newsletter/Email/Social Media	\$3,200	\$3,200
9737-b	Marketing & Promotion	\$2,500	\$2,500
9737-d	Other - Legal notices	\$600	\$600
9738	Website - Maintenance & Development		
9738-a	Development, Design & Consulting	\$12,000	\$12,000
9737-b	Maintenance	\$4,000	\$3,500
9747	CE Workshop Expenses	\$20,000	\$25,000
9760	Strategic Initiatives & Special Projects - NJ Libraries EDI Initiative - \$10,000 - L-TAG Events & Training (presenters) - \$6,000	\$50,000	\$16,000
9760-q	MentorNJ	\$1,500	\$1,000
9760-u	FY23 Level Up Grants - Final 10% payments		
9797	Delivery - Libraries pay for extra delivery days - July 1, 2024 - June 30, 2025	\$37,700	\$28,709
9797-c	Delivery Cost Share Expense - July 1, 2024 - June 30, 2025	\$192,000	\$207,000
	Total of Mandated Accounts:	\$1,285,180	\$1,218,345
	TOTAL EXPENSES	\$2,209,480	\$2,130,895

Proposed Bylaws changes

The current *LibraryLinkNJ Bylaws* can be found at

<https://librarylinknj.org/sites/default/files/pdfs/BYLAWS%20LibraryLinkNJ%20Revised%20061323.pdf>



Proposed Bylaws changes (cont'd)

The Bylaws Committee proposes that following changes be made to “Article X - Finances” in the LLNJ Bylaws:

Remove the following item:

d. Two signatures shall be required on all checks issued of more than \$3,000 and which are not routine expenses.

Why?

In July 2023, our board adopted new [Finance Policies and Procedures](#) that incorporate this policy.

Proposed Bylaws changes (cont'd)

Remove the following item:

f. Beginning, January 1, 2020 no fee or cost share required of LLNJ Members may increase by more than 2% in any fiscal year.

Why?

A 2% cap does not allow LLNJ to increase fees and cost share to keep in pace with inflation and reasonable increases in costs for services supplied by our vendor partners.

