



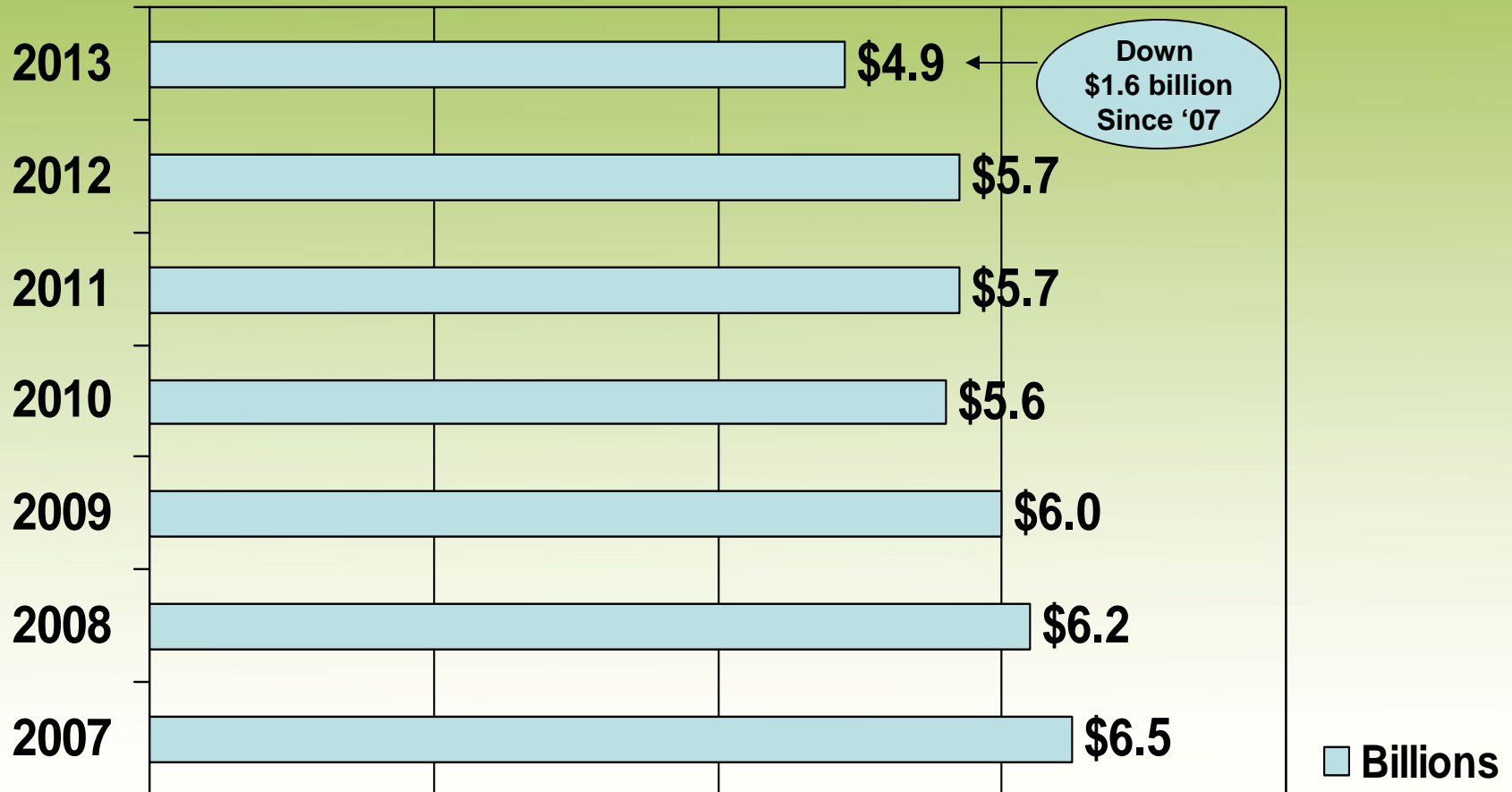
CLEVELAND PUBLIC LIBRARY

Financial Presentation
At Board of Library Trustees
Work Session
2/23/2012

Carrie Krenicky
Chief Financial Officer

