

2010 PRELIMINARY BUDGET DETAIL (NOVEMBER 2009)

NOTE: THERE WERE NO CHANGES WHEN THE FINAL BUDGET WAS ADOPTED DEC. 15, 2009

DIRECTOR'S BUDGET MESSAGE UPDATE

General Operating Fund: \$10,314,213

BUDGET GOALS

The theme for the 2010 budget is **sustainability**:

- Maintaining 2009 service levels
- Adding new services only if costs are offset by other reductions
- Continuing to maintain salary competitiveness
- Carrying out scheduled 2010 facility maintenance plan, technology upgrade plan, and FF&E maintenance plan projects
- Maximizing ongoing revenue to help offset increased future year expenses

SUMMARY

With the 2010 budget virtually complete, all budget goals are met well within recurring revenue – and with a little left over. District residents will see no reductions in any aspect of their library services.

This year budget development was about a month ahead of its usual schedule and for that reason I presented my full budget message in October, with updates this and next month. We have almost complete property tax information, all aspects of staff compensation are settled, and all anticipated cost increases can be accommodated.

In revenue, a higher than anticipated increase in new construction once again softened potential ramifications of the 1% levy lid. However, the economic downturn impacted overall assessed valuations, which remained about the same as last year rather than increasing. The net effect is a slight increase in our levy rate.

Usually the largest expense increases are personnel-related, but in 2010 there'll actually be a slight decrease (0.4%) in total personnel costs for two primary reasons: the negative Consumer Price Index number means there are no overall salary increases and there is a substantial drop in Public Employees Retirement System rates. There's a 3% baseline increase for library materials in addition to a one-time allocation for introduction of two new formats.

The approximate \$243,000 balance of revenue over expenses should provide sufficient cash flow going into 2011 that when combined with new 2011 revenue and potentially supplemented from our \$2.17 million unrestricted fund balance, may be sufficient to maintain current staffing and service levels for a second year beyond the original 2007-2009 levy lid lift financial plan projection. However, there are two factors that could require an increase in staffing that probably couldn't be accommodated within the projected 2011 cash flow: addressing currently thinly-stretched staffing due to multi-year increases in library use and a decision to further increase our community collaborations, partnerships, and activities.

ESTIMATED 2010 REVENUE: \$10,556,894

- Revenue from all sources: \$10,423,633
- Transfer from Capital Reserve Fund: 133,261

REVENUE CHANGES FROM 2009 BASELINE (\$5,000 OR MORE)

The 2010 revenue projection from all sources other than interfund transfers is currently \$296,072 higher than the 2009 baseline amount.

Property taxes: On October 20, the Spokane County Assessor's Office provided a preliminary estimate of SCLD's 2009 assessed valuation that will be used to determine the 2009 property tax levy for collection in 2010. The "highest lawful levy" for a given year is the lesser of application of the 1% levy limit or the statutory maximum rate times the assessed value.

The Assessor's Office "best guess" levy estimate shows a \$243,457 increase from this year consisting of the 1% (\$94,465) increase from the current levy and \$148,992 from new construction. The only valuation component not yet included in this estimate is for state-assessed property, normally not provided by the state Department of Revenue until December. To assure the collection of the highest lawful levy after state-assessed values are included, approximately \$13,500 was added, making the total \$9,703,800. Regardless of the current estimate, the amount the Assessor's Office ultimately certifies will be a function of final property valuations up to that estimate.

As previously explained, the 2009 Implicit Price Deflator figure to be used in levy lid calculations is *negative* 0.848% so the maximum property tax increase for local governments serving a population of 10,000 or more will be based on the IPD rather than the 1% calculation unless the governing board by resolution finds substantial need for the full 1%. Without a finding of substantial need, the limit factor would be 99.152% – an actual drop from the previous year's levy amount, to which increases from for new construction and state-assessed valuation would be added.

Applying the IPD rather than the 1% limit (excluding new construction, state-assessed increases), SCLD would have a *decrease* of \$80,106 from the current year levy amount. With a finding of substantial need, the levy limit factor of 1% could be used, resulting in an increase of \$94,465 over the current year, for a total of \$174, 571 above the levy using the 2009 IPD as the limit factor.

The impact of the 1% levy lid continues to be significant. Using the \$21,790,516,962 assessed valuation estimate – which doesn't yet include changes in state-assessed values – and applying the full 1% levy lid, the levy amount for collection in 2010 results in a levy rate of \$0.444686216. The property tax savings to property owners – which is a property tax loss to the District – is \$1,205,315.

City contract fees: Three cities will be paying contract fees in 2010, each of a different type.

- Airway Heights: Fee is estimated to be \$129,221 based on the latest Assessor's Office assessed valuation information and estimated SCLD levy rate – an increase of \$12,033 (10.3%) over 2009.
- Spokane Valley: 2010 fee is an amount equal to 50¢ per \$1,000 of the city's assessed valuation to be paid proportionate to its 2005 property tax collection percentage for that year and for future years as delinquent 2005 taxes are collected. The estimate for delinquent 2005 tax collections in 2010 is down to \$1,000.
- City of Spokane: Based on the Assessor's Office assessed valuation estimate, the City of Spokane's Moran Prairie annexation mitigation fee will be \$60,203 – an increase of \$11,363 from 2009. In addition, year two of the Park Place and North Division Annexation mitigation fees will total \$1,168 and \$13,541 respectively, a 20% decrease from 2009.

