

EXHIBIT 5

CLEVELAND PUBLIC LIBRARY

Finance Committee

May 14, 2024

YEAR 2025 TAX BUDGET

WHEREAS, ***Ohio Revised Code*** Section 5705.28 requires the Board of Library Trustees to submit its Tax Budget for Fiscal Year 2025 to the Board of the Cleveland Metropolitan School District on or before June 1, 2024; and

WHEREAS, ***Ohio Revised Code*** Section 5705.30 requires the Board of the Cleveland Metropolitan School District to adopt and submit the Library's Year 2024 Tax Budget to the County Fiscal Officer on or before July 19, 2024; and

WHEREAS, ***Ohio Revised Code*** Section 5705.281 permits the County Budget Commission to waive the filing of tax budgets provided Alternate Tax Budget Information forms are filed; and

WHEREAS, The Cuyahoga County Budget Commission has requested use of Alternate Tax Budget Information forms; and

WHEREAS, The financial needs of Cleveland Public Library from **Tax Sources** for Fiscal Year 2025 have been determined to be at least \$69,500,000; now therefore be it

RESOLVED, That the Year 2025 Tax Budget and Alternate Tax Budget Information Forms for Cleveland Public Library be presented to the Board of the Cleveland Metropolitan School District and the Cuyahoga County Budget Commission as required by ***Ohio Revised Code***.



Fiscal Department
Budget Commission

May 9, 2024

Re: Alternative Tax Budget Reminder

Dear Fiscal Officer,

The Cuyahoga County Budget Commission enacted House Bill 129 and eliminated the filing of an annual tax budget by the taxing authorities, but permits the Budget Commission to request an alternative format to complete its work.

Your respective council or board should adopt the alternative format on or before **July 15, 2024**, and file it with the Budget Commission by **July 19, 2024**.

The alternative format can be filed with the Budget Commission via email.

Thank you for your continued cooperation.

Sincerely,

Bryan Dunn, Administrator

Cuyahoga County Budget Commission



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TO: Members of the Board of Library Trustees
Felton Thomas, Director

FROM: Carrie Krenicky, Chief Financial Officer

RE: Background and Assumptions for the 2025 Tax Budget

DATE: **May 16, 2024 Board Meeting**

Annually, the Cleveland Public Library submits the Alternate Tax Budget Information Forms as requested by the Cuyahoga County Budget Commission. These forms must be approved by the Board of Trustees on or before June 1 each year to allow for sufficient time to have it placed on Cleveland Metropolitan School District's Board agenda prior to the July 19, 2024 deadline for submission to the Cuyahoga County Budget Commission. **The Tax Budget (sometimes referred to as the "request" or "needs" budget) documents the Library's need to receive revenue from tax sources, i.e. the Public Library Fund and the Library's general property tax levies, to cover the estimated expenditures for the budget year.**

The Library uses a simplified approach for development of its 2025 Tax Budget as reflected in the use of the Alternate Tax Budget Information Forms. In lieu of having administrators develop a "wish list" budget that must be revisited and revised later in the year, we have set the 2025 expenses to \$75,130,273 based on current projections, with minimal program-by-program analysis. In the fall, there will be more information regarding funding and better estimates for CPL's year-end fund balances, and the entire administrative team will participate in the detailed development of the 2025 Appropriation Measure.

Revenue Assumptions (General Fund)

- Amount requested from property tax levies is estimated at \$42,000,000, which exceeds anticipated actual collections. The **full** collection rate (100%) of the 1 mill and the 2018 7.8 mill continuing levies based on collection year 2024 assessed values is estimated at \$42,112,156 and we are currently certified at 91.15%. Applying this rate brings the estimated amount down to \$38,385,230.
- Amount requested from PLF is \$27,500,000. 2024 PLF is certified for \$27,492,287 as of this date. 2025 is estimating the percentage at 1.7%, as statutorily set, of the total General Revenue Fund tax sources and assumes no decline or growth.

The total **estimated tax calculations are \$66,185,230.**

(\$38,385,230 + \$27,800,000)

The total **2025 Tax Budget request is \$69,500,000**

(\$42,000,000 + \$27,500,000)

- Estimated **other revenues for 2025** from earned interest, fines and fees, etc., are estimated to be **\$2,893,108.**
- Estimated **beginning unencumbered balance** from the General fund is **\$22,296,569.**
- The overall **estimated revenue calculations** total **\$69,078,338** (\$66,185,230 + \$2,893,108).
- The total General Fund 2025 **Tax Budget Request is \$72,393,108** (\$69,500,000+ \$2,893,108), plus the estimated beginning unencumbered fund balance of \$22,296,569 totals \$94,689,677 of resources available for expenditures.

