

Cleveland Public Library

Board of Trustees Meeting

February 16, 2017
FY-18-19 State Budget Overview



FY18-19 Budget Issues

- For the first half of the fiscal year, tax collections are off 2.7 percent or \$296.5 million, totaling \$10.83 billion versus the \$11.12 billion that had been expected.
- Ohio brought in about \$30.9 million less in December compared to the same month a year ago, a 1.6 percent drop.
- Compared to this point in FY16, state tax collection is 1.3 percent behind the \$10.96 billion collected in the first half of the previous fiscal year.

FY18-19 Budget Issues

- For the first half of the fiscal year, tax collections are off 2.7 percent or \$296.5 million, totaling \$10.83 billion versus the \$11.12 billion that had been expected.
- Ohio brought in about \$30.9 million less in December compared to the same month a year ago, a 1.6 percent drop.
- Compared to this point in FY16, state tax collection is 1.3 percent behind the \$10.96 billion collected in the first half of the previous fiscal year.

132nd Ohio General Assembly

- **House of Representatives**

- 66 Republicans and 33 Democrats

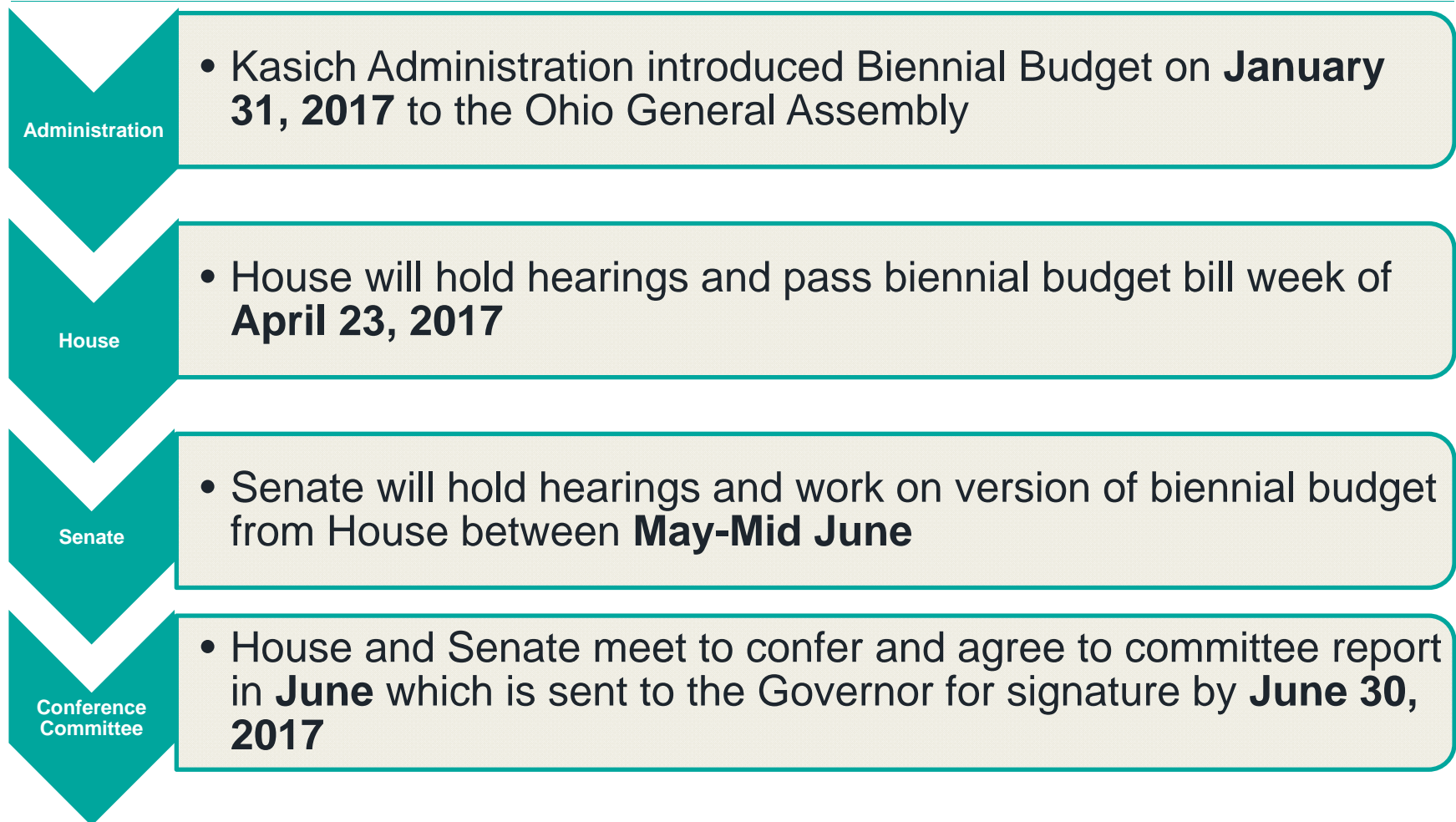
- **Senate**

- 24 Republicans and 9 Democrats

- **Key Committee Chair Appointments**

- House Finance: Chairman Smith, Anielski, LaTourette, Patton, Antonio
- House Ways and Means: Chairman Schaffer, Barnes, Boyd, Ramos, Sykes
- House State and Local Authority: Chairwoman Anielski, Boyd
- House Government Accountability and Oversight: Chairman Blessing, Greenspan, Johnson, Kent
- House Transportation: Chairman Green, VC Greenspan, Manning, Patton, Howse
- Senate Finance: Chairman Oelslager, VC Manning, Dolan
- Senate Local Govt, Public Safety and Vets Affairs: Chairman Uecker, Manning, Sykes, Yuko
- Senate Transportation: Chairman LaRose, Dolan, Manning, Yuko

Operating Budget Timeline



FY18-19 Budget

- All-funds budget is about \$144.3 billion for two years – a 4.4 percent increase from FY17 to FY18 and a 1.8 percent increase from FY18 to FY19;
- Increase state sales tax by ½ percent to 6.25 percent; reduce the state income tax by 17% and reduce the number of state tax brackets from 9 to 5;
- Tax cuts for low and middle income Ohioans by increasing the state income tax personal exemption;
- Maintain Medicaid expansion with limited monthly premiums for those over the poverty level;

Library Provisions

Public Library Fund

The Public Library Fund will revert back to 1.66%, down from a temporary increase to 1.70%.

FY 2017: \$389,500,000

FY 2018: \$381,800,000 (-2.0%)

- **- \$7,700,000**

FY 2019: \$393,500,000 (+3.1%)

- **+ \$11,700,000**

Library Provisions

Ohio Library for the Blind & Physically Disabled

FY 2017: \$1,274,194

FY 2018: \$1,274,194 (0.0%)

FY 2019: \$1,274,194 (0.0%)

Budget Risks

- Tax Proposal
- Revenue Adjustments
- Time

Capital Budget

- Work Force Development Opportunities
- Budget Provides Opportunity to Lay Capital Budget Groundwork
- Spring of 2018
- Monthly State, Local and Library Proposal
- Build Local Support
- Telling Our Story

Action Items

- **Develop Message**
 - Collaboration
 - Efficiency
- **Outreach – Local and Columbus**
- **Coordination of Advocacy Efforts**
- **Capital Budget Initiative**
 - Define Ask
 - Local Outreach to Political and Business Leaders
- **Leverage Ohio Political Transition**