Services & Fees: Total increase of \$9,450, with only one change of \$5,000 or more.

- Fines & Charges: 2010 payments for fines and charges projected to increase (+ \$11,100)

Miscellaneous: Total increase of \$28,851 in Miscellaneous accounts, with only two changes of \$5,000 or more.

- Grants-Nongovernmental: NEA Big Read Grant and Year 2 of Gates Foundation Grant (+25,400)
- Sale of Library Materials: Higher estimate based on actual 2009 sales (+ \$5,000)

Interest Earnings: Decrease in interest earnings from idle cash (- \$10,000)

- Although there will be a higher fund balance available for investment during the year, the rate of return in the county's investment pool has decreased over the past six months. The initial 2010 interest rate is estimated at 1.30% compared to the estimated 3.0% rate of return that was used in preparing the 2009 budget.

Transfer In

- Capital Reserve Fund: The net amount of the Technology, Facility and Furniture, Fixture and Equipment (FF&E) Five Year Plans is in excess to the 2010 baselines. (+ \$133,261)

ESTIMATED 2010 EXPENSES: \$10,314,213

EXPENSE CHANGES FROM 2009 BASELINE (\$5,000 OR MORE)

Expenditure totals reflect the baseline and manager requests. Only individual changes of \$5,000 or more are described below; others are explained in the budget notes.

Salaries: Major salary budget increase components are as follows:

- Annualize 2009 changes (- \$35,425)
- One time expense related to confidential personnel matter (+ \$26,253)
- Reclassify two positions recommended by the Classification & Compensation Study (+ \$7,591)
- Salary step increases for eligible staff (+ \$35,070)
- Because the August CPI-W is -1.9%, there is no CPI-related 2010 salary scale adjustment.

Benefits: The largest single total fringe benefit change is annualizes the July 1, 2009 Public Employees Retirement System employer contribution – a reduction of \$74,711. The largest increase is \$25,416 for medical insurance premiums. Most of the others are factors of salary changes.

Significant changes per line item are:

	Social Security	Medicare	Retire-ment	Medical Ins	Dental Ins	State Ind. Ins.	Other <\$5k *	TOTAL
Annualize 2009	\$ (1,620)	\$ (513)	\$ (74,711)	\$ (1,472)	\$ (824)	\$ 14	\$ (234)	\$ (79,360)
Step increases	2,035	508	1,782	0	0		0	4,325
Reclassification Study	493	116	423	0	0		0	1,032
Personnel LOA	1,628	380	1,394	2,533	296		49	6,280
New Branch Svcs Mgr	(281)	(65)	(241)	0	0	16	0	(571)
Add'l Temp Hours	162	38	70	0	0	10	0	280
2010 Rate Increase	0	0	0	24,516	8,272	4,000	682	37,470
TOTAL	\$ 2,417	\$ 464	\$(71,283)	\$ 25,577	\$ 7,744	\$ 4,040	\$ 497	\$(30,544)

*Vision insurance; life insurance; long-term disability insurance; employee assistance program

Supplies: There is an increase of \$11,375 for supplies, all of it for Office and Library Supplies.

- Offset from reduction in Printing (+ \$4,000)
- Increased consumption resulting from increased library use (+ \$6,175)

Services: There are a variety of increases in service line items, most under \$5,000. Those that are \$5,000 or more are:

- Accounting and Audit Services: No audit in 2010 with 2-year cycle (- \$12,500)
- Other Professional Services: Election cost for possible levy lid lift proposal (+ \$50,000)
- Courier Services: New contract at lower cost (- \$5,943)
- Staff Training: Lower projected training costs (- \$6,200)
- Board Travel: Attendance at PLA conference in Portland, WLA/PNLA conference in Victoria, B.C. (+ \$6,000)
- Repair and Maintenance-Buildings: Rate increases for ongoing services (+ \$5,000); Facility Maintenance Plan scheduled projects (+ \$166,200)
- Grounds Maintenance: Facility Maintenance Plan scheduled projects (+ \$11,000)
- Library programs-Big Read: Expenses offset by NEA grant (+ \$15,000)

Capital Expenditures: The budget includes technology-related equipment and software included from the rolling 5-year technology plan and scheduled FF&E projects.

- Data Processing Hardware & Software: 2010 projects total \$220,000, lower than the new \$234,637 baseline (- \$14,637)
- Furniture, Fixtures, & Equipment: 2010 FF&E Plan purchases total \$89,100, higher than the new \$56,522 baseline (+ \$32,578)
- Vehicles: Planned replacement of the 2005 Ford F-150 maintenance truck (+ \$27,000)

Materials: The materials budget baseline for 2009 is \$1,321,750. This budget adds 3% to maintain current purchasing levels and establishing a new baseline of \$1,361,400.

- All material formats: Maintain purchasing levels (+ \$39,650); anticipated gifts (+ \$3,000)
- Non-Print: Initial collection of eBooks & downloadable music (+ \$45,000)

Operational Contingencies: As noted in the revenue section, there's no need to include an expense amount to offset a property tax revenue fudge factor beyond the usual \$40,000 baseline.

Transfers out: The November budget includes a \$135,000 transfer to the Capital Reserve Fund to begin replenishing the fund balance that was significantly reduced by the Conklin Road and Hastings Road property purchases. This amount leaves a large enough fund balance for purposes of cash flow between property tax collection periods.