Cleveland Public Library's currently projected 2025 program of library service needs could exceed anticipated revenues. It is consistent with past practice and expected to request funds in excess of probable collections.

The Resolution for the Year 2025 Tax Budget Request is being distributed with the packet of materials for the May 16, 2024 Board Meeting.

Proposed 2025 Tax Budget With Historical Perspective

Prepared By: Carrie Krenicky

	2023			2024		2025 Proposed
	Tax Budget 2023	Final Actual Budget 2023	Actual Rev/Exp 2023	Tax Budget 2024	(1) Actual Budget 2024	Tax Budget 2025
General Fund						
Beginning Unencumbered Balance	\$ 27,130,447	\$ 26,231,855	\$ 25,890,476	\$ 28,269,559	\$ 29,685,991	\$ 22,296,569
Property Taxes (includes Rollbacks)	41,309,000	41,133,533	41,130,113	41,641,000	38,385,230	42,000,000 (2)
Public Library Fund (PLF)	25,300,000	28,816,443	28,816,443	27,800,000	27,492,287	27,500,000 (3)
Other Sources	1,399,200	2,911,901	3,077,748	2,519,349	3,032,265	2,893,108
Total Current Revenue	68,008,200	72,861,877	73,024,304	71,960,349	68,909,782	72,393,108
Ret Adv/Advances Out		(75,000)			(62,987)	
Total Revenue With Beg Balance	95,138,647	99,018,732	98,914,780	100,229,908	98,532,786	94,689,677
Expenses & Encumbrances	(66,092,576)	(71,216,234)	(69,441,789)	(74,751,005)	(71,236,217)	(75,130,273) (4)
Ending Unencumbered Balance	\$ 29,046,071	\$ 27,802,498	\$ 29,472,991	\$ 25,478,903	\$ 27,296,569	\$ 19,559,404
Special Revenue Funds						
Beginning Unencumbered Balance	\$ 17,844,114	\$ 20,845,978	\$ 21,187,358	\$ 17,659,314	\$ 20,935,617	\$ 17,422,104
Other Sources	8,500,000	9,312,964	9,115,528	8,500,000	8,450,944	9,100,000
Total Current Revenue	8,500,000	9,312,964	9,115,528	8,500,000	8,450,944	9,100,000
Total Revenue With Beg Balance	26,344,114	30,158,943	30,302,886	26,159,314	29,386,561	26,522,104
Expenses & Encumbrances	(8,500,000)	(12,289,728)	(9,154,269)	(8,500,000)	(11,964,457)	(9,100,000)
Ending Unencumbered Balance	\$ 17,844,114	\$ 17,869,215	\$ 21,148,617	\$ 17,659,314	\$ 17,422,104	\$ 17,422,104
Debt Service Fund						
Beginning Unencumbered Balance	\$ 139	\$ 18,931	\$ 18,931	\$ 15,093	\$ 64,974	\$ 21,062
Other Sources	3,294,820	3,331,654	3,341,002	3,277,157	3,236,624	3,270,688
Total Current Revenue	3,294,820	3,331,654	3,341,002	3,277,157	3,236,624	3,270,688
Total Revenue With Beg Balance	3,294,959	3,350,585	3,359,933	3,292,250	3,301,598	3,291,750
Expenses & Encumbrances	(3,294,959)	(3,294,959)	(3,294,959)	(3,292,250)	(3,292,250)	(3,291,750)
Ending Unencumbered Balance	\$ 0	\$ 55,626	\$ 64,974	\$ (0)	\$ 9,348	\$ -

