

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

AGENDA ITEM NUMBER:   D.1.  

RESOLUTION: 2005-34  
Four-Year Plan and Budget  
for B&ECPL

BACKGROUND:

On July 12, 2005 Governor Pataki signed the implementing legislation creating the Erie County Fiscal Stability Authority. The legislation applies to Erie County and "covered organizations."

*Covered organizations means any governmental agency, public authority or public benefit corporation which receives or may receive monies directly, indirectly or contingently from the county...*

The Library most certainly qualifies as a "covered organization."

One of the first financial milestones is the following requirement:

*3956. County fiscal year two thousand five budget modification and four-year financial plan. Not later than October first, two thousand five, the county executive, upon approval by the legislature, shall submit to the authority a budget modification and financial plan... The plan shall cover the county's two thousand five fiscal year and the three subsequent fiscal years.*

In a letter dated July 6, 2005, County Executive Giambra requested the Library, within 30 days, submit a draft "*balanced fiscal plan that includes:*

- *Holding the library property tax levy constant at the 2005 level for FY 06'.*
- *A program for addressing the issues raised in the Cohen report (and subsequent documents) regarding branches, specialization and services.*
- *A purposeful listing of funding needed to re-engineer the Buffalo and Erie County Library system over the 3 subsequent years of the fiscal plan. The ECFSA legislation allows for up to \$10 million per year for re-engineering initiatives. I would support some portion of that funding being designated for library re-engineering."*

This resolution and budget schedules, along with the narrative, "The Buffalo & Erie County Public Library, 1998 to 2008: The Final Four Years of a Ten-Year Journey," satisfy all of these objectives. The schedules contain explanatory comments in each major expense and revenue area.

ACTION REQUIRED:

Motion to approve Resolution 2005-34.

## PROPOSED RESOLUTION 2005-34

WHEREAS, responding to Erie County's prolonged financial crisis Governor Pataki on July 12, 2005 signed the implementing legislation creating the Erie County Fiscal Stability Authority (ECFSA) to oversee the finances of Erie County and "covered organizations," and

WHEREAS, the Library and its patrons have suffered through 2005 budget reductions resulting from the Property Tax for Library Purposes being reduced more than \$2.5 million and the lack of new library materials (books, magazines, books on tape/CD, CDs, DVDs, electronic databases, etc.) resulting from the County's failure to issue bonds to support the 2005 adopted Erie County Capital Budget's \$5 million allocation for said library materials, and

WHEREAS, since the 2001 budget year when the County significantly lowered property taxes, the County has funded library materials purchases through an allocation from the Erie County Capital Budget supported first by tobacco settlement proceeds and beginning mid-year 2003 by bonded debt, rather than through the Property Tax for Library Purposes, and

WHEREAS, the County's financial crisis has illustrated the practice of issuing bonds to purchase library materials is not an advisable practice, and one that the County is not likely to continue in 2006, and

WHEREAS, the Library as a governmental agency which receives monies directly from the County, qualifies as a covered organization in relation to ECFSA oversight, and

WHEREAS, one of the first financial milestones is the requirement that: *Not later than October first, two thousand five, the county executive, upon approval by the legislature, shall submit to the authority a budget modification and financial plan... The plan shall cover the county's two thousand five fiscal year and the three subsequent fiscal years, and*

WHEREAS, in a letter dated July 6, 2005, County Executive Giambra requested the Library, within 30 days, submit a draft "*balanced fiscal plan that includes:*

- *Holding the library property tax levy constant at the 2005 level for FY 06'.*
- *A program for addressing the issues raised in the Cohen report (and subsequent documents) regarding branches, specialization and services.*
- *A purposeful listing of funding needed to re-engineer the Buffalo and Erie County Library system over the 3 subsequent years of the fiscal plan. The ECFSA legislation allows for up to \$10 million per year for re-engineering initiatives. I would support some portion of that funding being designated for library re-engineering.", and*

WHEREAS, the attached draft plan satisfying these requirements has been developed, and

WHEREAS, under the plan, the Property Tax for Library Purposes in 2006 would remain unchanged from 2005's \$21,671,833, and

WHEREAS, the 2006 levy would be less than that charged in 1996 and more than \$4.7 million (18% less) than the levy in the year 2000, the last year library materials were supported by the levy, and

WHEREAS, the plan requires operating budget reductions in excess of \$6.1 million to generate the necessary operating savings to absorb library materials funding back into the operating budget, to offset the growing cost of health insurance and retirement and to offset anticipated termination, unemployment costs, and revenue losses that may result from these reductions, and

WHEREAS, the plan also presents several opportunities to utilize ECFSA Incentive Grant proceeds to further Intra/intermunicipal library consolidation projects, now therefore be it

RESOLVED, that the Board of Trustees of the Buffalo & Erie County Public Library adopts "The Buffalo & Erie County Public Library, 1998 to 2008: The Final Four Years of a Ten-Year Journey," and the attached Buffalo and Erie County Public Library Four-Year Financial Plan, and be it further

RESOLVED, that the Board of Trustees urgently requests the Erie County Executive and Erie County Legislature to undertake the actions necessary to provide the 2005 Adopted Erie County Capital budget's \$5 million allocation for library materials to the Library to facilitate an orderly transition of the library materials budget back to the B&ECPL operating budget supported by the Property Tax for Library Purposes as requested in the attached Four-year Financial Plan, and be it further

RESOLVED, that the Library Director shall promptly transmit this resolution, "The Buffalo & Erie County Public Library, 1998 to 2008: The Final Four Years of a Ten-Year Journey," and the Four-Year Financial Plan to the Erie County Executive.