THE FUND BALANCE

My goal in presenting an annual budget is for current year revenue to equal or exceed current recurring year expenses without use of the fund balance. The only exception may be to accommodate one-time expenses if the fund balance amount is in excess of established targets.

The 2010 beginning fund balance is based on our projected 2009 ending balance which doesn't yet include an estimate of unexpended 2009 funds. A new end-of-year fund balance projection will be done prior to final budget adoption in December that will add to that estimate. At over 21%, the current estimated ending undesignated unrestricted fund balance continues to be well above the 10% target level specified in the Fund Balance Management Policy.

EXCESS OF REVENUES OVER/(UNDER) EXPENSES

In this budget, estimated revenue exceeds estimated expenses by \$242,681. However, that amount includes interfund transfers. Excluding transfers-in and out, the amount is \$244,420 plus an additional \$59,632 net of one-time revenue and expenses.

MY BEST GUESS FOR THE FINAL BUDGET

I believe that final budget revenues and expenses that will be presented in December should be within about 1% of this budget.

BUDGET REVIEW DURING 2010

As usual, actual revenue and expenditures will be monitored throughout the year and recommendations will be periodically made to the Board for budget adjustments based on this review process. Decisions on use of any unanticipated revenue will be included in these periodic budget adjustments, which occur twice each year, usually in April or May and September or October.

FUTURE YEARS

Judicious use of funds generated by the 2006 levy lid lift election success has allowed maintenance of service levels through 2010 – a year longer than expected, offsetting potential funding issues caused by increasing costs and tax revenue limitations. The combination of the resulting healthy fund balance, a capital reserve fund available to address continued technology, facility, and FF&E needs, and the anticipated 2010 revenue increase leaves SCLD in a very strong position to weather a short-term revenue shortfall.

The need for additional funding in 2011 and beyond depends upon 2011 General Operating Fund Budget goals (such as addressing staffing pressure from increased use and community outreach) and whether it would be feasible to use a portion of levy lid lift funds for capital purposes, such as property acquisition or the previously-considered Administrative Offices expansion. Those issues should be discussed in early 2010 to provide enough time for levy lid lift election planning, if such a proposal would be placed on the August Primary Election ballot.

Bond Redemption Fund: \$0

The Bond Redemption Fund budget was used over a 20 year period as the repository of property tax collections for retirement of our Series 1988 General Obligation Bonds, then our Series 1996 issue. The final principal and interest payment for Series 1996 was made in December 2006 so no further property taxes are being levied for this fund. However, we continue to receive a small amount of delinquent tax payments, so the fund must remain in an active status for an indefinite time period with further transfers to Capital Reserve to drop the fund balance.

Capital Reserve Fund: \$133,261

Funds move in and out of the Capital Reserve Fund to implement the Technology, Facilities Maintenance, and FF&E Plans. It was also the source of funds for up-front planning and election costs for the Greater Spokane Valley LCFA, Conklin Road and Hastings Road property purchases, and other miscellaneous unanticipated capital expenses.

The amount moved depends on the annual plans in comparison to their baseline funding in the General Operating Fund, which was recently specified in the updated Fund Balance Management Policy to be the rolling five-year average costs. The new technology baseline is \$234,637; facilities maintenance is \$131,880; and FF&E is \$56,522.

Revenue: \$156,500

- Interest Income: \$15,000
- Transfer In from General Operating Fund: \$135,000 (explained in G.O. Fund notes)
- Transfer In from Construction Fund: \$6,500 (explained below under Construction Fund)

Expenses

- Transfer out to General Operating Fund: The net amount of the Technology, Facility and Furniture, Fixture and Equipment (FF&E) Five Year Plans being in excess to the 2010 baselines. (+ \$133,261)

Fund Balance

With these transfers, estimated interest earnings, and the beginning fund balance, the estimated ending fund balance for 2010 is \$832,804, including internal fund designations.

Construction Fund: \$6,500

All identified projects are complete for the near future. Accordingly, the majority of the remaining funds will return to the Capital Reserve fund. A small balance will remain in the fund to keep the checking account in an active status. This fund will go into hiatus status until the next capital projects are undertaken.

Revenue

- Interest Earnings: \$5. Anticipated interest revenue on idle funds.

Expenses

- Transfer Out to Capital Reserve Fund: \$6,500. Anticipated unused funds.

Fund balance

- Estimated ending fund balance: \$267

Spokane County Library District
2010 Preliminary Budget (November 17, 2009)
General Operating Fund (001-661)
Summary

REVENUES

Property Tax	\$ 9,703,800	
Contracted Cities, Services & Fees	471,433	
Miscellaneous Revenues	218,400	
Interest Earnings	30,000	
	<u>Total Revenues</u>	<u>\$ 10,423,633</u>
Transfer in From Capital Reserve Fund	133,261	
	<u>Total Transfers In</u>	<u>133,261</u>
	<u>Total Revenues & Transfer In</u>	<u>\$ 10,556,894</u>

