

PUBLIC LIBRARY COOPERATIVE

The Public Library Cooperative (PPLC) serves eligible residents of Pinellas County and its member public libraries. The Cooperative serves these groups through the management of county, state and federal funds for library development and by facilitating the sharing of materials and resources among its members. The Cooperative is funded by a millage levy in a portion of the unincorporated areas of the county and per capita dues paid by the participating municipalities without libraries. The maximum millage rate that can be levied is 0.5 mills.

0214 PUBLIC LIBRARY COOPERATIVE FUND

Department Revenues by Fund		FY09 Budget	FY09 Projection	FY10 Request
0214	AD VALOREM TAXES	5,997,350	5,997,350	5,187,700
	COUNTY OFFICER FEES	24,360	24,280	19,990
	INTEREST EARNINGS	45,030	11,020	9,990
	SUBTOTAL - REVENUE	6,066,740	6,032,650	5,217,680
	BEGINNING FUND BALANCE	326,330	482,300	396,860
	TOTAL REVENUE & FUND BALANCE	6,393,070	6,514,950	5,614,540
	Millage Rate	0.4437		0.4437

Department Expenditures by Fund/Cost Center		FY09 Budget	FY09 Projection	FY10 Request
0214	OPERATING EXPENSES	23,600	23,600	40,110
	GRANTS & AID	6,130,000	5,973,070	5,187,700
	TRANSFERS	126,490	121,420	105,190
	SUBTOTAL - EXPENDITURES	6,280,090	6,118,090	5,333,000
	RESERVES	112,980	0	281,540
	TOTAL EXPENDITURES	6,393,070	6,118,090	5,614,540
	Less Reserves	-112,980	0	-281,540
	TOTAL EXPENDITURES W/O RESERVES	6,280,090	6,118,090	5,333,000

Personnel Summary

County Funded Permanent Full-Time Positions	0	0
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Target Reconciliation

FY09 Projection Target at 97%:	97%
FY10 Budget Request Target:	Not Applicable

PUBLIC LIBRARY COOPERATIVE TOTAL BUDGET		FY09 Budget	FY10 Request
	County Funded Budget	6,393,070	5,614,540
	State Funded Budget	1,000,000	500,000
	Total Budget	7,393,070	6,114,540

Pinellas County FY10 Budget Development
Major Program Budget Service Level Changes

Pinellas Public Library Cooperative

<u>Program/Service</u>	<u>Financial Impact</u>	<u>FTE</u>	<u>Result</u>
Unincorporated Area Library Services	(\$942,300)	0.0	Estimated reduction in Ad Valorem Tax collections results in a 15% reduction of Grants & Aid available to membership libraries and for administration expenses.

Pinellas County FY10 Budget Development
Budget Summary Analysis

SFA: Environment, Open Spaces, Recreation, and Culture
Department: Public Library Cooperative

Fund 0214 - Public Library Cooperative Fund

- The FY09 Projection meets the 97% target. The FY09 Projection is \$6,118,090 or 97% of the FY09 Budget.
- The FY10 Request target is not applicable. The Pinellas Public Library Cooperative (PPLC) is funded from a separate property tax levy and at the current millage rate of 0.4437 mills will experience a reduction of 13.5% in Ad Valorem collections. The rate may need to be adjusted depending on the actual certified taxable value provided by the Property Appraiser.
- The countywide library expenditures per capita, \$33.42, are part of the formula for determining the MSTU Library Cooperative contribution. This analysis is based on the current millage rate which would generate \$5.2 million, resulting in a per capita MSTU contribution of \$25.26. For FY10, the PPLC has requested the maximum millage rate that can be levied, 0.5 mills. The maximum millage rate would generate \$5.9 million or \$658,000 more than the current millage rate. This amount would equate to \$27.85 per capita.
- The County's Public Library Cooperative Fund provides reimbursements to member libraries for providing MSTU residents access to free library services.

State-Aid-Funds

- In FY09, every dollar spent on libraries locally generated 2.5 cents in State Aid. It is estimated in FY10, one dollar spent locally will generate only 1.7 cents in State Aid. In FY01, this number was 10.6 cents per dollar spent.
- State Aid funds programs (e.g. Talking Book Library for the Blind & Physically Handicapped; Deaf Literacy Center; Electronic resources for all residents; Delivery Services to facilitate sharing of books and materials; Countywide Library Automation Systems; Program and operating materials and support) that would not be available otherwise without impacting other library services.

