

BOARD OF TRUSTEES
BUFFALO AND ERIE COUNTY PUBLIC LIBRARY
DATE: August 4, 2005

AGENDA ITEM NUMBER: _____

RESOLUTION: 2005-33
Operating Reductions to Allow
Limited Library Materials
Purchasing, Balance of 2005

BACKGROUND:

Erie County 's 2005 adopted budget placed \$5 million for library materials (books, magazines, books on tape/CD, CDs, DVDs, electronic databases, etc.) in the separate Erie County Capital Budget as a "bonded project." This money has yet to be borrowed by the County and therefore, received by the B&ECPL. Anticipating the delays caused by this method of financing and the County's overall deteriorating fiscal health, the Library gradually shifted ordering as much as possible in 2004 to increase the amount of cash available in the hopes of at least providing minimal service into 2005 (including renewing print and online database subscriptions, many of which occur early in the year). Even with these steps, the Library had to scale back regular library materials purchasing to the bare minimum, resulting in the lay off of 10 processing department staff in January 2005. The continued delay in funding has already forced the Library to lay off another eight full-time personnel as the 2004 balances are now exhausted, eliminating their workload.

The B&ECPL must proceed and assume that the \$5 million in capital money for 2005 will not be transmitted. The Library has no funds left for library materials purchases for the remainder of 2005, forcing the Library to implement even more extensive cuts than already experienced. The Library Board of Trustees Planning Committee has recommended a 20% reduction in fourth quarter operations for all facilities in the County. Figures for individual libraries include costs, such as utilities and medical benefits, which are paid directly by the system on behalf of each library. The dollar amount for contracting libraries not participating in the Centralized Human Resources Program will be reduced from their fourth quarter payment. Unfortunately, these reductions will be on top of those needed to offset a shortfall of fine related revenues, which are currently running over 13% below last year's year-to-date receipts.

Anticipated savings from these reductions will be recognized by budget amendment transferring them into two accounts: \$1 million to the library materials account and the balance of \$328,842 to the system fringe benefits account to offset increased termination and unemployment insurance costs that may result from these measures. This budget amendment will allow the Library to immediately resume ordering new library materials as well as renew subscriptions to periodicals and on-line databases for the balance of 2005, albeit at a greatly reduced level. Further, the resolution authorizes reimbursing contracting libraries for the cost of employee termination expenses, resulting from

actions taken to meet the reduction amount of this resolution, from the system fringe benefits account.

ACTION REQUIRED:

Motion to approve Resolution 2005-33.

PROPOSED RESOLUTION 2005-33

WHEREAS, Erie County 's 2005 adopted budget placed \$5 million for library materials (books, magazines, books on tape/CD, CDs, DVDs, electronic databases, etc.) in the separate Erie County Capital Budget as a “bonded project”, and

WHEREAS, this money has yet to be borrowed by the County and therefore, received by the B&ECPL, with no firm indication as to when or if the funds will ultimately be provided, and

WHEREAS, the Library has no funds left for library materials purchases for the remainder of 2005, and

WHEREAS, in order to continue providing very limited access to new library materials as well as renew subscriptions to periodicals and on-line databases for the balance of 2005, additional reductions to the B&ECPL operating budget are required, and

WHEREAS, the Library Board of Trustees Planning Committee reviewed the situation and options to address the lack of County funding for library materials, and

WHEREAS, the committee adopted a recommended 20% reduction in funding for fourth quarter operations for all facilities in the County, and

WHEREAS, these reductions will allow the transfer of \$1,328,842 from various operating accounts to the library materials account, allowing ordering of needed library materials to resume immediately, and the library fringe benefits account to offset anticipated termination costs that may result from these reductions, now therefore be it

RESOLVED, that the Board of Trustees of the Buffalo & Erie County Public Library authorizes the Library Director or his designee to implement budget reductions of 20% percent of the estimated operating costs in the amounts listed in Exhibit 1 attached, and be it further

RESOLVED, that the Board of Trustees tasks the Library Director to begin preparing 2005 contracts with contracting libraries, all of whom are operating under 2004 contract extensions, which expire as of September 30, 2005, to incorporate the referenced reductions, and be it further

RESOLVED, that for contracting libraries not participating in the Centralized Human Resources Program reduction amounts will be reduced from their fourth quarter payment, and be it further

RESOLVED, that for contracting libraries participating in the Centralized Human Resources Program reduction amounts will be reduced from SAP operating budget pursuant to direction from their Board of Trustees, and be it further

RESOLVED, that the Library Director is authorized to modify the weekly open hours requirement pursuant to Exhibit C of each contracting library's contract, upon the submission of said library of a reduction plan that in the Director's professional judgment meets the reduction requirement in a manner that minimizes impact upon the library and its public, and be it further

RESOLVED, that for Central, Buffalo Branch and system functions, reduction amounts may be aggregated and reduced from the appropriate system SAP accounts as determined by the Library Director, and be it further

RESOLVED, that the proceeds from these reductions be transferred into the B&ECPL operating SAP accounts in the amounts of \$1 million to the library materials account and the balance of \$328,842 to the system fringe benefits account to offset increased termination and unemployment insurance costs that may result from these measures, and be it further

RESOLVED, that library materials ordering, albeit at a greatly reduced level, may resume immediately.

