



September 10, 2008

TO THE HONORABLE CHAIRMAN AND MEMBERS OF THE ALACHUA COUNTY LIBRARY DISTRICT GOVERNING BOARD AND RESIDENTS OF ALACHUA COUNTY:

In accordance with Florida law, Trustees and staff are pleased to submit the FY 2008 - 2009 recommended budget for the Alachua County Library District. Chapter 98-502, as amended by Chapter 03-375, Laws of Florida, establishes the Alachua County Library District, an independent special taxing district, as the sole provider of public library services in Alachua County. The District and Alachua County's boundaries are congruent.

The mission and values of the Library District define its primary purposes that include education, information, excellent and innovative service, and free and equal access. These principles guide the planning processes for the Library District and provide focus when prioritizing library services especially during periods of economic concern.

The long term prudent fiscal management of the Library District allows for stable service levels during periods when less than expected revenue is received. And, in times when tax revenues exceeded need or expectation, the Library District millage has been reduced.

In 2009, a person who has owned the same homestead exemption residence since 2000 will pay 21% less in Library District tax in 2009 than in 2000, assuming the home had an initial assessed value of \$150,000, and whose home's assessed value increased by the maximum 3% each year.

In the past nine (9) years, total Library District millage has decreased by 29.44%. Local governance of the Library District has been responsive to the needs of the community in a fiscally responsible manner that has been exemplary, despite general characterizations to the contrary by the state legislature regarding local governments. This is evidenced by Standard & Poor's upgrade in spring 2008 of the Library District's bond rating from A to AA, an increase of three (3) levels.

The FY 2009 budget and millage have been prepared in compliance with all adjustments required due to the passage of Amendment 1 in January 2008. The Amendment 1 adjustments are compounded by state legislative actions in 2007 that resulted in the current year millage rate of 3% below roll-back and corresponding revenue decrease.

The Library District's long-range capital development plan has been revised to account for projected reduced revenues. Unlike most other local governments, the Library District is almost totally dependent on its property tax based revenues for both operating and capital expenditures. As a result, some construction projects have been delayed to ensure that projected funds from this one source are available to operate the new and/or expanded facilities. There are sufficient capital and projected operating funds to complete the first four library projects, the Alachua and Millhopper Branch expansions, and the new Eastside and Jonesville Branch libraries.

Further compounding the local property tax revenue restrictions imposed by the state legislature and by Amendment 1 are significant reductions to the State Aid to Libraries and Public Library Construction grants, state funded local library programs. The Public Library Construction grants suffered 50% reduced funding in 2008 and in 2009 state funding for this program was completely eliminated. This resulted in a \$1 million loss in state funds for the Alachua and Millhopper Branch renovation and expansion projects.

The State Library estimates the Library District will receive approximately \$485,000 in State Aid in FY 2009, about \$310,000 less than received in 2001. The state legislative appropriations for this grant program had been stagnant for a decade, while the state budget had increased by more than 50%. In FY 2009, the State Aid to Libraries program suffered a 10%, or \$3 million reduction, while the state budget was reduced by approximately 5%. State Aid to Libraries funds are used by the Library District to purchase library materials. Reductions to this state grant program result in the Library District using local funds to offset the loss in order to sustain current service levels.

The FY 2009 Library District recommended budget was prepared with staff participation from each Branch Manager and Headquarters Department Head. They presented their respective budget requests with concern for cost-efficient services and defended their budgets well. Staff budget proposals exhibited the highest level of public service commitment from each presenter.

The proposed budget builds on existing Library District assets with enhancements to public services, attention to our dedicated staff, and a cost-effective approach to managing financial resources we receive from our citizens that addresses short and long-term library service needs.

Without a doubt, this continues to be the finest public library in Florida combining a dedicated staff with exceptional support from the Board of Governors, the Board of Trustees, Friends of the Library, and the Library District Foundation. Most importantly, our community values the educational, informational, and recreational services their Library District provides.