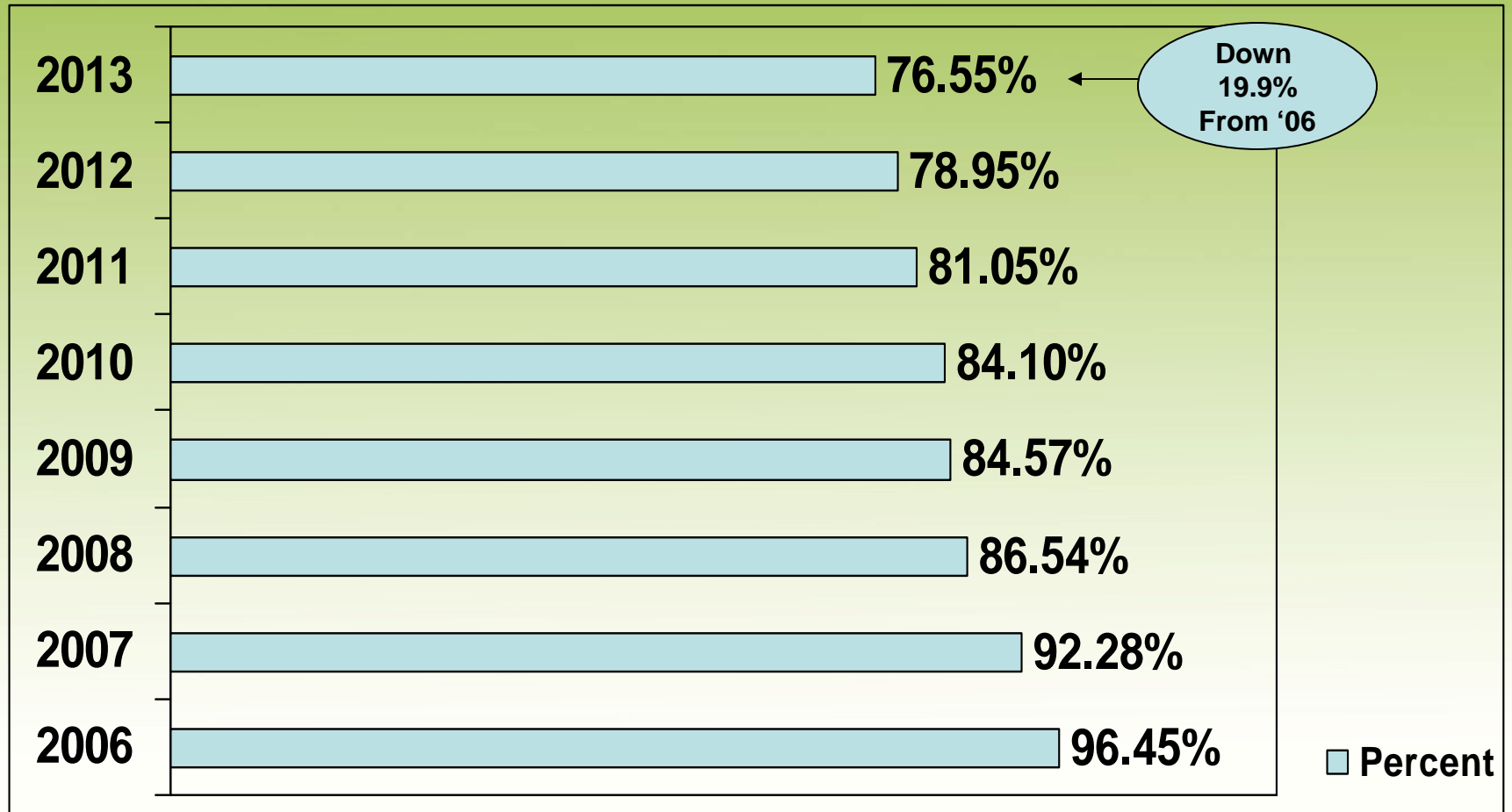


County Fiscal Officer's Estimated Municipal Tax Valuation

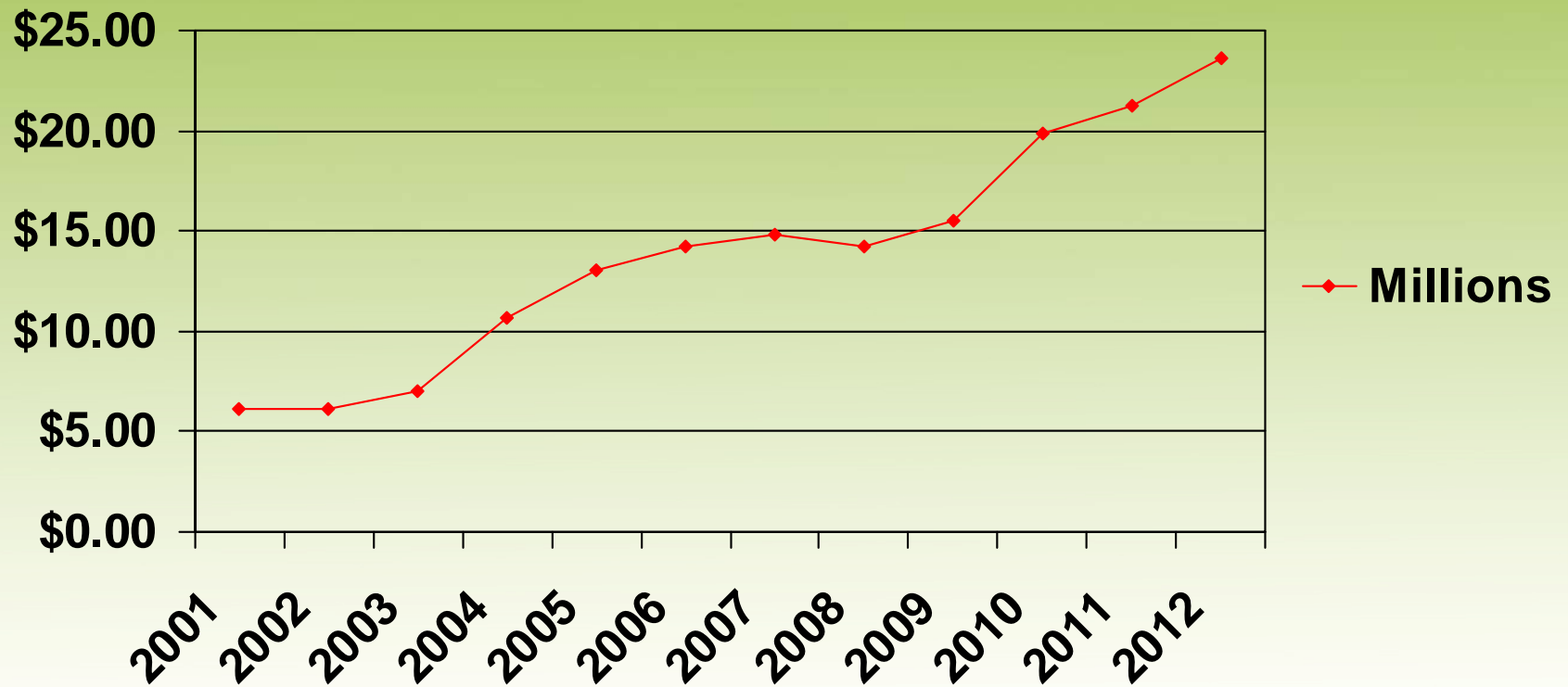


Source: Schedule A