Name of Department: Pinellas Public Library Cooperative
Strategic Focus Area: Environment, Open Spaces, Recreation, & Culture

Program	Classification	Description	FY10 Total Program Allocation (\$)	FTE's*	FY10 Total Program Revenue (\$)	Performance Measures	Estimated FY10
County Budget							
Unincorporated Area Library Services <i>Pursuant to an Inter-local agreement between 15 member libraries</i>	Essential	Funds are distributed to member libraries to allow access to services by unincorporated area residents and to improve the quality of library service countywide. The distributions are based on an Interlocal Agreement; the current agreement expires in 2013. Of the total, 95% is allocated according to a formula based on population and per capita library expenditures; 10% is allocated based on non-resident circulation of library materials; and 5% is allocated for facility expansion or special projects or programs.	\$4,928,320		see note	Registered Borrowers	670,000
						Library Circulation	6,180,000
						Library Visits	5,100,000
						Expenditures per Capita	\$ 31.09
Library Cooperative Administration	Administrative	Personnel (3FTE) manage Cooperative funds and countywide library programs; includes operating and capital expenses.	\$259,380	3*	see note		
	Administrative - Other	Tax Collector fees, Full Cost Allocation	\$145,300		see note		
SUBTOTAL - EXPENDITURES			\$5,333,000		\$0		
Reserves	Administrative	Reserves	\$281,540		see note		
TOTAL (County Budget):			\$5,614,540	3*	\$0		

Note: This budget is totally supported by a separate property tax levy for the Pinellas Public Library Cooperative

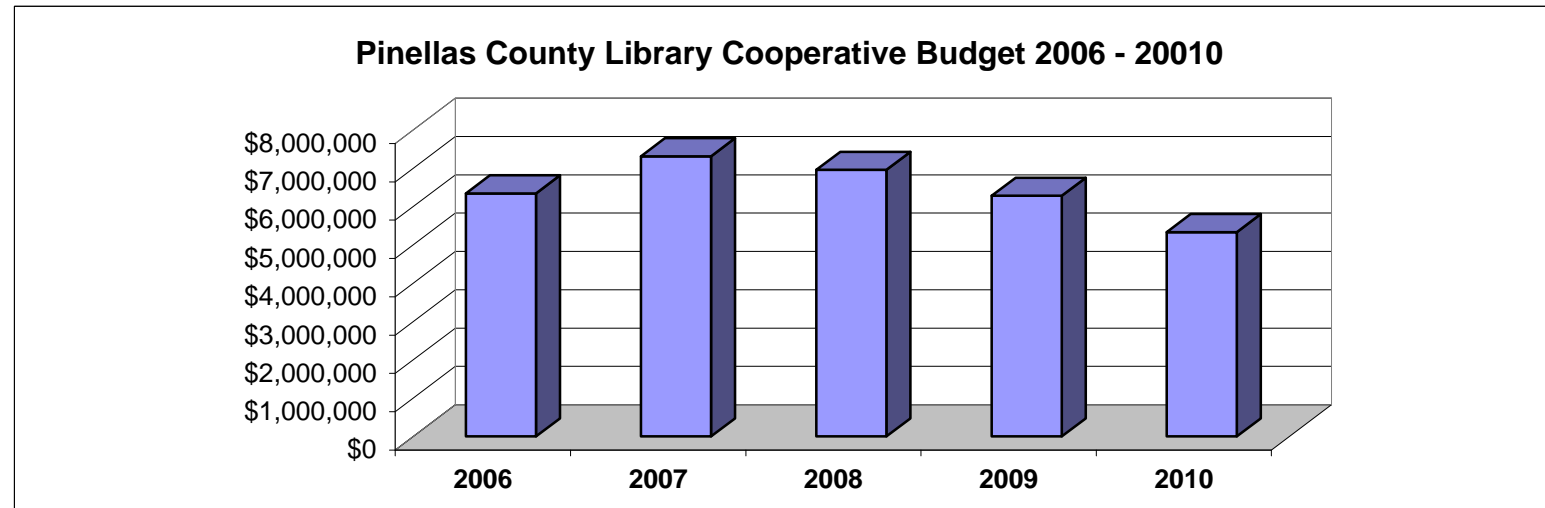
* = Grants & Aid expenditures include the 3 FTEs. These FTEs are not County personnel positions.

State-Aid-Funds							
County-wide Library Programs	Essential	By offering a cooperative library service, State Aid funds are made available to the Cooperative. These funds would not otherwise be available without a consolidated countywide library system. State Aid funds a variety of county-wide programs, including: the Talking Book Library for the Blind & Physically Handicapped; the Deaf Literacy Center; Electronic Resources for all residents; Delivery Services to facilitate sharing of books and materials; Countywide Library Automation System; Program and Operating materials support. FY09 State Aid was \$798,314.	\$500,000			Rate of return in State Aid (cents in aid generated per dollar of local expenditures)	1.75 cents
STATE & COUNTY TOTALS:			\$6,114,540				