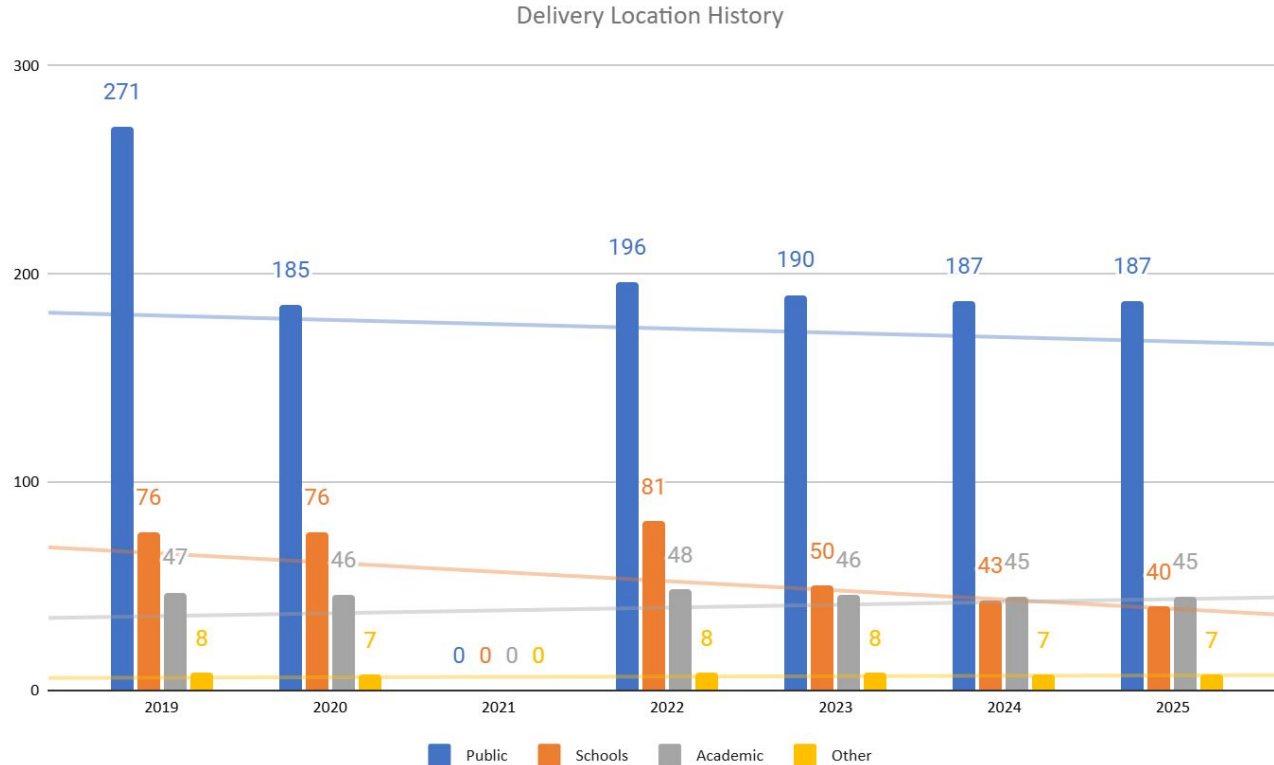
Cost Share History

- In 2018, the Delivery Task Force recommended a cost share rate for FY19 of 17% for libraries with 1-3 stops per week, and a 27% rate for libraries with 4-5 stops.
- In 2019, the Delivery Task Force recommended a single rate for FY20 of \$3.82 per stop statewide as a more equitable way to assign costs.
- With the exception of FY21, the cost share has increased by 2% each year.
 - FY21 - \$3.82
 - FY22 - \$3.90
 - FY23 - \$3.98
 - FY24 - \$4.06
 - FY25 - \$4.14

Why does cost share need to be recalculated?

- The proposed budget includes a **10% (average) increase to the cost share** contributed by libraries receiving delivery 2, 3, 4, or 5 days per week.
- Proposing a “Cost Correction”
 - Cost share revenue has not kept pace with increases in the cost of delivery service. These increases have averaged 3% per year.
 - The pending agreement with TForce includes a 2.3% increase at renewal for years 2 and 3.
- Our funding from NJSL was reduced in FY23 by \$90,000
- Decrease in number of locations receiving delivery
- Flat rate contract
- Need for a balanced, sustainable budget

How many locations receive delivery?



How many locations receive delivery? (cont'd)

	Public	Schools	Academic	Other
FY19	271	76	47	8
FY20	185	76	46	7
FY21	n/a	n/a	n/a	n/a
FY22	196	81	48	8
FY23	190	50	46	8
FY24	187	43	45	7
FY25	187	40	45	7

Delivery Contract Costs

Contracted Cost of Statewide Delivery	
FY23	\$1,036,493
FY24	\$1,050,600
FY25	\$1,082,118
FY26	\$1,091,945

Delivery Contract Costs (cont'd)

- In September 2022 (FY23), after determining that the new “per stop” contract was exceeding our budget, we negotiated a flat rate contract with TForce at the cost of \$850,000 for the remainder of the year.
- The total cost of contracted delivery service for **FY23** was **\$1,036,493**.
- In FY23 LLNJ also paid
 - **\$37,767 for fuel surcharges** and
 - **\$11,492 for delivery supplies**
 - These costs were not passed on to our membership.

Delivery Contract Costs (cont'd)

- In **FY24**, the cost of contracted delivery service was **\$1,050,600**
- The cost of contracted delivery service increased by 3% in FY24
- In FY24 LLNJ also paid
 - **\$27,140.51 for fuel surcharges** and
 - **\$16,599 for delivery supplies**
 - These costs were not passed on to our membership.

Delivery Contract Costs (cont'd)

- In **FY25**, the cost of contracted delivery service was **\$1,082,118**
- The cost of contracted delivery service increased by 3% in FY25
- In FY25 LLNJ will pay
 - **\$11,272 (estimated) for fuel surcharges**
 - **\$15,997 for delivery supplies**
 - These costs will not be passed on to our membership.