EXPENSES

Salaries	\$ 5,163,838	
Fringe Benefits	1,317,348	
Supplies	214,008	
Services	1,698,019	
Capital Outlay	336,100	
Library Materials	1,409,400	
Short Term Debt	500	
Operational Contingencies	40,000	
	<u>Total Expenses</u>	<u>\$ 10,179,213</u>
Transfer Out to Capital Reserve Fund	\$ 135,000	
	<u>Total Transfers Out</u>	<u>135,000</u>
	<u>Total Expenses & Transfer Out</u>	<u>\$ 10,314,213</u>

Revenues Over/(Under) Expenses	\$ 242,681	
Estimated Beginning Fund Balance 01/01/10	2,300,688	
	<u>Estimated Ending Fund Balance 12/31/10</u>	<u>\$ 2,543,369</u>

(Less)

Reserved for Prepaid Items	(197,838)	
Reserved for Inventory	(59,882)	
Designated for Margaret Irving Program Fund	(6,123)	
Reserved for Public Library Directors Meetings	(4,938)	
Designated for Compensated Absences	(100,000)	
	<u></u>	<u></u>

Estimated Ending Undesignated Unrestricted Fund Balance		
12/31/10	<u></u>	<u>\$ 2,174,588</u>

**Spokane County Library District
2010 Preliminary Budget (November 17, 2009)
General Operating Fund (001-661)
Detail**

REVENUE	2009 Budget	2010 Baseline	Oct Adjust	Notes	Oct Budget	Nov Adjust	Notes	Nov Budget
Property Tax: Current Year	\$ 9,230,825	\$ 9,230,825	\$ 472,975	R1	\$ 9,703,800	\$ 0		\$ 9,703,800
Property Tax: Prior Years	219,783	219,783	(219,783)	R2	0	0		0
TOTAL PROPERTY TAXES	\$ 9,450,608	\$ 9,450,608	\$ 253,192		\$ 9,703,800	\$ 0		\$ 9,703,800
Contract City: Airway Hgts	\$ 117,188	\$ 117,188	\$ 12,033	R3	\$ 129,221	\$ 0		\$ 129,221
Contract City: Spo Valley	69,366	69,366	5,546	R3	74,912	0		74,912
City of Spokane Mitigation	4,000	4,000	(3,000)	R3	1,000	0		1,000
TOTAL CONTRACTED CITIES	\$ 190,554	\$ 190,554	\$ 14,579		\$ 205,133	\$ 0		\$ 205,133
Interlibrary Loans	\$ 200	\$ 200	\$ 0		\$ 200	\$ 0		\$ 200
Photocopiers	11,000	11,000	2,000	R4	13,000	0		13,000
Nonresident Fees	9,000	9,000	2,000	R4	11,000	0		11,000
Fines & Charges	169,900	169,900	11,100	R4	181,000	0		181,000
Lost & Damaged	50,000	50,000	(3,000)	R4	47,000	0		47,000
Rental Income	3,500	3,500	(1,400)	R4	2,100	0		2,100
Workstation Printing	8,500	8,500	(500)	R4	8,000	0		8,000
Retail Sales	4,750	4,750	(750)	R4	4,000	0		4,000
TOTAL SERVICES & FEES	\$ 256,850	\$ 256,850	\$ 9,450		\$ 266,300	\$ 0		\$ 266,300
TOTAL CONTRACTED CITIES, SERVICES & FEES	\$ 447,404	\$ 447,404	\$ 24,029		\$ 471,433	\$ 0		\$ 471,433
Leasehold Excise Tax	\$ 20,000	\$ 20,000	\$ 0		\$ 20,000	\$ 0		\$ 20,000
Shared Revenue: Timber Tax	13,849	13,849	(4,849)	R5	9,000	0		9,000
Purchase Discounts	4,000	4,000	0		4,000	0		4,000
NSF Check Recovery						0		
Gifts & Donations	11,700	11,700	3,300	R4	15,000	0		15,000
Sale of Library Materials	24,000	20,000	5,000	R4	25,000	0		25,000
Sale of Surplus Property	0	4,000	0		4,000	0		4,000
Sales to Library Staff	1,000	1,000	0		1,000	0		1,000

REVENUE	2009 Budget	2010 Baseline	Oct Adjust	Notes	Oct Budget	Nov Adjust	Notes	Nov Budget
E-Rate Reimbursement	100,000	100,000	0		100,000	0		100,000
Public Library Directors Mtgs	12,000	12,000	0		12,000	0		12,000
Grants-Nongovernmental	25,912	0	0		0	25,400	R7	25,400
Miscellaneous	3,000	3,000	0		3,000	0		3,000
Cobra Payroll Tax Credit	5,555	0	0		0	0		0
TOTAL MISCELLANEOUS	\$ 221,016	\$ 189,549	\$ 3,451		\$ 193,000	\$ 0		\$ 218,400
Interest Earnings	\$ 40,000	\$ 40,000	\$ (10,000)	R6	\$ 30,000	\$ 0		\$ 30,000
TOTAL REVENUES	\$ 10,159,028	\$ 10,127,561	\$ 270,672		\$ 10,398,233	\$ 25,400		\$ 10,423,633
Transfer In: Cap Reserve Fund	\$ 65,000	\$ 0	\$ 133,261	T1	\$ 133,261	\$ 0		\$ 133,261
TOTAL REVENUES & TRANSFERS IN	\$ 10,224,028	\$ 10,127,561	\$ 403,933		\$ 10,531,494	\$ 25,400		\$ 10,556,894

