

**MINUTES OF THE BOARD OF TRUSTEES OF THE PUBLIC LIBRARY
OF CINCINNATI AND HAMILTON COUNTY**

Date: June 26, 2009

Meeting: Special

Place: Board Room - Main Library - 800 Vine Street

SPECIAL MEETING

ROLL CALL

Trustees Present: Mrs. Gettler, Mr. Hendon, Mrs. Khoury,
Mrs. LaMacchia, and Mr. Moran

Trustees Absent: Mr. Sittenfeld and Mr. Wright

Present: Kimber L. Fender and Patricia Schoettker

PUBLIC COMMENT

John Vidmar, a member of the staff and the SEIU union, stated that he was speaking on behalf of the union representative, who was unable to attend the meeting. Mr. Vidmar advised the board that the union would do anything to help and cooperate with the Library to address current funding issues. Mr. Moran thanked Mr. Vidmar, acknowledging that the Library is looking for financial support from the union for the levy in November. Mr. Vidmar responded that the money is there.

FURTHER REDUCTIONS TO PUBLIC LIBRARY FUND

Ms. Fender reported that the financial outlook of the Library worsened last week – first with news from the Office of Budget and Management of further reduced funding estimates, then with an announcement that the Governor is proposing to cut more than \$200 million from the Public Library Fund in the next biennium. Our Library, along with other public libraries throughout Ohio, has been promoting our strong opposition to this proposal.

Impact on 2009

Ms. Schoettker reported that based on the revised funding estimate, our Library will receive \$38.5 million in Public Library Funding this year – \$5.8 million less than budgeted. On June 9, the Board approved the transfer of \$2.5 million from the St. Bernard and Reading Funds and \$1 million from the Building and Repair Fund to the General Fund for operating expenses. With this new estimate,

she recommended that the transfer from Building and Repair be increased to approximately \$3 million.

This increase includes unspent monies in the 2008 Maintenance project but also requires cancellation of the 2009 Maintenance project – recommended by both Ms. Fender and Ms. Schoettker. The Board approved an award of contracts for this project on June 9, but contracts have not been executed.

Mr. Moran moved that the Board approve increasing the transfer from Building and Repair to approximately \$3 million, along with cancellation of the 2009 Maintenance project. Mrs. Khoury seconded.

Voting for the motion: Mrs. Gettler, Mr. Hendon, Mrs. Khoury, Mr. Moran, Mrs. LaMacchia ... 5 ayes. The motion carried. **(43-2009)**

Ms. Schoettker reported that with enactment of the Governor's proposal, our library can expect to receive \$12 million less funding than was budgeted. To continue to operate with such a significant reduction in funding, Ms. Fender advised that we would need to come back to the Board in August for authorization for further cuts, including:

- cancellation of planned purchases (e.g. additional self-check machines and daguerreotype display case)
- use of all remaining unrestricted gift and special revenue funds
- use of contingencies for emergency building repairs and insurance deductibles
- reduction of the library materials budget
- reduction of staff salaries and benefits, through salary reductions, furloughs or lay offs. A survey of non-union staff indicated that 73% were willing to accept a pay reduction for the balance of 2009 in the range of 5-7%.

These actions exhaust all remaining options, but one. That option, the elimination of staff positions, can only be accomplished by reducing hours, closing branches, eliminating support services, or a combination of all three.

Impact on 2010

Ms. Schoettker reported that the impact in 2010 could be devastating. If every available dollar of capital, special revenue and trust fund revenue is used this year, 2010 operations will be solely dependent upon new revenue. Our 2010 budget requires state (or levy) funding of almost \$66 million. At the current estimate, the Public Library Fund will provide only \$37.5 million; with the Governor's proposed cuts, that amount is reduced to \$25.5 million. A local property tax levy, if passed, will add \$20 million.

PLF at Estimate; Tax Levy Approved - The current best scenario occurs with the PLF at \$37.5 million, plus approval of our local property tax levy. With this funding, we can continue current operations, fund a \$2.5 million maintenance project, and have \$5 million remaining for other capital needs.

PLF Reduced; Tax Levy Approved - However, if the PLF is reduced to \$25.5 million, even the local property tax levy will not be enough to fund current operations. The operating budget will be short over \$4 million, there will be no capital funding and we will have no reserves to call upon.

PLF Reduced; Tax Levy Defeated - If the PLF is reduced to \$25.5 million and the local property tax levy fails, the gap between funding and current operations will exceed \$24 million.

The Special Meeting was then adjourned.

President

Attest: Secretary