

Future of the Library Task Force



SEVENTH MEETING
JANUARY 4, 2011

3:00 PM - 7:00 PM
MORRISON REGIONAL LIBRARY

CM Library Funding Scenarios



SEAN HOGUE

VERTERE CAPITAL ADVISORS

Total Municipal Funding



City of Charlotte	\$1,497,500.00
Davidson	\$175,000.00
Cornelius	\$175,000.00
Mint Hill	\$175,000.00
Matthews	\$196,519.00
Total One Time Support	\$2,219,019.00

Impact Municipal Funding



Funding Loss	\$(2,219,019.00)
FY11 Unemployment Expenses	\$1,233,962.50
FY11 Termed Employee Payout	\$326,816.53
FY11 Retired Employee Payout	\$150,000.00
Net Impact	\$(508,239.97)

Flat Funding Scenario



Source	Amount
Mecklenburg County	\$21,091,815.00
Municipal Funding	\$0.00
All other revenue sources	\$2,217,861.96
Total Revenue	\$23,309,676.96
Total Expense	\$23,892,220.73
Approximate Budget Deficit/Surplus	(\$583,220.73)

Effects of Flat Funding



- Approximately 13-20 staff members could be laid off
- Cut up to 3-4 service points
- Potentially cut other operating expenses (although tough)
 - Book budgets
 - Program budgets

Key Decision Points



- Should the library cut hours again?
- Should the library cut book and program budgets again, even after being cut by more than 50% over the past two years?
- Should the library cut service points?
- Should the library resume a standard 1 shift schedule at fewer locations?
- Which branches would you close?

10% Reduction in Funding Scenario



Source	Amount
Mecklenburg County Revenue	\$21,091,815.00
Adjustments	(\$2,109,181.5)
Revised Mecklenburg County Revenue	\$18,982,633.50
Municipal Funding	\$0.00
All other revenue sources	\$2,217,861.96
Total Revenue	\$21,200,495.46
Total Expenses	\$23,892,897.69
Adjustments (Salary Expense)	(\$2,692,402.23)
Total Expense	\$21,200,495.46
Approximate Budget Deficit/Surplus	0

Effects of 10% Reduction in Funding



- Approximately \$2.7 million reduction in funding for staff
 - Which translates into approximately 47 staffers at the average salary of \$43,000 per year.
 - Creates unemployment and termed employee payout of approximately \$1.1 million.
 - Translates into an additional 20 staffers
 - Total range of staff layoffs between 50-70
- Reduction of 10-14 service points

Key Decision Points



- Should the library resume a standard 1 shift schedule at fewer locations?
- Which branches would you close?