

**2012 PRELIMINARY BUDGET**  
**DIRECTOR'S FINAL BUDGET MESSAGE**

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**General Operating Fund: \$11,434,154**

**BUDGET GOALS**

The District's message to voters regarding the purpose of the levy lid lift included three major points. These three goals continue to form the basis for 2012 budget development.

- Maintain current level of services.
- Respond to increased customer use, including Internet access, checking out and purchasing best-selling materials and modern formats like eBooks and downloadable audiobooks, and offering job searching resources and assistance.
- Stabilize library funding through 2013.

**SUMMARY**

This final 2012 budget is as complete as it can be, with the only significant outstanding question being 2012-2013 Public Employees Retirement System rates. The General Operating Fund budget is \$11,434,154, down \$29,755 from the November Preliminary.

On the revenue side, we've been hit for a second year with the effects of the recession. Property values have dropped again, though modestly compared with many other areas in Washington and the country as a whole. New construction value aside, the decline was 2.5%. The West Plains annexation will further reduce property tax revenue, although it will be fully offset in 2012 by the City of Spokane annexation mitigation agreement payment and an increase in the Airway Heights' contract fee. To complicate matters, the property tax revenue figure included in the budget must reflect the District's assessed valuation without the annexation for purposes of levy-setting, even though actual revenue will be less.

In expenses, the largest increases are personnel-related. Costs for Facility Maintenance Plan and Technology Plan projects also look significant because of how they're now budgeted from a baseline of \$0 each year, yet in fact, all three are actually lower than budgeted in 2011.

The 2012 budget includes a 2.5% salary scale adjustment for non-minimum wage positions, and the mandatory 4.285% state minimum wage increase. The only staffing addition is 0.45 FTE in Collection Services to better accommodate materials selection and increased interlibrary loan activity. There's a 3% increase for materials that will be targeted entirely toward downloadable materials – audiobooks and ebooks. \$202,385 of the \$242,385 in Operational Contingencies offsets the portion of the property tax levy in the West Plains annexation area that will be transferred to Airway Heights and Spokane.

Finally, there's a sufficient balance of revenue and expenses to transfer \$200,000 from the General Operating Fund to the Capital Projects Fund for future use.

**ESTIMATED 2012 REVENUE: \$11,553,248**

**REVENUE CHANGES FROM 2011 BASELINE (\$5,000 OR MORE)**

The 2012 revenue estimate from all sources is \$106,832 higher than the 2011 baseline amount.

**Property taxes:** Even though portions of West Plains will be annexed into the City of Airway Heights and City of Spokane, effective January 1, 2012, the annexation became official after the deadline for taxing district boundary changes under state law. Therefore, SCLD is required to establish its 2012 property tax levy to include this area's assessed valuation in the calculation as if the annexation isn't occurring. However, all SCLD taxes paid in 2012 by property owners in the two annexation areas will be forwarded to the respective cities, not to the District, thus reducing the property tax revenue actually received.

On December 1 the Spokane County Assessor's Office provided a final update of SCLD's 2011 assessed valuation to determine the property tax levy for collection in 2012. This amount, including the West Plains annexation area, is less than both the current year's assessed valuation and the highest lawful levy since 1985. Therefore, the levy is limited by the statutory 50¢ per \$1,000 of assessed valuation maximum, not the levy lid. Applying the full 50¢ levy rate to the \$21,153,230,000 assessed valuation estimate – which is up \$52,661,234 due to an unexpected increase in state-assessed values – the estimated levy for collection in 2012 is \$10,576,615. The 101% levy lid limit is almost \$11 million. Because these are as close to final levy numbers as they'll be, the contingency factor was removed from the property tax revenue amount.

For purposes of actual anticipated property tax revenue, the budget uses December 1 assessed valuation estimates provided by the Assessor's Office for City of Spokane and City of Airway Heights annexation areas to compute the property tax impact (- \$202,385) as well as the contract fees below. Since the Department of Revenue (DOR) won't calculate state-assessed values for the two annexation areas until the fall of 2012 for the 2013 tax year in which they'll be included in levies, the Assessor's Office came up with estimates for purposes of the property tax shift required next year. This is particularly important for the City of Spokane annexation due to the amount of personal property value at Spokane International Airport. The combined total of county and state values for Spokane is \$292,315,837; Airway Heights, \$112,454,305.