EXPENSES	2009 Budget	2010 Baseline	Oct Adjust	Notes	Oct Budget	Nov Adjust	Notes	Nov Budget
Salaries: Regular Hours	\$ 4,236,604	\$ 4,219,909	\$ 2,615	E1-E3,E5	\$ 4,222,524	\$ 0		\$ 4,222,524
Salaries: Temporary Hours	87,382	87,382	2,618	E6	90,000	0		90,000
Salaries: Paid Time Off	823,116	822,101	26,713	E1-E5	848,814	0		848,814
Salaries: Overtime Hours	2,500	2,500	0		2,500	0		2,500
TOTAL SALARIES	\$ 5,149,602	\$ 5,131,892	\$ 31,946		\$ 5,163,838	\$ 0		\$ 5,163,838
FICA-Social Security	\$ 316,904	\$ 315,806	\$ 2,417	E1-E6	\$ 318,223	\$ 0		\$ 318,223
FICA - Medicare	74,669	74,412	464	E1-E6	74,876	0		74,876
Retirement Contributions	329,683	328,743	(71,283)	E1-E6	257,460	0		257,460
Unemployment Insurance	3,700	3,700	0		3,700	0		3,700
Medical Insurance	502,929	498,109	25,577	E1,E4,E7	523,686	0		523,686
Vision Insurance	12,000	11,948	617	E1,E4,E7	12,565	0		12,565
Dental Insurance	80,484	79,813	7,744	E1,E4,E7	87,557	0		87,557
Life & Disability Insurance	4,670	4,670	(35)	E1,E4	4,635	0		4,635
State Industrial Insurance	26,999	26,913	4,040	E1,E5- E7A	30,953	0		30,953
Long Term Disability	2,124	2,124	(130)	E1	1,994	0		1,994
Employee Assistance (EAP)	1,699	1,676	23	E1	1,699	0		1,699
TOTAL FRINGE BENEFITS	\$ 1,355,861	\$ 1,347,914	\$ (30,566)		\$ 1,317,348	\$ 0		\$ 1,317,348
Cleaning & Sanitation Supplies	\$ 18,000	\$ 18,000	\$ 0		\$ 18,000	\$ 0		\$ 18,000
Vehicle Fuel	7,663	7,663	0		7,663	0		7,663
Other Supplies	200	200	0		200	0		200
Maintenance Supplies	4,300	4,300	0		4,300	0		4,300
Employee Awards & Recog.	750	750	0		750	0		750
Small Tools	750	750	0		750	0		750
Office & Library Supplies	166,703	166,403	11,375	E8	177,778	0		177,778
Cost of Retail Inventory Sold	4,567	4,567	0		4,567	0		4,567
TOTAL SUPPLIES	\$ 202,933	\$ 202,633	\$ 11,375		\$ 214,008	\$ 0		\$ 214,008
Accounting & Auditing Services	\$ 14,950	\$ 12,500	\$ 0		\$ 12,500	\$ (12,500)	E35	\$ 0
Legal Services	25,000	25,000	0		25,000	0		25,000
Damages, Claims, Settlements	17,000	0	0		0	0		0
Other Professional Services	76,100	27,500	52,510	E9,E10	80,010	0		80,010
Bad Debt Expense	200	200	0		200	0		200

EXPENSES	2009 Budget	2010 Baseline	Oct Adjust	Notes	Oct Budget	Nov Adjust	Notes	Nov Budget
Bank & Postal Charges	4,400	4,400	0		4,400	0		4,400
Software Support Services	120,000	120,000	0		120,000	0		120,000
Web Catalog Content Services	14,550	14,550	0		14,550	0		14,550
Collection Agency Services	22,095	22,095	0		22,095	0		22,095
Electronic Library Services	39,500	39,500	(1,300)	E11A	38,200	0		38,200
Data Communications: WAN	120,000	120,000	0		120,000	0		120,000
Data Communications: Internet	31,000	31,000	0		31,000	0		31,000
Telephone	24,000	24,000	1,000	E11	25,000	0		25,000
Postage	67,450	67,450	0		67,450	0		67,450
Freight Charges	2,000	2,000	0		2,000	0		2,000
Courier Services	65,943	65,943	0		65,943	(5,943)	E36	60,000
Mileage	14,300	14,300	0		14,300	0		14,300
Travel – Business	14,650	14,650	(700)	E12	13,950	0		13,950
Travel – Training Related	20,900	20,900	3,480	E13	24,380	0		24,380
Travel – Board	2,000	2,000	6,000	E14	8,000	0		8,000
Training – Board	3,500	3,500	600	E14	4,100	300	E14	4,400
Training – Staff	50,250	50,250	(6,200)	E24	44,050	0		44,050
Public Library Directors Mtngs	12,000	12,000	0		12,000	0		12,000
Advertising & Promotion	6,000	6,000	0		6,000	0		6,000
Recruitment	15,000	15,000	0		15,000	0		15,000
Rentals & Leases: Other	3,900	3,900	0		3,900	0		3,900
Rentals & Leases: Equipment	8,400	8,400	0		8,400	0		8,400
Insurance	72,343	72,343	3,240	E15	75,583	0		75,583
Printing	18,000	18,000	(4,000)	E16	14,000	0		14,000
Heat, Light, & Power	154,500	154,500	(3,000)	E17	151,500	0		151,500
Water, Refuse, & Sewer	42,650	42,650	3,000	E18	45,650	0		45,650
Repair & Mtnce: Miscellaneous	6,000	6,000	0		6,000	0		6,000
Repair & Mtnce: DP Equipment	33,000	33,000	0		33,000	0		33,000
Repair & Mtnce: Vehicles	4,000	4,000	0		4,000	0		4,000
Repair & Mtnce: Buildings	146,600	93,800	166,200	E19,E20	260,000	0		260,000
Custodial Services	175,000	175,000	0		175,000	0		175,000
Grounds Maintenance Services	26,255	15,255	17,000	E21,E22	32,255	0		32,255
Security Alarm Monitoring Svcs	7,700	7,700	0		7,700	0		7,700
Snow Removal	21,341	21,341	0		21,341	0		21,341
Dues & Memberships	12,000	12,000	200	E23	12,200	0		12,200
Library Programs	25,012	22,000	3,000	E25	25,000	0		25,000
Library Programs: Big Read	0	0	0		0	15,000	E37	15,000