Proposed Budget

The proposed operating millage rate for FY 2009 is 1.2491, or 4.57% below the roll-back millage, and 1.23% below the current year millage rate. Library District staff did have the option of preparing a budget at a millage rate as high as 1.4995 that would have required a 2/3 vote of the Governing Board. Instead, general fund reserves are used to offset the \$278,000 revenue loss. The use of reserves to offset declining revenues is a short-term response. In the future, it may be necessary to prepare budgets at higher millage rates to sustain the current service levels, which include new and expanded library facilities, to a growing population.

The operating budget includes a transfer of \$2 million from the General Fund Reserve to the Capital Projects Fund to support the capital budget and for new construction or expansion of existing libraries that are identified in the Facilities Development Plan. Also included in the operating budget are a 5% expenditure reserve and a forty-five (45) day ending cash balance reserve.

The proposed millages to fund the Long Range Facilities & Service Plan for FY 2008 – 2009 compared to FY 2007 - 2008 are:

FY 2007 – 2008

1.2645 mills for Operations
0.0000 mill for Capital Improvements (authority ended 2001)
0.0915 mill for Bond Debt (debt retired in 2017)

1.3560 TOTAL DISTRICT MILLAGE

FY 2008 - 2009

1.2491 mills for Operations
0.0000 mill for Capital Improvements (authority ended 2001)
0.0915 mill for Bond Debt (debt retires in 2017)

1.3406 TOTAL DISTRICT MILLAGE

Proposed Budget Highlights

In accordance with the Long Range Facilities & Service Plan FY 2008 - 2013 adopted by the Governing Board and Board of Trustees, the proposed FY 2009 budget supports the following:

- Provide 480 open hours of library service per week at the ten (10) Library District locations. Sunday service hours are offered at all Alachua County Library District agencies.

Library Facility	FY 2007-08 Hours Per Week	Proposed FY 2008-09 Hours Per Week
Headquarters	66	66
Millhopper Branch	60.5	60.5
Tower Road Branch	60.5	60.5
Alachua Branch	48	48
Hawthorne Branch	48	48
High Springs Branch	49	49
Archer Branch	40	40
Micanopy Branch	30	30
Newberry Branch	48	48
Waldo Branch	30	30

- Provide service levels at the ten (10) library facilities in accordance with the Long Range Facilities & Service Plan FY 2008-2013 "Projected Library Service Levels."
- Provide a 2% across the board and a 2% performance pay increases for staff as negotiated with and ratified by the Communication Workers of America Local #3170.
- Transfer \$2 million to the Capital Projects Fund, \$400,000 from FY 2009 operating revenues and \$1.6 million from General Fund Reserves to fund the Millhopper, Eastside, and Jonesville Branch and other capital projects.
- Begin the construction phase of the Millhopper Branch expansion/renovation project to add 8,000 sq. ft. and the design phase of the Jonesville Branch project (in coordination with the Alachua County Jonesville Park recreation facility project).

- Identify a location to provide permanent library services to Eastside residents.
- Provide for full year operations of the renovated and expanded Alachua Branch.
- Implement SchoolRooms, a curriculum based online homework assistance database to support the needs of K-12 students, and their teachers and parents.
- Complete implementation of the Radio Frequency Identification (RFID) project to improve collection inventory control, security, and circulation efficiencies.
- Install marketing/display shelving features at all locations to promote library materials.
- Renovate the computer server room in Automated Services, and upgrade computer network configuration and equipment to increase data transfer capacities.
- Provide print capability to wireless Library District owned or personal laptop users.
- Continue to develop core competencies for all job classifications to clearly define performance expectations.
- Provide intermediate Internet and technology core competency training for staff, and make use of webinar technology for internal staff training where appropriate.
- Unveil a new, interactive website.
- Implement an online meeting room reservation system for library users and provide access to branch library meeting rooms up to 66 hours per week on a schedule congruent with the open hours of the Headquarters Library.
- Enhance programming by collaborating with other community organizations and jointly promoting and sponsoring events directed to families, the general public, children, teens, adults, seniors, or groups with special interests.