**City contract fees:** Two cities will be paying contract fees in 2011, each of a different type.

- Airway Heights: Fee will be calculated using the assessed valuation of the existing city land area (currently estimated at \$345,337,682, up slightly from last month), plus the assessed valuation of its West Plains annexation area (currently estimated at \$112,454,305 and also up slightly from last month). That amount is currently estimated at \$224,896, a 53% increase over 2011 due to the addition of the annexed land.
- City of Spokane prior annexations: Based on the Assessor's Office assessed valuation estimate, the City of Spokane's Moran Prairie annexation mitigation fee will be \$57,389, an 11.3% decrease (\$7,310) from 2011 due primarily to an assessed valuation appeal. In addition, year five of the Park Place and North Division annexation mitigation fees and Year 4 for the Greenfield Estates annexation will total \$7,062, a decrease of 44.3% from 2011.
- City of Spokane West Plains Annexation: Using the five-year phase-out of payments, the West Plains annexation mitigation agreement with the City of Spokane will generate a 2012 fee based on the valuation of real and personal property as well as the loss of Leasehold Excise Tax. Based on the methodology included above in the property tax section, it's currently estimated at \$146,158, just \$177 below November's estimate .

**Services & Fees:** A net decrease of \$50,450

- Copying & Printing: Print management system will regulate volume of copying and end voluntary payments (- \$9,000)
- Web-based Library Fees & Charges: New online payment system revenue estimate (+ \$56,000)

**Miscellaneous:** A net decrease of \$7,270

- Leasehold Excise Tax: Loss of revenue from Spokane International Airport (- \$14,000) due to West Plains annexation
- E-rate Reimbursement: Reflects approval for estimated telecommunications costs (+ \$10,000)

*Interest Earnings:* No change from 2011

## ESTIMATED 2012 EXPENSES: \$11,434,154

### EXPENSE CHANGES FROM 2011 BASELINE (\$5,000 OR MORE)

2012 estimated expenses are \$1,282,214 higher than the 2011 baseline amount, \$917,069 of which reflects one-time expenses, including Facilities Maintenance, Technology, and FF&E 2012 projects; an offset for property taxes levied but paid to Airway Heights and Spokane; and the transfer to the Capital Projects Fund.

Only individual changes of \$5,000 or more are described below; others are explained in notes following the line item budget.

*Salaries:* Major salary budget increase components are as follows:

- Annualize 2011 changes (+ \$11,205)
- Salary step increases for eligible staff (+ \$62,217)
- 2.5% salary scale increase for non-minimum wage positions; 4.285% minimum wage increase (\$139,937)
- Increase Collection Services staffing by 0.45 FTE (+ \$4,903)
- Executive Director terminal leave overlap (+ \$12,710, one-time)

*Benefits:* The largest single total fringe benefit change is for medical insurance, which increased by 7.1% for the plan paid in full for employee-only coverage. There was a significant drop in the dental insurance plan selected by most staff and state industrial insurance rates didn't increase. Until the Office of the State Actuary completes its analysis of the impact of 2011 legislation on Public Employees Retirement System rates for 2012-2013, we have no basis on which to compute a cost estimate.

Significant changes per line item are:

	Social Security	Medicare	Retirement	Medical Ins	Dental Ins	Other <\$2k ea*	TOTAL
<b>Annualize 2011</b>	\$ 663	\$ 141	\$ 13,322	\$ 25,070	\$ 117	\$ (461)	\$ 38,852
<b>Step increases</b>	3,857	903	4,218	0	0	0	8,978
<b>Salary scale increase</b>	10,784	2,031	9,218	0	0	0	22,033
<b>2012 rate changes</b>	0	0	0	44,122	(9,431)	881	35,572
<b>CS staffing addition</b>	304	71	356	5,825	0	113	6,669
<b>New executive director</b>	788	184	921	(1,574)	(128)	(992)	(801)
<b>TOTAL</b>	\$ 16,126	\$ 3,330	\$ 28,035	\$ 73,443	\$ (9,442)	\$ (459)	\$ 111,303

\*State industrial insurance; vision insurance; life insurance; long-term disability insurance; Employee Assistance Program

*Supplies:* There is an increase of \$3,600 for supplies.