EXPENSES	2009 Budget	2010 Baseline	Oct Adjust	Notes	Oct Budget	Nov Adjust	Notes	Nov Budget
Library Programs: Irving Fund	500	500	0		500	0		500
Cataloging & Authority Services	37,950	37,950	550	E26	38,500	0		38,500
Binding Services	1,000	1,000	0		1,000	0		1,000
ILL Services	12,705	12,705	0		12,705	0		12,705
Lost Materials Refunds	2,700	2,700	100	E27	2,800	0		2,800
TOTAL SERVICES	\$ 1,594,344	\$ 1,459,482	\$ 241,680		\$ 1,701,162	\$ (3,143)		\$ 1,698,019
Data Proc Hardware & Software	\$ 197,750	\$ 234,637	\$ (14,637)	E28	\$ 220,000	\$ 0		\$ 220,000
Vehicles	0	0	27,000	E29	27,000	0		27,000
Furniture Fixtures & Equip	139,595	56,522	32,578	E30, E31	89,100	0		89,100
TOTAL CAPITAL EXPENDITURES	\$ 337,345	\$ 291,159	\$ 44,941		\$ 336,100	\$ 0		\$ 336,100
Library Materials	\$ 1,340,028	\$ 1,321,750	\$ 87,650	E32-E34	\$ 1,409,400	\$ 0		\$ 1,409,400
TOTAL LIBRARY MATERIALS	\$ 1,340,028	\$ 1,321,750	\$ 87,650		\$ 1,409,400	\$ 0		\$ 1,409,400
Short Term Interest Expense	\$ 500	\$ 500	\$ 0		\$ 500	\$ 0		\$ 500
Operational Contingencies	20,000	40,000	0		\$ 40,000	\$ 0		\$ 40,000
TOTAL EXPENSES	\$ 10,000,613	\$ 9,795,330	\$ 387,026		\$ 10,182,356	\$ (3,143)		\$ 10,179,213
Transfer Out: Cap Reserve Fnd	\$ 39,392	\$ 0	\$ 0		\$ 0	\$ 135,000	T2	\$ 135,000
TOTAL EXPENSES & TRANSFER OUT	\$ 10,040,005	\$ 9,795,330	\$ 387,026		\$ 10,182,356	\$ 131,857		\$ 10,314,213
REVENUES OVER/(UNDER) EXPENSES	\$ 184,023	\$ 332,231	\$ 16,907		\$ 349,138	\$ (106,457)		\$ 242,681

**Spokane County Library District
2010 Preliminary Budget (November 17, 2009)
General Operating Fund (001-661)**

Notes

Note	Cost Account	Description	Increase/ (Decrease)	One-Time/ GO Fund	One-Time/ Interfund Transfer
REVENUES					
R1	PROP. TAX - CURRENT	Preliminary levy per 09/16 Assessor estimate	\$ 472,975		
R2	PROP. TAX - PAST YEARS	Discontinue Budgeting Prior Years Taxes	(219,783)		
R3	CONTRACT - AIRWAY H.	Result of valuation increase	12,033		
R3	CONTRACT - SPOKANE	Net of 3 annexation mitigation agreement fees	5,546		
R3	CONTRACT - SPO VALLEY	Reduction in 2005 taxes still owed	(3,000)		
R4	PHOTOCOPIERS	Based on 2009 actual	2,000		
R4	NONRESIDENT FEES	Based on 2009 actual	2,000		
R4	FINES & CHARGES	Based on 2009 actual and circulation increase	11,100		
R4	LOST & DAMAGED	Based on 2009 actual	(3,000)		
R4	RENTALS	Based on 2009 actual	(1,400)		
R4	WORKSTATION PRINTING	Based on 2009 actual	(500)		
R4	RETAIL SALES	Based on 2009 actual	(750)		
R4	GIFTS & DONATIONS	Based on 2009 actual	3,300		
R4	SALE OF LIB MATERIALS	Based on 2009 actual	5,000		
R5	TIMBER TAX	Based on 2009 actual	(4,849)		
R6	INTEREST REVENUES	Projected interest @ 1.30%	(10,000)		
R7	GRANTS-NONGOVMTMENTAL	Big Read Program NEA grant	15,000	15,000	
R8	GRANTS-NONGOVMTMENTAL	Year 2 of Gates Foundation grant	10,400	10,400	
	TOTAL REVENUES		\$ 296,072	\$ 25,400	
	TRANSFER IN - CAP	Net transfer for 5 year plans			\$ 133,261
T1	RESERVE		\$ 133,261		
	TOTAL TRANSFERS IN		\$ 133,261		\$ 133,261
TOTAL REVENUES & TRANSFERS IN			\$ 429,333	\$ 25,400	\$ 133,261