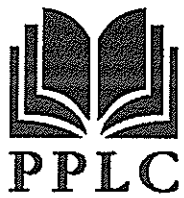
Pinellas County FY10 Budget Development - Growth Trends - 5 Year History

Pinellas County Library Cooperative

Year	Adopted Budget*	Increase (Decrease) from Previous Year	Percent Change from Previous Year	Positions	Increase (Decrease) from Previous Year	Percent Staff Change from Previous Year
2006	\$6,341,830	\$760,180	13.6%	0	0	
2007	\$7,312,090	\$970,260	15.3%	0	0	
2008	\$6,954,490	(\$357,600)	-4.9%	0	0	
2009	\$6,280,090	(\$674,400)	-9.7%	0	0	
2010	\$5,333,000	(\$947,090)	-15.1%	0	0	




*Budget amounts do not include Reserves



PINELLAS
PUBLIC
LIBRARY
COOPERATIVE

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TO: Office of Management and Budget

FROM: Mary A. Brown, Executive Director 

COPIES: Robert LaSala, County Administrator
Elizabeth Warren, Assistant County Administrator
Katherine Burbidge, Budget Analyst
PPLC Board of Directors

SUBJECT: Transmittal of Preliminary Budget Information for the
Pinellas Public Library Cooperative, Inc.

DATE: April 28, 2009

The enclosed information for the FY 10 budget process is being provided to you as requested by the Office of Management and Budget. The funding projections are preliminary and may need to be revised based on the ad valorem taxable value established by the Property Appraiser. Updated projections will be provided as necessary. Included are:

- FY 10 Library Cooperative Program Budget
- Organization Chart - Administrative Staff
- Projected Funding Formula Calculations based on millage rates at 0.4437 and 0.5000
- Funding History
- Summary

Please feel free to contact me at 441-9847 if you require further information.

Thank you.

PINELLAS PUBLIC LIBRARY COOPERATIVE, INC.

Funding History — Ad Valorem Taxes

	<u>Actual</u>	<u>Average Per Capita</u>	<u>Difference</u> (Under)
FY 03@0.5000	4,885,920	5,173,444	(287,524)
FY 04@0.5000	5,200,000	5,961,823	(761,823)
FY 05@0.5000	5,460,000	6,456,011	(996,011)
FY 06@0.5000	6,200,000	7,131,284	(931,284)
FY 07@0.5000	\$7,150,000	\$7,411,885	(261,885)
FY 08@0.4437	6,810,140	6,800,662	9,478
FY 09@0.4437	6,130,000	6,718,150	(588,150)
<u>Projected</u>			
FY 10@0.4437	5,187,700	7,014,691	(1,826,991)
FY 10@0.5000	5,845,960	7,014,691	(1,168,731)

Background:

In 1989 residents of unincorporated Pinellas County passed a referendum to tax themselves up to one-half mill for library service. The Library Interlocal Agreement (ILA) is the legal document that describes the Cooperative, its legal basis, leadership, and operations. The ILA that is currently in place was revised in 2001. The funding formula by which funds are allocated and distributed to Cooperative member libraries is incorporated in the ILA. Historically, funds have been collected to match the local average per capita expenses of the member libraries from the previous fiscal year, up to one-half mill. Beginning in FY 2003 the full half-mill did not generate enough funds to provide a full match with one exception, FY 08. The current FY 10 projections continue to reflect a significant revenue shortfall at the full half mill rate.

PINELLAS PUBLIC LIBRARY COOPERATIVE, INC.

Summary

The FY 10 Cooperative Program Budget is being calculated at the current millage rate of 0.4437 based on our understanding of the current policy of the Board of County Commissioners. In consideration of feedback that we have received from our member libraries the Cooperative Office has submitted formula calculations reflecting the allocation based on the full half-mill (0.5000) for your consideration as well.

The Interlocal Agreement states the following:

Section V (A) Funding Mechanism

"If there are no changes in membership of the Cooperative, the County will collect the full half-mill tax for libraries, subject to the fiscal funding provisions of this Agreement, and submit the funds to the Cooperative in quarterly payments."

Section VI (E) Fiscal Funding

"In the event that the BCC determines that the Cooperative budget does not require the levy of a full half-mill for the new fiscal period, the County shall notify the Cooperative of the millage that will be assessed for that fiscal period as provided for in Section V A."

Budget constraints at all levels have impacted the operating budgets of our member libraries and will continue to do so for the foreseeable future. Reductions in staffing levels, services hours, service outlets, and materials budgets are anticipated at most, if not all, agencies. Library usage rates are continuing to increase as reflected in the FY 09 estimates in the program budget.

Based on the current local average per capita rate of \$33.42; the public demand for library services; and the decline in property tax revenues further reducing the value of the mill; we respectfully request that the maximum levy of 0.5000 mills be adopted by the Board of County Commissioners for FY 10.