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

- Accounting & Audit: No audit scheduled for 2012 (- \$12,500).
- Other Professional Services: Matching funds for Fairfield portion of statewide broadband project (+ \$30,000, one-time).
- Collection Agency & Notice Fees: The mail notice schedule was revised earlier this year to eliminate one notice (- \$20,000).
- Training & Travel-Staff: Increase primarily due to there being a PLA conference in 2012 and WLA conference venue in Western Washington (+ \$21,879).
- Training & Travel-Board: Same reason as above (+ \$7,575).
- Repair and Maintenance-Buildings: Facility Maintenance Plan projects (+ \$106,000, one-time).
- Grounds Maintenance Services: Facility Maintenance Plan projects (+ \$7,200, one-time).

**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: Technology Plan projects (+ \$280,800, one-time).
- Furniture, Fixtures & Equipment: FF&E Plan projects (+ \$60,275, one-time).

**Materials:** The materials budget baseline for 2011 is \$1,445,982. The 2012 budget adds 3% to increase purchasing of downloadable materials (\$43,379).

**Operational Contingencies:** The normal baseline is \$40,000. To offset the portion of the property tax levy in the West Plains annexation area that will be paid to the cities of Airway Heights and Spokane, \$202,385 is added to this line item. Because there's no contingency factor in revenue for a potential increase before final county certification, the \$10,000 offset was removed from this line item.

**Transfers out:** Because the 2012 revenue over expenditures balance is over \$300,000, a \$200,000 transfer to the Capital Projects Fund is included in the budget recommendation.

## **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 2012 beginning fund balance is based on our projected 2011 ending balance which doesn't yet include an estimate of unexpended 2011 funds. A new end-of-year fund balance projection will be done prior to final budget adoption in December and will add to that estimate. At 16.1%, the current estimated ending unassigned fund balance meets the 15% target level specified in the Fund Balance Management Policy.

## **EXCESS OF REVENUES OVER/(UNDER) EXPENSES**

In this budget, estimated revenue exceeds estimated expenses by \$119,094, a \$27,608 increase from November. In addition, the budget includes \$917,069 in one-time 2012 General Operating Fund expenses, including the \$200,000 transfer to the Capital Reserve Fund.

## BUDGET REVIEW DURING 2012

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

The three-year revenue and expense projection indicating budget estimates for ensuing years was updated to reflect actual 2012 revenue and expenses included in this budget. Using what formerly would have been conservative assumptions but now are moderate to optimistic, the budget remains balanced in 2013 and 2014. The shortfall in 2015 is only about \$34,000, 0.28% of the \$12,176,941 in expenses, with a \$1.9 million unassigned fund balance to absorb it if that proves to be necessary. If the projections are on target, for all intents and purposes we will have exceeded our levy lid lift plan goal of maintaining revenues within expenses by two years – and in difficult economic times. However, we continue to be faced with the fact that we'll be locked into the statutory \$0.50 levy rate for several years to come, eliminating the option of a levy lid lift to address revenue shortfalls beyond 2015.

## Capital Projects Fund: \$0

The intent of the Capital Projects Fund is to accumulate a reserve that can be used for the purchase of property sites for future branches based on the Library Capital Facilities Master Plan, to accommodate unforeseen capital expenses, and for any capital projects beyond the scope of the General Operating Fund. Revenue for this fund comes from General Operating Fund transfers and investment interest.

The only revenue is interest earnings and the \$200,000 interfund transfer. There are currently no planned expenses. If that changes, the budget can be revised.

### Revenue: \$16,500

- Interest Earnings: \$16,500.
- Transfer In from General Operating Fund: \$200,000.

### Expenses: \$0

### Fund Balance

The estimated ending committed fund balance for 2012 is \$1,368,500.

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## BUDGET PROCESS AND SCHEDULE STATUS

### • September

- **Completed** Staff: Prepare requests for budget changes from baseline; prepare baseline budget reflecting current year operations carried into the following year with all one-time expenditures removed
- **Completed** Staff: Present overview of anticipated revenue and expense changes
- **Completed** Board of Trustees: Provide staff with budget direction

### • October

- **Completed** Staff: Present preliminary budget message and recommendation
- **Completed** Staff: Present proposed 2012 organization memberships
- **Completed** Board of Trustees: Hold public hearing on 2012 revenue sources
- **Completed** Board of Trustees: Review and approve 2012 organization memberships

- **Completed** Board of Trustees: Review budget report with preliminary line item revenue and expenses
- **Completed** Board of Trustees: Provide additional budget direction
- **November**
  - **Completed** Staff: Present budget message and recommendation update
  - **Completed** Board of Trustees: Review, adopt and certify preliminary budget (Resolution)
  - **Completed** Board of Trustees: Certify property tax levy (Resolution)
  - **Completed** Board of Trustees: Establish increase in property tax levy over current year (Resolution)
  - **Completed** Board of Trustees: Provide additional budget direction
- **December**
  - **Completed** Staff: Prepare budget message and recommendation update
  - Board of Trustees: Review and adopt final budget (Resolution)