Proposed 2025 Tax Budget With Historical Perspective

Prepared By: Carrie Krenicky

	2023			2024		2025 Proposed
	Tax Budget 2023	Final Actual Budget 2023	Actual Rev/Exp 2023	Tax Budget 2024	(1) Actual Budget 2024	Tax Budget 2025
Capital Projects Fund						
Beginning Unencumbered Balance	\$ 7,848,418	\$ 29,214,862	\$ 29,214,862	\$ 5,047,722	\$ 35,307,395	\$ 14,268,326
Other Sources	3,000,000	9,039,118	9,046,699	8,800,000	2,746,922	2,500,000
Total Current Revenue	3,000,000	9,039,118	9,046,699	8,800,000	2,746,922	2,500,000
Total Revenue With Beg Balance	10,848,418	38,253,980	38,261,561	13,847,722	38,054,318	16,768,326
Expenses & Encumbrances	(3,000,000)	(6,434,557)	(2,954,166)	0	(12,819,410)	(3,429,156)
Ending Unencumbered Balance	\$ 7,848,418	\$ 31,819,423	\$ 35,307,395	\$ 13,847,722	\$ 25,234,908	\$ 13,339,170
Permanent Funds						
Beginning Unencumbered Balance	\$ 3,810,364	\$ 3,979,728	\$ 4,912,829	\$ 3,852,849	\$ 3,976,238	\$ 3,787,277
Other Sources	300,000	31,256	63,309	150,000	0	150,000
Total Current Revenue	300,000	31,256	63,309	150,000	0	150,000
Total Revenue With Beg Balance	4,110,364	4,010,984	4,976,139	4,002,849	3,976,238	3,937,277
Expenses & Encumbrances	(150,000)	(126,879)	(66,800)	(150,000)	(188,961)	(150,000)
Ending Unencumbered Balance	\$ 3,960,364	\$ 3,884,105	\$ 4,909,338	\$ 3,852,849	\$ 3,787,276.71	\$ 3,787,277
Agency Funds						
Beginning Unencumbered Balance	\$ -	\$ 17,281	\$ 17,281	\$ -	\$ 15,545	\$ -
Other Sources	0	0	80,608	0	0	0
Total Current Revenue	0	0	80,608	0	0	0
Total Revenue With Beg Balance	0	17,281	97,889	0	15,545	0
Expenses & Encumbrances	0	(17,281)	(82,343)	0	(15,545)	0
Ending Unencumbered Balance	\$ -	\$ -	\$ 15,545	\$ -	\$ -	\$ -

Proposed 2025 Tax Budget With Historical Perspective

Prepared By: Carrie Krenicky

	2023			2024		2025 Proposed
	Tax Budget 2023	Final Actual Budget 2023	Actual Rev/Exp 2023	Tax Budget 2024	(1) Actual Budget 2024	Tax Budget 2025
ALL FUNDS						
Beginning Unencumbered Balance	\$ 56,633,482	\$ 80,308,636	\$ 81,241,737	\$ 54,844,537	\$ 89,985,761	\$ 57,795,338
Property Taxes	41,309,000	41,133,533	41,130,113	41,641,000	38,385,230	42,000,000
Public Library Fund (formerly LLGSF)	25,300,000	28,816,443	28,816,443	27,800,000	27,492,287	27,500,000
Other Sources	16,494,020	24,626,893	24,724,895	23,246,506	17,466,755	17,913,796
Total Current Revenue	83,103,020	94,576,870	94,671,451	92,687,506	83,344,272	87,413,796
Ret Adv/Advances Out		(75,000)			(62,987)	
Total Revenue With Beg Balance	139,736,502	174,810,505	175,913,188	147,532,043	173,267,046	145,209,134
Expenses & Encumbrances	(81,037,535)	(93,379,639)	(84,994,326)	(86,693,255)	(99,516,840)	(91,101,179)
Ending Unencumbered Balance	\$ 58,698,967	\$ 81,430,867	\$ 90,918,861	\$ 60,838,788	\$ 73,750,206	\$ 54,107,955

- (1) The 2024 Actual Budget is current as of the April 9, 2024 Certificate of Estimated Resources and April 18, 2024 Board-approved Fourth Amendment to the Annual 2024 Appropriation.
- (2) Based on Collection Year 2024 effective rates & 100% collection rate of the 1.0 mill, 5.8 mill and 2.0 mill continuing levies as of the 1/01/24 Cuyahoga County Budget Commission's Schedule A with no increase to the assessed values.
- (3) PLF has been estimated, based on the State's budget bill (HB 33) for the FY 2024-2025 biennium, permanently increased to 1.7% of the General Revenue Fund tax sources with no growth.
- (4) The proposed 2025 Tax Budget Expenditures/Encumbrances is based on 2025 projected expenditures estimated by increasing 2024 operating appropriation by 2%. Estimating \$69.4m appropriation for 2025 plus \$3.3m transfer for debt service payment and \$2,500,000 being transferred to capital projects or debt service.