Property Tax Collection Rate History

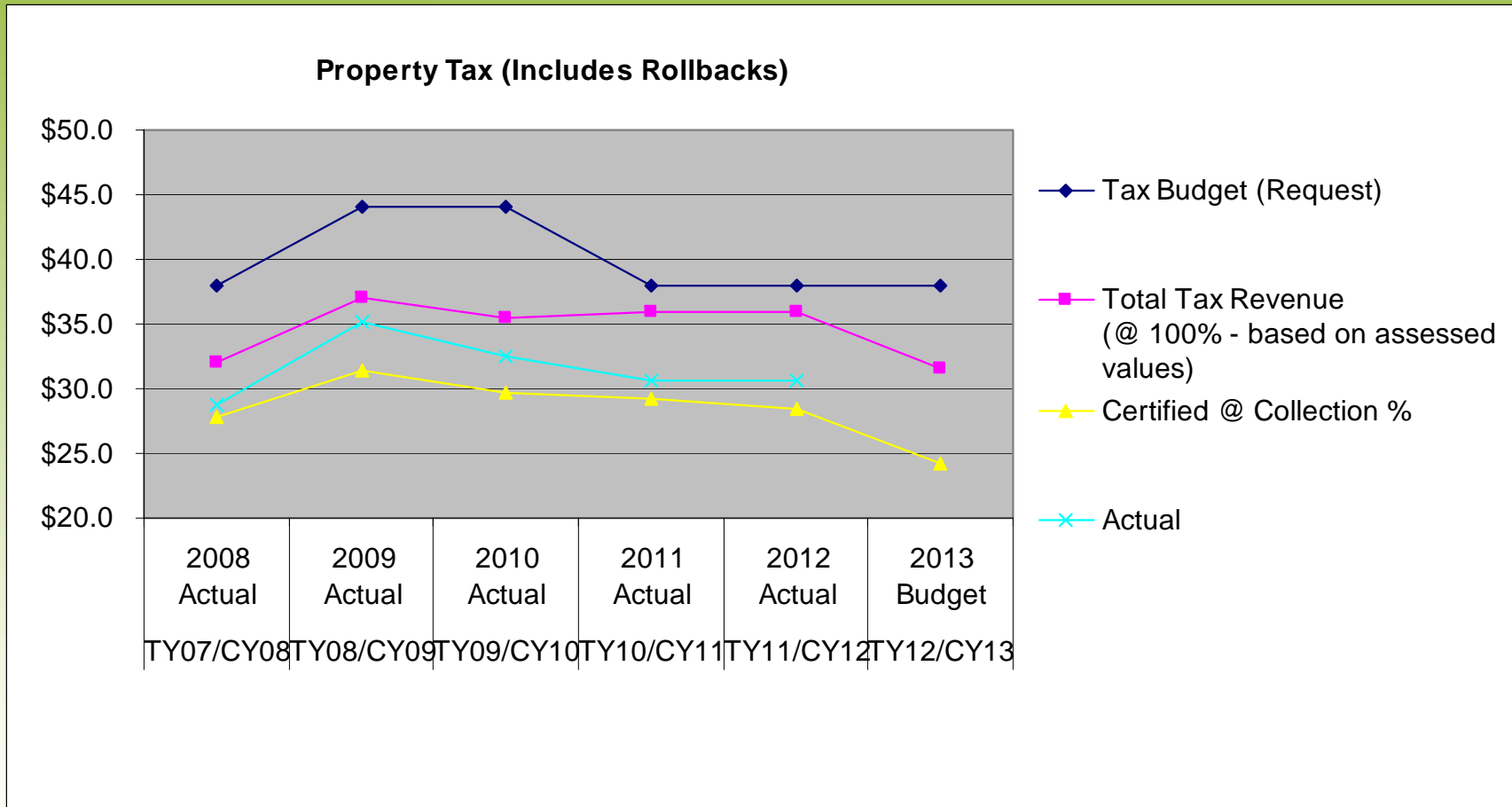


Delinquent Tax History



2001 started at \$6.13 million delinquent, ending in 2012 at \$23.5 million

Comparison of Tax Budget vs Total Tax Revenue vs Original Certification vs Actual Collection (In Millions)



Includes both Property Tax Levies: 1 mill continuous & 5-Yr 5.8 mill expiring 2013