EXPENSES

E1	SALARIES: REGULAR HOURS	Adjust to 2010 baseline	\$ (30,111)		
E1	SALARIES: PAID TIME OFF	Adjust to 2010 baseline	(5,314)		
E1	FICA - SOCIAL SECURITY	Adjust to 2010 baseline	(1,620)		
E1	FICA - MEDICARE	Adjust to 2010 baseline	(513)		
E1	STATE INDUSTRIAL INS	Adjust to 2010 baseline	14		
E1	RETIREMENT CONTRIB	Adjust to 2010 baseline	(74,711)		
E1	MEDICAL INSURANCE	Adjust to 2010 baseline	(1,472)		
E1	VISION INSURANCE	Adjust to 2010 baseline	(94)		
E1	DENTAL INSURANCE	Adjust to 2010 baseline	(824)		
E1	LIFE INSURANCE	Adjust to 2010 baseline	(44)		
E1	LONG TERM DISABILITY INS	Adjust to 2010 baseline	(130)		
E1	EMPLOYEE ASSIST PROG	Adjust to 2010 baseline	23		
E2	SALARIES: REGULAR HOURS	Salary step increases for eligible employees	29,810		
E2	SALARIES: PAID TIME OFF	Salary step increases for eligible employees	5,261		
E2	FICA - SOCIAL SECURITY	Salary step increases for eligible employees	2,035		
E2	FICA - MEDICARE	Salary step increases for eligible employees	508		
E2	RETIREMENT CONTRIB	Salary step increases for eligible employees	1,782		
E3	SALARIES: REGULAR HOURS	Position reclassifications	6,767		
E3	SALARIES: PAID TIME OFF	Position reclassifications	1,194		
E3	FICA - SOCIAL SECURITY	Position reclassifications	493		
E3	FICA - MEDICARE	Position reclassifications	116		
E3	RETIREMENT CONTRIB	Position reclassifications	423		

E4	SALARIES: PAID TIME OFF	One-time leave of absence costs	26,252	26,252
E4	FICA - SOCIAL SECURITY	One-time leave of absence costs	1,628	1,628
E4	FICA – MEDICARE	One-time leave of absence costs	380	380
E4	RETIREMENT CONTRIB	One-time leave of absence costs	1,394	1,394
E4	MEDICAL INSURANCE	One-time leave of absence costs	2,533	2,533
E4	VISION INSURANCE	One-time leave of absence costs	40	40
E4	DENTAL INSURANCE	One-time leave of absence costs	296	296
E4	LIFE INSURANCE	One-time leave of absence costs	9	9
E5	SALARIES: REGULAR HOURS	New Branch Services Manager @ lower salary step	(3,851)	
E5	SALARIES: PAID TIME OFF	New Branch Services Manager @ lower salary step	(680)	
E5	FICA - SOCIAL SECURITY	New Branch Services Manager @ lower salary step	(281)	
E5	FICA – MEDICARE	New Branch Services Manager @ lower salary step	(65)	
E5	STATE INDUSTRIAL INS	New Branch Services Manager @ lower salary step	16	
E5	RETIREMENT CONTRIB	New Branch Services Manager @ lower salary step	(241)	
E6	SALARIES: TEMP HOURS	Increased use of temporary hours	2,618	
E6	FICA - SOCIAL SECURITY	Increased use of temporary hours	162	
E6	FICA – MEDICARE	Increased use of temporary hours	38	
E6	STATE INDUSTRIAL INS	Increased use of temporary hours	10	
E6	RETIREMENT CONTRIB	Increased use of temporary hours	70	
E7	MEDICAL INSURANCE	3.7% to 9.4% rate increases for three plans offered	24,516	
E7	VISION INSURANCE	5.6% Rate Increase	671	
E7	DENTAL INSURANCE	0% to 13.4% rate Increase for two plans offered	8,272	
E7A	STATE INDUSTRIAL INS	Projected 15% rate increase	4,000	
E8	SUPPLIES	Increased consumption/increased library use	11,375	
E9	OTHER PROFESSIONAL SVCS	Levy lid lift election cost	50,000	50,000
E10	OTHER PROFESSIONAL SVCS	Early Learning Public Library Partnership fee	2,510	
E11A	ELECTRONIC LIBRARY SVCS	Net from vendor cost decreases, service additions	(1,300)	
E11B	TELEPHONE	Projected rate increase	1,000	
E12	TRAVEL – BUSINESS	Based on required activities	(700)	
E13	TRAVEL – STAFF TRAINING	Per 2010 training & development plan	3,480	
E14	BOARD TRAVEL	Increased for PLA and WLA conferences	6,000	
E14	BOARD TRAINING	Increased for PLA conference	600	
E15	INSURANCE	Projected rate increase	3,240	
E16	PRINTING	Transfer to supplies	(4,000)	
E17	HEAT, LIGHT & POWER	Based on 2009 actual; no rate increases announced	(3,000)	
E18	WATER, REFUSE & SEWER	Accommodate potential rate increases	3,000	
E19	REPAIR & MAIN.- BUILDINGS	2010 Facility Maintenance Plan projects	161,200	
E20	REPAIR & MAIN. - BUILDINGS	Projected increased costs for routine maintenance	5,000	
E21	GROUND MAIN. SERVICES	2010 Facility Maintenance Plan projects	11,000	
E22	GROUND MAIN. SERVICES	Projected increased costs for routine maintenance	6,000	
E23	DUES & MEMBERSHIPS	Nominal membership fee increases	200	
E24	TRAINING – STAFF	Per 2010 training & development plan	(6,200)	
E25	LIBRARY PROGRAMS	Anticipated Friends of the Library gifts	3,000	
E26	CATALOGING & AUTH. SCV	Rate increase	550	
E27	LOST MATERIALS REFUNDS	Projected increased refunds	100	
E28	DP HARDWARE & SOFTWARE	Excess of baseline to 2010 Plan projects	(14,637)	\$ (14,637)
E29	VEHICLES	Replacement of maintenance truck	27,000	27,000
E30	FF&E	2010 FF&E Plan purchases	10,248	10,248
E30	FF&E REGION I	2010 FF&E Plan purchases	15,555	15,555
E30	FF&E REGION II	2010 FF&E Plan purchases	4,775	4,775
E31	FF&E REGION I	Anticipated Friends of the Library gifts	1,500	1,500
E31	FF&E REGION II	Anticipated Friends of the Library gifts	500	500
E32	LIBRARY MATERIALS	3% inflation to maintain purchasing levels	39,650	
E33	LIBRARY MATERIALS	Initial collection of eBooks & downloadable music	45,000	45,000
E34	LIBRARY MATERIALS	Anticipated Friends of the Library gifts	3,000	
E35	ACCOUNTING & AUDIT SVC	With 2-year cycle no audit in 2010	(12,500)	(12,500)
E36	COURIER SERVICES	Lower cost with new courier service contract	(5,943)	
E37	LIBRARY PROG: BIG READ	Program expense offset by grant	15,000	15,000
	TOTAL EXPENSES		\$ 383,883	\$ 85,032
T2	TRANSFER OUT-CAP RES		\$ 135,000	\$ 135,000

