
Distressed Unit Appeal Board Staff Report

Beech Grove Public Library

May 20, 2009

Beech Grove Public Library (BGPL) petitioned the Distressed Unit Appeal Board (DUAB) for relief from the circuit breaker credits on December 7, 2008. Specifically, BGPL asked that its debt service levy be exempt from property tax caps and that the impact of the caps be limited to 5% of the operating fund. BGPL presented its petition at the January 5, 2009 meeting. In response to a request by the DUAB, additional 2008 financial and cash flow information was provided and well as information regarding operational discussions with the other Marion County libraries.

Recommendation

The latest estimates for the circuit breaker cap is approximately \$71,000, which represents 6.6% of the estimated BGPL 2009 property tax levy and exceeds the statutory definition of a distressed unit by just \$17,000. This is a reduction from the earlier credit estimate of \$99,000. The financial and cash flow information provided by the BGPL indicated it would end 2009 with reasonable reserves after incorporating the circuit breaker impact. Staff recommendation is to deny the petition.