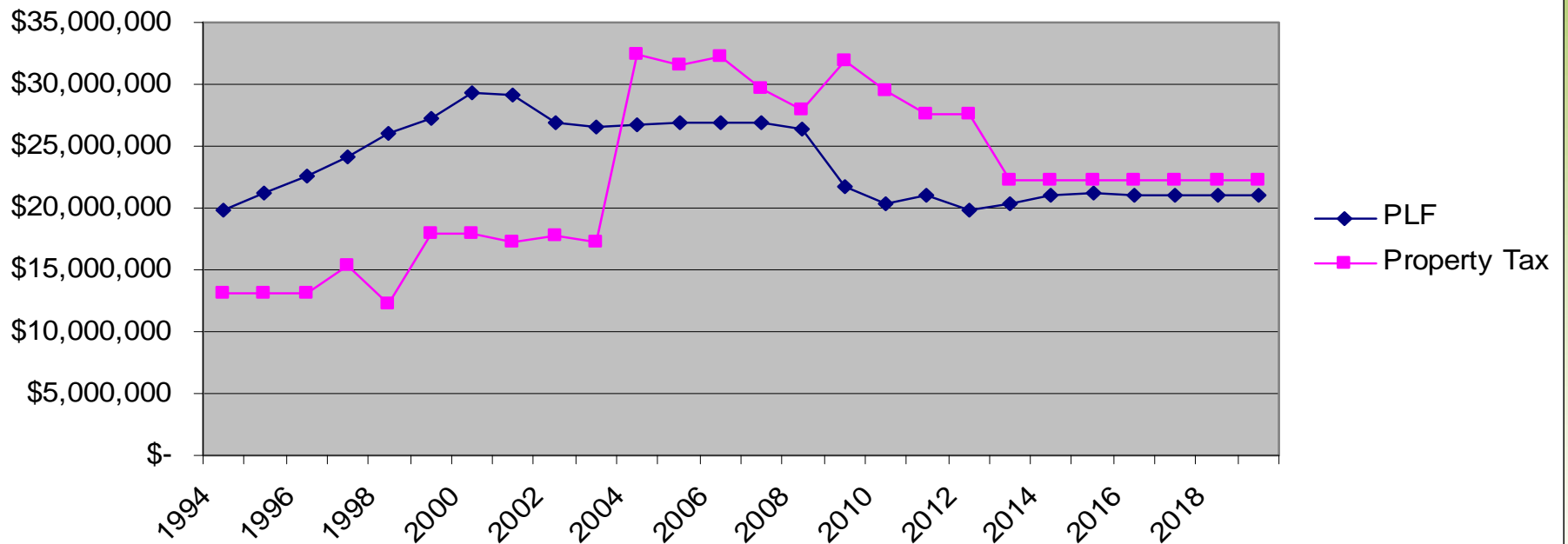
Note: Cuyahoga Co. certified on 11/15/07 the revenue from the 5.8 mill replacement to be \$36.1 m/year



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CPL's Two Primary Revenue Sources

PLF/Property Tax History & Projection



In 2000, PLF was 54% and Property Tax was 33% of total revenue.
 In 2012, PLF was 34% and Property Tax was 47% of total revenue.

In 2000 – 1 mill continuous & 5-Yr 3.0 mill (2.0 mill replacement & 1.0 mill increase) levies
 In 2012 – 1 mill continuous & 5-Yr 5.8 mill (replacement) levies



General Fund Projection for 2014-2020 Revenue Assumptions

- **Public Library Fund (PLF)**

Percentage of Revenue-based Funding resumes July 2013;
Based on the Governor's summary of 2/04/13, estimating PLF for:
SFY2014 + 4.1% change from SFY2013
SFY2015 + 2.7% change from SFY2014

CPL to continue to receive same % (41.1843%) from 2014 -2018 (per Agreement with 9 Libraries)

- **Property Tax**

Continue with 5.8 mill renewal based on TY12/CY13 certification; no further decrease in collection rate

- **TPPT/CAT**

Revenue completely phased out by 2016

- **Fines/Fees, Interest, Donations and Misc**

Flat/No growth...High/Low ?

- **Contracts**

CLEVNET Revenue estimated at +5% per annum.



General Fund Projection for 2014-2020 Expenditure Assumptions

- **Salaries/Benefits**

Increase 3.5% per annum (estimated using Jan 2013 Appropriation as base)
Unknown Affordable Care Act effect on benefits - .5% increase/year too low?