TOTAL TRANSFERS OUT
TOTAL EXPENSES &
TRANSFERS OUT

\$ 135,000		\$ 135,000
\$ 518,883	\$ 85,032	\$ 135,000

Spokane County Library District
2010 Preliminary Budget (November 17, 2009)
Bond Redemption Fund (003-661)
Detail

	2009 Budget	2010 Budget
REVENUES		
Property Taxes: Prior Year	\$ 2,500	\$ 1,250
Interest Earnings	250	50
Total Revenues	\$ 2,750	\$ 1,300
 EXPENSES		
Transfer Out to Capital Reserve Fund	60,000	0
Total Expenses	\$ 0	\$ 0
Revenues Over (Under) Expenses	\$ (57,250)	\$ 1,300
Actual/Estimated Beginning Fund Balance 01/01/10	\$ 58,521	1,271
Estimated Ending Fund Balance 12/31/10	\$ 1,271	\$ 2,571

**Spokane County Library District
2010 Preliminary Budget (November 17, 2009)
Capital Reserve Fund (005-661)
Detail**

	2009 Budget	2010 Budget
REVENUES		
Interest Earnings	\$ 45,000	\$ 15,000
Transfer In from General Operating Fund	39,392	135,000
Transfer In from Bond Redemption Fund	60,000	0
Transfer In from Construction Fund	26,500	6,500
Total Revenues & Transfers In	\$ 170,892	\$ 156,500
EXPENSES		
Transfer Out to General Operating Fund	\$ 65,000	\$ 133,261
Total Expenses	\$ 65,000	\$ 133,261
Revenues Over (Under) Expenses	\$ 105,892	\$ 23,239
Actual/Estimated Beginning Fund Balance 01/01/10	703,673	809,565
Estimated Ending Fund Balance 12/31/10	\$ 809,565	\$ 832,804
(Less)		
Designated for Facility Maintenance Plan	\$ (103,464)	\$ (103,464)
Designated for Technology Plan	(276,428)	(281,564)
Designated for Furniture, Fixtures & Equip Plan	(69,004)	(67,826)
Designated for Library Materials Plan	(123,500)	(140,940)
Estimated Ending Unrestricted, Undesignated Fund Balance 12/31/10	\$ 237,169	\$ 239,010

**Spokane County Library District
2010 Preliminary Budget (November 17, 2009)
Construction Fund (008-661)
Detail**

	2009 Budget	2010 Budget
REVENUES		
Interest Earnings	\$ 500	\$ 5
Total Revenues & Transfer In	\$ 500	\$ 5
 EXPENSES		
Demolition	\$ 25,000	\$ 0
Transfer Out to Capital Reserve Fund	26,500	\$ 6,500
Total Expenses	\$ 51,500	\$ 6,500
Revenues Over (Under) Expenses	\$ (51,000)	\$ (6,495)
Actual/Estimated Beginning Fund Balance 01/01/10	57,762	6,762
Estimated Ending Unrestricted, Undesignated Fund Balance 12/31/10	\$ 6,762	\$ 267