

To: Montana State Library Commission
From: Karen Strege
Re: Further Reductions
Date: January 7, 2003

As you know, yesterday the legislature changed all proposed agency budgets to their FY 2000 base budget levels. The reductions for the State Library for 2004 and 2005 are \$297,796 and \$41,943. During Thursday's hearing, we need to show the harm that these cuts will cause in our services.

Based on the prioritized list adopted by the Commission (attached), staff recommends that you make the cuts as follows:

	04	05
TBL staff position	38,056	37,944
Federation support & funding	82,000	
LDD Data coordinator (vacant)	28,742	28,670
Direct Aid to Public Libraries	104,005	
Fixed costs	45,000	
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Totals	297,803	66,614

This recommendation follows the prioritized list except for the following three variations: leaves partial funding in the interlibrary loan program; substitutes a vacant position in the Library Development Department instead of eliminating another position in the Talking Books Library; and adds a reduction in fixed costs, i.e. telephone and telecommunications charges based on a reduction of four FTE.

Although the Legislative Fiscal Division has asked that the legislature postpone its early budget hearings to allow for agencies to prepare presentations based on the new base budget, we hear that these hearing dates will not be changed. This means that we will have to present these newest reductions on Thursday morning. Although a decision or executive action on our budget is scheduled for Friday, we speculate that the committee might delay all executive action on agency budgets until the revenue picture, i.e. coal tax trust, is clearer.