

CLEVELAND PUBLIC LIBRARY
Finance Committee Meeting
October 1, 2008
Trustees Room Louis Stokes Wing
1:00 PM

Present: Ms. Butts, Ms. Rodriguez, Mr. Corrigan, Mr. Hairston, Mr. Werner,
 Ms. McClung (arrived 1:09 p.m.)

Absent: Mr. Seifullah

Mr. Corrigan called the meeting to order at 1:07 pm

Resolution Ratifying the Purchase of Natural Gas, December 2008 – November 2009

Myron Scruggs, Facilities Administrator, stated that natural gas prices continue to increase and is seeking approval to proceed immediately to secure the lowest possible pricing prior to the Board's approval of this resolution at the October Board Meeting.

Mr. Corrigan stated that Mr. Scruggs should continue to secure the lowest possible pricing and stated that this item would go to the full Board for approval.

2009 Budget Discussion

Mr. Corrigan stated that in light of recent economic issues our recently passed levy is currently based on valuation planning subsequent to a time when the levy was passed and that the 5.8 mil replacement may provide less revenue than anticipated. He stated that this public meeting is a proactive approach to educate the Board on budget priorities and opportunities.

Holly Carroll, Interim Director, stated that Sandy Kuban, Finance Administrator, has prepared a budget analysis beginning in 1999 illustrating growth in both revenue and expenditures. Also provided was an original cash flow analysis illustrating that future Library expenditures at projected growth levels exceeding revenue in 2012.

Ms. Kuban provided a cash flow analysis with smaller levels of growth in expenditures that will require the Library to make budget reductions in order to stretch revenue through 2011. The figures presented assume that the Public Library Fund remains at current estimates and that property tax collection remains at current collection levels. There remains an uncertainty regarding Commercial Activities Tax income after 2010. More information will be sought from our Cuyahoga County budget commission and others regarding this revenue stream.

Ms. Carroll stated that the Administrators have been reviewing 2009 budget materials and have begun discussion of ways to reduce expenses.

Ms. Kuban reviewed the materials to assist the Board in determining when the next levy should be planned that revenue could be stretched accordingly. After a lengthy detailed discussion and a comprehensive review of materials, the following recommendations for immediate implementation were considered:

- Review all staff vacancies carefully for posting or delayed posting;
- Trim overtime for non-emergency reasons; and
- Careful review of all contracts and purchased services out of the general fund

Ms. Kuban stated that the 2009 budget is expected to be presented to the Board for review in November allowing for final consideration for approval in December.

The meeting adjourned at 2:31 p.m.