Resolution 2005-33 Exhibit 1

Library	Operating Budget	One quarter	Reduction: 20% of Quarter Expense
Alden (Ewell Free)	\$94,712	\$23,678	\$4,736
Angola	\$73,126	\$18,282	\$3,656
Audubon	\$686,290	\$171,573	\$34,315
Blasdell	\$86,733	\$21,683	\$4,337
Boston Free	\$84,252	\$21,063	\$4,213
Brighton	\$279,260	\$69,815	\$13,963
Cazenovia	\$274,235	\$68,559	\$13,712
Central	\$6,593,180	\$1,648,295	\$329,659
Clarence	\$452,265	\$113,066	\$22,613
Clearfield	\$546,411	\$136,603	\$27,321
Collins	\$116,373	\$29,093	\$5,819
Concord	\$116,271	\$29,068	\$5,814
Crane	\$325,632	\$81,408	\$16,282
Depew	\$191,776	\$47,944	\$9,589
Dudley	\$224,065	\$56,016	\$11,203
East Aurora	\$386,465	\$96,616	\$19,323
East Clinton	\$189,900	\$47,475	\$9,495
East Delavan	\$251,838	\$62,960	\$12,592
Eden	\$102,342	\$25,586	\$5,117
Eggertsville-Snyder	\$226,206	\$56,552	\$11,310
Elma	\$260,246	\$65,062	\$13,012
Fairfield	\$242,780	\$60,695	\$12,139
Fronczak	\$297,762	\$74,441	\$14,888
Grand Island	\$344,118	\$86,030	\$17,206
Greenhaven	\$220,198	\$55,050	\$11,010
Hamburg	\$390,664	\$97,666	\$19,533
Julia B. Reinstein	\$392,600	\$98,150	\$19,630
Kenilworth	\$242,522	\$60,631	\$12,126
Kenmore	\$612,876	\$153,219	\$30,644
Kensington	\$108,772	\$27,193	\$5,439
Lackawanna	\$279,618	\$69,905	\$13,981
Lake Shore	\$246,070	\$61,518	\$12,304
Lancaster	\$307,554	\$76,889	\$15,378
Marilla Free	\$89,970	\$22,493	\$4,499
Martin Luther King	\$146,131	\$36,533	\$7,307
Mead	\$100,192	\$25,048	\$5,010
Merriweather (North Jefferson)	\$208,628	\$52,157	\$10,431
Newstead	\$107,710	\$26,928	\$5,386
Niagara	\$322,658	\$80,665	\$16,133
North Cheektowaga	\$210,538	\$52,635	\$10,527
North Collins	\$64,051	\$16,013	\$3,203
North Park	\$252,784	\$63,196	\$12,639
Northwest	\$164,927	\$41,232	\$8,246
Orchard Park	\$500,893	\$125,223	\$25,045
Parkside Village	\$50,426	\$12,607	\$2,521
Reinstein Memorial	\$361,197	\$90,299	\$18,060
Riverside	\$344,428	\$86,107	\$17,221
South Cheektowaga	\$240,628	\$60,157	\$12,031
Tonawanda City	\$339,319	\$84,830	\$16,966
West Falls	\$22,806	\$5,702	\$1,140
West Seneca	\$373,634	\$93,409	\$18,682
Williamsville	\$280,701	\$70,175	\$14,035
Total 52 Public Service Outlets	\$19,428,733	\$4,857,193	\$971,441

Resolution 2005-33 Exhibit 1 (cont.)

Library	Operating Budget	One quarter	Reduction: 20% of Quarter Expense
COSTS SUPPORTING PUBLIC SERVICE OUTLETS (Reductions in Proportion to Reduced Service Demand)			
City Branch Maintenance	\$131,001		
Extension Services	\$324,524		
Institutional Services (Net)	\$100,499		
Outreach Vehicles/Urban Services	\$124,942		
System Administration	\$527,160		
System wide Services and Support	\$5,939,887		
Subtotal Costs Supporting Public Services:	\$7,148,013	\$1,787,003	\$357,401
GRAND TOTAL	\$26,576,746	\$6,644,196	\$1,328,842

NOTES: 2005 Operating Budget amounts include contracting library expenses supported by fine/fee revenue directly collected by those libraries and hence not included in the County SAP financial system totals, net of contract library retirement expense, which is initially paid by the system and billed back to the contracting library. **The \$5 million 2005 Erie County Capital allocation for library materials IS NOT included in the above figures (to date no bonds have been issued for this purpose).** Figures for individual libraries include costs, such as utilities and medical benefits, which are paid directly by the system on behalf of each library.