**Revenue Sources Detail
For the
Proposed 2025 Tax Budget
For Board Presentation May 16, 2024**

Prepared By:
Carrie Krenicky

	2023		2024		2025 Proposed			
	Ending Budget 2023	Actual Revenue 2023	Current Budget 2024	Tax Budget 2025				
41200 Property Tax	\$ 38,696,218	\$38,696,218	\$ 38,696,218	\$38,696,218	35,885,230	\$35,885,230	\$ 42,000,000	\$42,000,000
41100 PLF (Public Library Fund)	28,816,443	28,816,443	27,492,287	27,492,287			27,500,000	
41900 Rollbacks	2,437,316	2,437,316	2,433,895	2,433,895	2,500,000	2,500,000	-	-
Total Property Tax & Rollbacks	\$ 41,133,533	\$ 41,133,533	\$ 41,130,113	\$ 41,130,113	\$ 38,385,230	\$ 38,385,230	\$ 42,000,000	\$ 42,000,000
Total Tax Budget Request Per Board Resolution							\$ 69,500,000	
Other Sources								
42200 State Aid	\$ -	\$ 6,000	\$ -	\$ 6,000	\$ -	\$ 6,000	\$ -	\$ 6,000
43110 Fines	490	494	490	494	490	494	500	500
43120 Fees	19,220	19,144	19,220	19,144	19,220	19,144	19,000	19,000
43130 Lost Books	33,230	34,151	33,230	34,151	33,230	34,151	34,000	34,000
43150 Products	7,610	8,343	7,610	8,343	7,610	8,343	8,300	8,300
43160 Passport Fee	20,380	21,185	20,380	21,185	20,380	21,185	21,000	21,000
43165 Photo Passport Fee	5,740	5,954	5,740	5,954	5,740	5,954	6,000	6,000
43170 Sales Tax	5,630	5,691	5,630	5,691	5,630	5,691	5,700	5,700
43180 Copiers	62,590	63,724	62,590	63,724	62,590	63,724	60,000	60,000
43185 Class/Seminar Fees	0	1,000	0	1,000	0	1,000	0	0
43195 Dup Services	3,290	3,301	3,290	3,301	3,290	3,301	3,300	3,300
44100 Investment Income	1,950,541	1,894,915	2,282,878	2,282,878	2,282,878	2,282,878	2,112,390	2,112,390
46100 Restricted Gifts	17,505	17,505	0	0	0	0	0	0
46500 Unrestricted Gifts	616	631	0	0	0	0	0	0
48100 Sales of Surplus Property	1,523	1,553	1,500	1,553	1,500	1,553	0	0
48300 Meeting Rooms	18,078	20,328	18,100	20,328	18,100	20,328	20,000	20,000
48600 Rebates Earned	1,344	1,354	1,300	1,354	1,300	1,354	1,300	1,300
48720 Refunds/Reimbursements	752,614	756,496	558,807	756,496	558,807	756,496	589,118	589,118
48900 Miscellaneous	11,500	12,600	11,500	12,600	11,500	12,600	12,500	12,500
49820 Return of Advances		203,380		203,380		203,380		203,380
Subtotal Other	2,911,901	3,077,748	3,032,265	3,032,265	3,032,265	3,032,265	2,893,108	2,893,108
Total Other Sources (TPP Tax & Other)	\$ 2,911,901	\$ 3,077,748	\$ 3,032,265	\$ 3,032,265	\$ 3,032,265	\$ 3,032,265	\$ 2,893,108	\$ 2,893,108
Total All Sources	\$ 72,861,877	\$ 73,024,304	\$ 68,909,782	\$ 68,909,782	\$ 68,909,782	\$ 68,909,782	\$ 72,393,108	\$ 72,393,108
Beginning Unencumbered Balance	25,890,476	25,890,476	29,685,991	29,685,991	29,685,991	29,685,991	22,296,569	22,296,569
Ret Adv/Advances Out	266,380		(62,987)	(62,987)	(62,987)	(62,987)		
Total Available Revenue	\$ 99,018,732	\$ 98,914,780	\$ 98,532,786	\$ 98,532,786	\$ 98,532,786	\$ 98,532,786	\$ 94,689,677	\$ 94,689,677

