

CLEVELAND PUBLIC LIBRARY
Finance Committee Meeting
December 4, 2008
Trustees Room Louis Stokes Wing
11:30 AM

Present: Ms. Butts, Ms. Rodriguez, Mr. Seifullah, Mr. Hairston,
 Ms. McClung, Mr. Corrigan (arrived 11:44 a.m.)

Absent: Rick Werner

Ms. Butts called the meeting to order at 11:43 a.m.

Ohio Library Council Update (Tape of 12/03/08 Webcast)

Holly Carroll, Interim Director, gave a brief introduction prior to the viewing of the OLC webcast, hosted by Lynda Murray, Government Relations Coordinator, regarding the recent news on the State Budget and its anticipated impact upon Ohio libraries. Ms. Carroll stated that she also spoke with Tim Cosgrove who also concurred with Linda Murray's recommendation to reduce library spending.

Ms. Murray's presentation included information gathered from Governor Ted Strickland's press conference regarding the FY08-09 biennial budget and the additional \$630,000,000 shortfall that will need to be addressed. Ms. Murray's presentation included significant decline in revenue from income tax and wage decreases and tax reform measures.

There will be 6-8% less funding from the State of Ohio's Public Library Fund in 2009 from the actual receipts in 2008, not projections. This does not include funding that libraries are receiving from property tax. Governor Strickland assured that there will be no additional cuts other than the loss in revenue that affects the entire State.

Ms. Murray stated that additional information on the Governor's presentation is on can be viewed in power-point form on the Ohio Library Council website.

Ms. Murray stated that OPLIN funding is critical recommended the following suggestions on actions libraries can take:

- Contact the Obama Transition Team, Senator Sherrod Brown and Senator George Voinovich to encourage economic stimulus packages and emphasize its importance to the nation and especially libraries;
- Seek opportunities to collaborate with other libraries whenever possible; and
- Identify ways to help patrons during these difficult economic times (i.e., early literacy programs, computer assistance, financial planning programs, etc.)

Ms. Carroll reiterated that Tim Cosgrove stated that revenue streams will be reduced 6-8% this year and advised that we form a Cuyahoga County Coalition to lobby statewide.

Ms. McClung stated that other local government entities have formed coalitions and recommended that we begin lobbying for the remaining biennial budget as well as the upcoming budget and recommended that all County Commissioners be involved.

Ms. Carroll stated that she would draft a letter to the Obama Transition Team, Senator Sherrod Brown, Senator George Voinovich, as well as all of the entire Cuyahoga County Delegation in the Ohio House and Senate.

Ms. Butts stated that the letter should highlight the Library's collaboration in providing services such as employment training, resume writing, Y.O.U., and other services that relate to our support for a stronger economy in Ohio.

Mr. Corrigan stated that Tim Diamond, Planning and Research Administrator, prepare a fact sheet that will show an increase in library usage during economic recessions.

Ms. Rodriguez stated that it is important that Union representation be present at these meetings for informational purposes especially as it relates to the budget.

2009 Budget Proposal Presentation

Sandy Kuban, Finance Administrator, stated that the information received from the Ohio Library Council webcast had a great impact on her 2009 budget proposal presentation. Ms. Kuban distributed a packet of information and reviewed a draft 2009 Appropriation compared to 2008 Appropriation; 2009 Appropriation Background; Original Levy Cash Flow; Revised Levy Cash Flow; Additional Positions – 2009; and Building and Repair Fund Status.

Following her detailed presentation, Ms. Kuban recommended that the final \$3,000,000 for Strategic Plan initiatives not be transferred into the Buildings and Repair Account at the end of 2008 to anticipate a better cash position in case our financial position adversely changes due to the economy as it is easier not to transfer funds than to transfer them and subsequently try to retrieve them. If the transferred funds are not used in 2009, they will be incorporated into a carry forward balance.

After a lengthy discussion, Ms. Kuban recommended that all purchasing and contracting services coming from the General Fund be continually reviewed for possible reduction opportunities; staff overtime trimmed; and review staff vacancies for delayed posting.

Ms. Kuban stated that the 2009 budget reflects cost reductions that have been initiated in the 2008 budget, with modest reductions continuing through 2009 and beyond.

Ms. Kuban and Ms. Carroll recommended the Board review the 2010-2013 budget forecasts during the summer of 2009 as we learn more about the State's biennium budget.

The lengthy discussion continued and included increases in Library for the Blind and Physically Handicapped; union contract negotiations; workers compensation; Garden Valley Branch salaries; motor vehicle fuel cost; decrease in supplies as a result of reduction in program partnerships; decrease in supplies for preparation of materials due to a reduction in library materials; decrease level of conferences and travel expenditures; possible decrease in elevator repairs; and professional services requests.

Ms. Kuban thanked Ms. Carroll and administrators for their invaluable assistance in helping to prepare this budget proposal.

Mr. Corrigan asked that managers collect recommendations and input from staff as to program and project areas of possible cost reductions with that information being presented to the new director.

Mr. Corrigan moved to conclude the Finance Committee Meeting. Ms. Butts seconded the motion, which passed unanimously by roll call vote.

The meeting adjourned at 1:33 p.m.