- **Supplies**

Increase 0% per annum; since revenue is declining, maintaining 2%

- **Purchased Services**

Increase 0% per annum; since revenue is declining, 16-18%

- **Library Materials**

Increase 0% per annum; since revenue is declining, 15-17%

- **Capital & Other**

Increase 0% per annum

Capital improvements/Projects funding in Building & Repair Fund

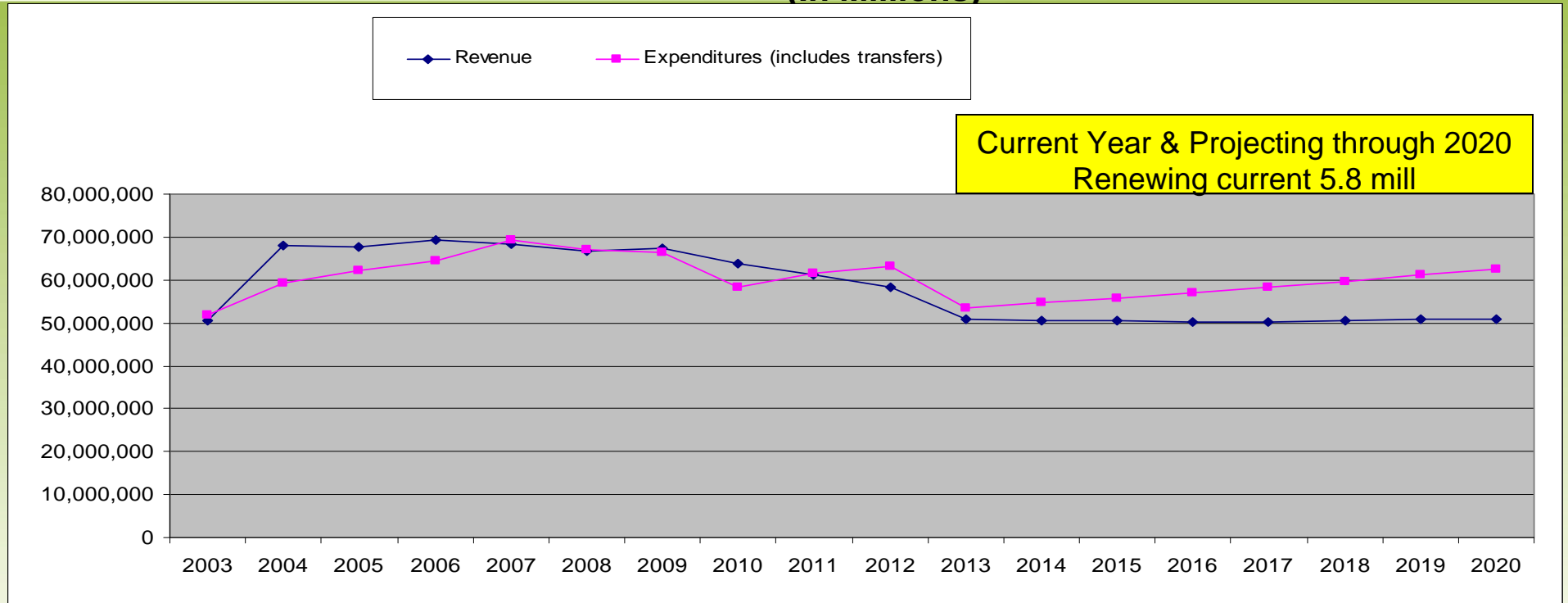
CLEVNET/CPL IT - \$2,000,000/year for operational hardware/software

Facilities Assessment -2013-2020 \$?

Main Library Consolidation – 2013 (Phases 2 & 3) ; 2014-2018 (Phases 4 & 5) \$?



Revenue & Expenditure 10 Year History – 8 Year Projection (In Millions)



Our History

Need to get on a path of redesign & sustainability

2003 was the last collection year of 1998 3.0 mill

1985 Continuous	1.0
1988 Add	2.0
1998 Replacement & Increase	3.0
2003 Replacement & Increase	5.8
2008 Replacement	5.8



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Where do we want our Revenue to cover our Expenditures?



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Revenue & Expense

Our History-Where We've Been

(In Millions)

	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Actual 2012
Total Revenue	\$ 69,193,463	\$ 68,372,104	\$ 66,736,581	\$ 67,218,917	\$ 63,760,587	\$ 61,270,540	\$ 58,355,953
Total Expenses	\$ 64,295,781	\$ 69,216,337	\$ 67,052,186	\$ 66,486,770	\$ 58,293,612	\$ 61,377,107	\$ 63,053,053
Revenue +/- Expenses	4,897,682	(844,233)	(315,605)	732,146	5,466,975	(106,566)	(4,697,100)
Cash January 1	25,336,265	30,233,948	29,389,714	29,074,110	29,806,256	35,273,231	35,166,664
Cash Balance December 31	\$ 30,233,948	\$ 29,389,714	\$ 29,074,110	\$ 29,806,256	\$ 35,273,231	\$ 35,166,664	\$ 30,469,564
Encumbrance	5,814,603	4,741,647	4,178,900	5,140,315	6,311,375	6,314,409	6,869,257
Unencumbered Balance	\$ 24,419,344	\$ 24,648,067	\$ 24,895,210	\$ 24,665,941	\$ 28,961,856	\$ 28,852,255	\$ 23,600,307
OLC Recommends Maintain Unenc Fund Bal of 4 months of Op Exp	\$ 21,431,926.93	\$ 23,072,112.33	\$ 22,350,728.52	\$ 22,162,256.80	\$ 19,431,204.16	\$ 20,459,035.60	\$ 21,017,684.48