ALTERNATIVE TAX BUDGET INFORMATION

Political Subdivision/Taxing Unit: Cleveland Public Library

For the Fiscal Year Commencing: January 1, 2025

Fiscal Officer Signature: Carrie Krenicky Date: May 16, 2024

COUNTY OF CUYAHOGA

Background

Substitute House Bill No. 129 (HB129) effective June 3, 2002, was enacted by the 124th General Assembly in part to allow a county budget commission to waive the requirement that a taxing authority adopt a tax budget for a political subdivision or other taxing unit, pursuant to Ohio Revised Code (ORC) Section 5705.281.

Ohio Revised Code Section 5705.281

Under the amended version of this section pursuant to HB 129, a county budget commission, by an affirmative vote of a majority of the commission, including an affirmative vote by the county auditor, may waive the tax budget for any subdivision or other taxing unit.

However, the commission may require the taxing authority to provide any information needed by the commission to perform its duties, including the division of the tax rates as provided under ORC Section 5705.04.

County Budget Commission Duties

The county budget commission must still certify tax rates to each subdivision or other taxing unit, by March 1 for school districts and by September 1 for all other taxing authorities under ORC Section 5705.35, even when a tax budget is waived. Also, the commission is still required to issue an official certificate of estimated resources under ORC Section 5705.35 and amended official certificates of estimated resources under ORC Section 5705.36.

Therefore, when a budget commission is setting tax rates based on a taxing unit's need, for purposes of ORC Sections 5705.32, 5705.34, and 5705.341, its determination must be based on that other information the commission asked the taxing authority to provide under ORC Section 5705.281, when the tax budget was waived. Also, an official certificate must be based on that other information the commission asked the taxing authority to provide.

County Budget Commission Action

On October 11, 2002, during the Cuyahoga County Budget Commission meeting, the commission with an affirmative vote of all members waived the requirement for taxing authorities of subdivisions or other taxing units (Including Schools) to adopt a tax budget as provided under ORC Section 5705.281, but shall require the filing of this Alternative Tax Budget Information document on an annual basis.

Alternative Tax Budget Information Filing Deadline

For all political subdivisions excluding school districts, the fiscal officer must file one copy of this document with the County Fiscal Officer on or before July 20th. For school districts the fiscal officer must file one copy of this document with the County Fiscal Officer on or before January 20th.

DIVISION OF TAXES LEVIED

(Levies Inside & Outside 10 Mill Limitation, Inclusive Of Debt Levies)
 (List All Levies Of The Taxing Authority)

Cleveland Public Library
 Tax Budget 2025

SCHEDULE 1

I Fund	II Purpose	III Authorized By Voters On MM/DD/YY	IV Levy Type	V Number Of Years Levy To Run	VI Tax Year Begins/ Ends	VII Collection Year Begins/ Ends	VIII Maximum Rate Authorized	IX \$ AMOUNT Requested Of Budget Commission
General Fund	Current Expenses	11/5/1985	Replacement	Continuous	1985-	1986-	1.00	\$3,300,000.00
General Fund	Current Expenses	11/7/2017	Renewal with an Increase	Continuous	2018-	2019-	7.80	\$38,700,000.00
Totals								\$42,000,000.00

STATEMENT OF FUND ACTIVITY

(List All Funds Individually)

Cleveland Public Library
Tax Budget 2025

SCHEDULE 2

I	II	III	IV	V	VI	VII
Fund	Beginning			Total	Total	Ending
BY Type	Estimated Unencumbered Fund Balance	Property Taxes and Local Government Revenue/(PLF)	Other Sources Receipts	Resources Available for Expenditures	Estimated Expenditures & Encumbrances	Estimated Unencumbered Balance
General Fund	22,296,569	69,500,000	2,893,108	94,689,677	75,130,273	19,559,404
Special Revenue Funds	17,422,104	0	9,100,000	26,522,104	9,100,000	17,422,104
Debt Service Fund	21,062		3,270,688	3,291,750	3,291,750	0
Capital Projects Fund	14,268,326	0	2,500,000	16,768,326	3,429,156	13,339,170
Permanent Funds	3,787,277	0	150,000	3,937,277	150,000	3,787,277