

HAMILTON COUNTY TAX LEVY REVIEW COMMITTEE
138 East Court Street
Room #603
Cincinnati, Ohio 45202

August 10, 2009

Hamilton County Board of Commissioners

Hon. David Pepper - President
Hon. Todd Portune - Vice President
Hon. Greg Hartmann
138 East Court Street
Room # 603
Cincinnati, Ohio 45202

Re: Library Review by the 2009 Tax Levy Review Committee

Dear Honorable Board:

This letter serves as a report of the Tax Levy Review Committee (TLRC) informal review of the Public Library of Cincinnati and Hamilton County's request for a 1.00 mill levy on the November 2009 ballot. I want to thank the members of the TLRC for making themselves available for this review process. The Library review is in addition to the members' completion of full reviews of the MR/DD, Cincinnati Museum Center and Family Services and Treatment levy requests over the last seven months. My appreciation goes to them for their continued work.

I want to note that this process was highly informal and conducted only at the request of the Board of County Commissioners. The review waived the traditional timeline and process for analyzing the levy request and served only as an opportunity for the residents of Hamilton County to understand why the Library is requesting a levy, their financial history and plan and what levy dollars would support. In line with the Commissioners request, the TLRC conducted three meetings with the Library.

Monday, July 20	Presentation of Levy Request by Library
Monday, July 27	Public Hearing for Library Levy
Monday, August 3	TLRC Discussion of Library Levy

The TLRC members relied only on documents submitted by the Library to detail their levy request. An outside consultant was not obtained by the Library or the County to provide a detailed analysis of the Library's operating structure or capital needs.

While the TLRC is not issuing a formal recommendation on the Library's levy request we would like to highlight some key findings of our review:

1. The Public Library of Cincinnati and Hamilton County is ranked among the 10 best in the nation for the third year in a row according to Hennen's American Public Library Ratings.
2. The Public Library of Cincinnati and Hamilton County is the only major county Library in Ohio that does not receive local levy support.
3. State support for the Library has declined from \$53.1 million in 2000 to an estimated \$38.4 million in 2009.
4. The Library has made efforts over the last several years to respond to declining revenues with cuts in service (including hours of operation) and the use of \$2.7 million in unrestricted gift funds and \$5.9 million in capital funds to get through 2009.
5. The Library will consider lowering the collection threshold for overdue fines per individual account from the current 10 dollars to 5 dollars.
6. The Library has indicated that they will consider development of an early retirement option for qualified employees.
7. The Library's 5-year forecast includes a 3% annual increase in costs (personnel and operating) and an estimated \$3 million for new facilities and \$12 million for ongoing capital maintenance at the 41 existing facilities.
8. The Library has stated that if the levy does not pass in November service reductions and branch closures will begin as early as December 2009.

The TLRC has serious concerns as to the overcrowding of the November ballot. According to our mission statement the TLRC tries to find "the right balance between the public need for services and the ability of the public to bear the burden of property taxes." This informal review did not allow the TLRC to determine the appropriate level of property tax revenue required by the Library. We did not have the time, materials or jurisdiction to fully analyze the Library's stated need of \$100,174,270 over the 5-year levy period. The TLRC recommends the Library hire a consultant to review their operations and develop a 5-year plan. The Library has expressed interest in doing this.

This informal review does not serve as an endorsement for or against the Library's levy request. Thank you again for this opportunity to serve. It has been a thoroughly rewarding experience.

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy Molony". The signature is fluid and cursive, with the first name "Timothy" written in a larger, more prominent script than the last name "Molony".

Timothy W. Molony
Chairman
Hamilton County Tax Levy Review Committee
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513-731-8724

Cc: TLRC Members
Patrick Thompson, County Administrator
Kim Fender, Executive Director, Public Library of Cincinnati and Hamilton County

Attachments:
Background materials provided by Library