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Revenue & Expense Where We're Heading (In Millions)

				Negative Cash Position with listed assumptions			Est Mills	
							needed	
				Inc Revenue/(Reduce Expenditures) Each of 5 Years 2014-2018				
				If use unencumbered balance (\$0 @ 12/31/2018)	\$ (2,399,038)		0.6	
				To maintain encumbered balance of 4 months of exp	\$ (6,378,510)		1.7	
				Or Last 4 Years-Go for additional in 2014 (CY2015)				
				If use unencumbered balance (\$0 @ 12/31/2018)	\$ (2,998,797)		0.8	
				To maintain encumbered balance of 4 months of exp	\$ (7,973,138)		2.1	
				Or Last 3 Years-Go for additional in 2015 (CY2016)				
				If use unencumbered balance (\$0 @ 12/31/2018)	\$ (3,998,396)		1.1	
				To maintain encumbered balance of 4 months of exp	\$ (10,630,850)		2.8	
				5-Year Renewal of 5.8 mill				
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	2013	2014	2015	2016	2017	2018	2019	2020
Total Revenue	\$ 50,691,813	\$ 50,506,872	\$ 50,467,176	\$ 50,135,495	\$ 50,312,231	\$ 50,497,803	\$ 50,692,654	\$ 50,897,248
Total Expenses	\$ 53,475,785	\$ 54,635,010	\$ 55,834,808	\$ 57,076,599	\$ 58,361,852	\$ 59,692,089	\$ 61,068,885	\$ 62,493,868
Revenue +/- Expenses	(2,783,972)	(4,128,138)	(5,367,632)	(6,941,103)	(8,049,621)	(9,194,286)	(10,376,231)	(11,596,621)
Cash January 1	30,469,564	27,685,592	23,557,454	18,189,822	11,248,719	3,199,098	(5,995,188)	(16,371,419)
Cash Balance December 31	\$ 27,685,592	\$ 23,557,454	\$ 18,189,822	\$ 11,248,719	\$ 3,199,098	\$ (5,995,188)	\$ (16,371,419)	\$ (27,968,040)
Encumbrance	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Unencumbered Balance	\$ 21,685,592	\$ 17,557,454	\$ 12,189,822	\$ 5,248,719	\$ (2,800,902)	\$ (11,995,188)	\$ (22,371,419)	\$ (33,968,040)
OLC Recommends Maintain Unenc Fund Bal of 4 months of Op Exp	\$ 17,825,261.67	\$ 18,211,669.99	\$ 18,611,602.59	\$ 19,025,532.85	\$ 19,453,950.65	\$ 19,897,363.09	\$ 20,356,294.96	\$ 20,831,289.44



Building & Repair Fund Unencumbered Balance

Fund Balance, December 31, 2012	\$16,399,618	
Encumbrances	(874,338)	
Unencumbered Balance	\$15,525,280	
	(11,700)	Jefferson Parking Lot Grant Received (Remaining portion)
	(1,992,545)	CPL/CLEVNET Hardware/Software budget
	(1,120,456)	ML Heat Conversion Project
Estimated 12/31/13 Fund Balance	\$12,400,579	
	(2,000,000)	CPL/CLEVNET Hardware/Software
Estimated 12/31/14 Fund Balance	\$10,400,579	
	(2,000,000)	CPL/CLEVNET Hardware/Software
Estimated 12/31/15 Fund Balance	\$8,400,579	
	(2,000,000)	CPL/CLEVNET Hardware/Software
Estimated 12/31/16 Fund Balance	\$6,400,579	
	(2,000,000)	CPL/CLEVNET Hardware/Software
Estimated 12/31/17 Fund Balance	\$4,400,579	
	(2,000,000)	CPL/CLEVNET Hardware/Software
Estimated 12/31/18 Fund Balance	\$2,400,579	
	(2,000,000)	CPL/CLEVNET Hardware/Software
Estimated 12/31/19 Fund Balance	\$400,579	



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Questions?