Delivery Contract Costs (cont'd)

- For the coming year (**FY26**), we anticipate that the cost of contracted delivery service under the new contract with TForce will be **\$1,091,945**
- This is a flat rate contract with a 2.3% renewal increase each year
- We plan on passing this increase on to locations receiving delivery in FY27 and FY28.

How much of the delivery cost does LLNJ subsidize?

- LLNJ subsidizes more than 80% of the cost of the statewide delivery contract
- LLNJ also pays for supplies like the blue delivery bins and plastic bags

How much will a library's cost share increase in FY26?

- For libraries receiving delivery 2, 3, 4, or 5 days per week, the location's cost share contribution will increase by an average of 10% over last year.
 - *Your library's increase might vary, because we have normalized the increase so all locations are contributing the same amount based on their delivery frequency.*

Delivery Frequency	Public, Academic, Other	K-12 Schools
1 day per week	\$188	\$176.50
2 days per week	\$458	\$356
3 days per week	\$676	\$526.44
4 days per week	\$906	n/a
5 days per week	\$1,134	n/a

How much will a library's cost share increase in FY26?

A list of all delivery locations and their proposed cost share contribution for FY26 is located at

https://docs.google.com/spreadsheets/d/1GJeFhySFQVF9YRMj2QIWxkCNpALOd_sveXQUbzNszlY4/edit?gid=71733468#gid=71733468



How will our library be billed for the new cost share?

- LLNJ will send invoices to all locations in early July 2025
- Your invoice will show the following:
 - **Total cost of delivery**
 - **Amount subsidized** by LLNJ
 - **Amount due within 90 days** of invoice date
 - Equal to FY25 cost share plus 2%
 - **Amount due January 31, 2026**
 - Amount of cost share increase
 - Your library can opt to pay full amount right away if that is easier for your process

How can we calculate the value of the delivery service for our library?

- One way to calculate the value of the delivery service to your library is determine the cost per item sent and/or received.
- For public libraries, you can use the NJSL annual statistical report data for your library
 - Interlibrary Loans Received From Other Libraries
 - Interlibrary Loans Provided To Other Libraries
 - Reciprocal Borrowing Circulation
- $\text{Cost per ILL Rec'd} = \text{Cost Share} / \text{ILLs Rec'd}$

How can we calculate the value of the delivery service for our library? (cont'd)

List of all public libraries showing the value of statewide delivery based in NJSL borrowing statistics:

https://docs.google.com/spreadsheets/d/18eJYd4UBYVCoKVGGEANVFPiB3W3OB_Sr9j/edit?usp=sharing&ouid=114960895858177382114&rtpof=true&sd=true

For School, Academic, and other locations, you will need to gather similar statistics from you local system.



Questions?

- Please limit your question or comment to two minutes
- Individuals that have not yet asked a question or commented will be given priority
- We will do our best to respond to your question or comment in the time allotted for this meeting

Can my library purchase extra delivery days?

- Some libraries opt to pay for **unsubsidized delivery** to their branches.
- These libraries will be billed \$22.22 for each delivery day in FY26
- There are a few libraries that have paid for a “extra” day of delivery per week in the past.
 - No longer necessary due to the flat rate contract
- Those libraries will no longer be charged for the “extra” day starting July 1, 2025.

How will missed delivery days be accounted for?

- We are working with TForce on a new process that will enable us to issue credits for certain missed deliveries.
- TForce will make every effort to make up a missed delivery the next business day.
- For 5 day per week locations, we will document missed deliveries
- Any credits will be applied on your cost share invoice for the next year

Can my library request a change in level of service?

- We will handle all requests for changes to the delivery service on a case-by-case basis.
- Changes to delivery frequency can impact the efficiency and turnaround time on your library's route
- Reductions in delivery frequency can create a backlog at the warehouse
- The vendor determines the structure and timing of delivery routes

Who do I contact with questions or concerns?

Ralph Bingham, Executive Director

ralph@librarylinknj.org / (732) 752-7720, option 4

Jennifer Bruno, Administrative Operations Manager

jennifer@librarylinknj.org / (732) 752-7720, option 3

Or **schedule a meeting** via the Contact Us page on our website at

- <https://librarylinknj.org/about-us/contact>