

August 4, 2008

Dear Directors and Fiscal Officers,

The Tax Department has completed their estimates of the Public Library Fund (PLF) for 2009. You can read their memo http://www.olc.org/pdf/local_distribution_fund_update_July_08.pdf about the local government funds and link to their web site at the bottom of the memo to read the actual estimates for 2009.

I would offer this cautionary note about any projections for 2009. I think that it is almost impossible for the state to project with a great deal of accuracy the impact that the tax reform measures will have on state revenues. In addition, the national and international markets have been extremely volatile in the past six months, adding to the instability of the economy. Although the projections are for an essentially flat or no growth PLF, libraries may want to budget more conservatively and at least have some idea how they would deal with a 2% drop in the PLF in 2009.

If you have any questions, please feel free to contact me.

Lynda Murray