

**Budget Questions and Requests for Information
2013-14 Recommended Budget
QUESTION #8**

QUESTION: What is the increase in the County’s annual contribution to the Town Library?

RESPONDENT: Kenneth C. Pennoyer, Business Management Director

RESPONSE: The following table shows the County’s annual contributions to fund the Chapel Hill Library since 2010-11. The amount listed for FY2013-14 is based on correspondence from the County. The Interlocal Agreement for library Services specifies that the County’s contribution for FY14 is to be 27% of the total County Library System operational costs. The recommended County budget for Libraries is \$1,790,465 and the 27% contribution would be \$483,426. This amount is contingent on the County Library budget being adopted as recommended.

County Funding for Chapel Hill Library				
	FY2010-11*	FY2011-12*	FY2012-13**	FY2013-14***
County Funding	\$ 249,333	\$ 342,986	\$ 409,244	\$ 483,426
Library Budget	\$ 2,069,298	\$ 2,133,207	\$ 2,366,563	\$ 2,483,489
County Funding as a % of Budget	12.0%	16.1%	17.3%	19.5%
<i>* Actual</i>				
<i>** Adopted Budget</i>				
<i>*** Recommended Budget</i>				

The amount used in the Manager’s Recommended Budget for the County’s contribution to the Library is \$419,000, which was based on the most current information available at the time the recommended budget was published. If the County’s budget is approved as recommended the Town will receive \$64,426 in additional General Fund revenue. This additional revenue can be used in a number of ways, including the following:

- Reduce fund balance used to balance the FY2013-14 budget from \$1,973,000 to \$1,908,574.
- Increase the Library operating budget by \$64,426.
- Reduce the amount of the recommended General Fund tax increase to 0.91cents.