- Implement serials control software to allow users to identify the specific issues of the more than 500 of newspapers and magazines titles the Library District owns.
- Continue operation of two bookmobiles to serve rurally isolated, inner city and institutional patrons, and other areas without easy access to a branch library.
- “Wrap” the 2 bookmobiles with new designs to better market Outreach services and the Library District.
- Continue use of volunteers to assist staff in providing library service.
- Appropriate \$1,170,000 in the General Fund for books and other library materials. With anticipated State Aid, Brady Trust funds, and a generous donation by the Friends of the Library added to the general fund appropriation, the materials budget is approximately \$1,700,000, or 11.1% of the total operating budget.
- Expand the use of outsourcing to more efficiently process library materials.
- Install furnishings at the Tower Road Branch to create casual reading and teen spaces.

About the Alachua County Library District

The District's Governing Board is composed of three members of the Board of Alachua County Commissioners, two members of the Gainesville City Commission and one member of the Alachua County School Board. "Governors" are selected by their respective Commissions or Board to serve on the Library District Governing Board.

According to the Special Act creating the District, the Governing Board has power to adopt an annual budget, establish service levels, adopt a long range facilities and service plan, lease or purchase property, contract for services, receive grants, and take any other action necessary to provide public library services to the people of Alachua County.

The Governing Board may levy ad valorem taxes for operational expenses and all millage necessary to pay the principal and interest on general obligation bonds. The District's authority to

levy 0.5 mills for capital improvements ended April 2001. New authority to levy a capital improvements millage would require voter approval. The District also has authority to issue limited tax bonds for capital improvement purposes and General Obligation Bonds with referendum approval.

The Governing Board appoints the seven-member Board of Trustees, a citizen volunteer board that is part of the governing structure of the Library District. Three of the seven members are Alachua County representatives, three are City of Gainesville representatives, and one is a representative of the League of Cities.

Responsibilities of the Board of Trustees include developing recommendations for policy, budget, and plans for the Library District, reporting at meetings on matters that may affect the District, responding to requests by the Governing Board for various recommendations, reporting information about Library issues, advocacy for state and national library funding, and listening and responding to citizens who have questions related to the Library District and libraries in general.

The Alachua County Library District provides public library service to a countywide population of approximately 247,561. The District is a centralized system with a Headquarters Library located in downtown Gainesville and nine branch libraries. One large library (Millhopper Branch) is located in northwest Gainesville and another large library (Tower Road Branch) is located in unincorporated Alachua County southwest of Gainesville, just outside of the city limits. The municipalities of Alachua, Archer, Hawthorne, High Springs, Micanopy, Newberry, and Waldo each have a branch library. In addition to these facilities, the District operates two bookmobiles and provides library service to the inmates of the Alachua County Jail through an interlocal agreement with the Alachua County Sheriff.

Any resident of the State of Florida may register for a free Alachua County Library District borrower's card. Citizens of Alachua County may in turn receive a borrower's card free of charge through reciprocal borrowing agreements with the following counties: Baker, Bradford, Clay, Columbia, Dixie, Gilchrist, Lafayette, Levy, Marion, Putnam, St. Johns, and Union. These agreements are designed to facilitate access to the most conveniently located library facility regardless of an individual's county of residence. Alachua County residents may receive a free

borrower's card from the Nassau and Hendry County Public Libraries, which also offer free library services to all Florida residents.

State Aid to Libraries Program

State Aid is a continuing state grant authorized by Chapter 257, Florida Statutes. It is the only substantial revenue source the District has outside of ad valorem taxes. Eligibility for state aid is contingent upon the provision of "free library service" defined in Chapter 257.25, Florida Statutes as: "Free library service shall constitute as a minimum the free lending of library materials that are made available for circulation and the free provision of reference and information services."

The goal of the State Aid to Libraries Program is to assist local government in maintaining and developing free professional library service for all Floridians as a part of the educational infrastructure. Grants are awarded through an application process and the amount received from the total state appropriation is proportional to the amount of local funds spent providing library service in Alachua County. State Aid is used to purchase materials for the library collection.

In closing, we wish to acknowledge the excellent support received from the staff and Trustees in the preparation of this budget.

Respectfully submitted,

Sol M. Hirsch
Library Director

Dorothy Field
Chair Library Board of Trustees