**Spokane County Library District  
Final 2012 Budget (December 20, 2011)  
General Operating Fund (001-661)  
Summary**

**REVENUES**

Property Tax	\$10,576,615	
Contracted Cities, Services & Fees	772,755	
Miscellaneous Revenues	168,878	
Interest Earnings	35,000	
	<b>Total Revenues</b>	<b>\$ 11,553,248</b>
Transfer In: Capital Projects Fund	0	
	<b>Total Transfers In</b>	<b>0</b>
	<b>Total Revenues &amp; Transfer In</b>	<b>\$ 11,553,248</b>

**EXPENSES**

Salaries	\$ 5,597,451	
Fringe Benefits	1,651,044	
Supplies	226,604	
Services	1,685,734	
Capital Outlay	341,075	
Library Materials	1,489,361	
Short Term Debt	500	
Operational Contingencies	242,385	
	<b>Total Expenses</b>	<b>\$ 11,234,154</b>
Transfer Out: Capital Projects Fund	\$ 200,000	
	<b>Total Transfers Out</b>	<b>0</b>
	<b>Total Expenses &amp; Transfer Out</b>	<b>\$ 11,434,154</b>
Revenues Over/(Under) Expenses	\$ 119,094	
Estimated Beginning Fund Balance 01/01/12	3,291,147	
	<b>Estimated Ending Fund Balance 12/31/12</b>	<b>\$ 3,410,241</b>

(Less)

Nonspendable Funds: Prepaid Items	\$ (256,910)	
Nonspendable Funds: Inventory	(64,311)	
Committed for Irving Special Program Fund	(6,207)	
Committed for District Wellness Program	(1,295)	
Committed for Facility Maintenance Plan	(172,104)	
Committed for Technology Plan	(297,233)	
Committed for Furniture, Fixtures & Equipment Plan	(103,158)	
Committed for Library Materials Plan	(148,396)	
Committed for Contingency Reserve Plan	(551,588)	
	<b>Estimated Unassigned Ending Fund Balance 12/31/12</b>	<b>\$ 1,809,038</b>

**Spokane County Library District  
Final 2012 Budget (December 20, 2011)  
General Operating Fund (001-661)  
Detail**

<b>REVENUE</b>	<b>2011 Budget</b>	<b>2012 Baseline</b>	<b>Sept Adjust</b>	<b>Notes</b>	<b>Oct Budget</b>	<b>Oct Adjust</b>	<b>Notes</b>	<b>Nov Budget</b>	<b>Dec Adjust</b>	<b>Notes</b>	<b>Dec Budget</b>
Property Tax	\$ 10,738,027	\$ 10,738,027	\$ (164,150)	R1	\$ 10,573,877	\$ (1,407)	R8	\$ 10,575,284	\$ 1,331	R11	\$ 10,576,615
<b>TOTAL PROPERTY TAXES</b>	<b>\$ 10,738,027</b>	<b>\$ 10,738,027</b>	<b>\$ (164,150)</b>		<b>\$ 10,573,877</b>	<b>\$ (1,407)</b>		<b>\$ 10,575,284</b>	<b>\$ 1,331</b>		<b>\$ 10,576,615</b>
Contract City: Airway Heights	\$ 147,032	\$ 147,032	\$ 59,615	R2	\$ 206,647	\$ 21,900	R9	\$ 228,547	\$ 349	R12	\$ 228,896
City of Spokane Mitigation	77,384	77,384	229,971	R2	307,355	(78,919)	R10	228,436	(3,827)	R13	224,609
<b>TOTAL CONTRACTED CITIES</b>	<b>\$ 224,416</b>	<b>\$ 224,416</b>	<b>\$ 289,586</b>		<b>\$ 514,002</b>	<b>\$ (57,019)</b>		<b>\$ 456,983</b>	<b>\$ (3,478)</b>		<b>\$ 453,505</b>
Interlibrary Loans	\$ 200	\$ 200	\$ 0		\$ 200	\$ 0		\$ 200	\$ 0		\$ 200
Copying & Printing	21,000	21,000	(9,000)	R3	12,000	0		12,000	0		12,000
Nonresident Fees	12,000	12,000	0		12,000	0		12,000	0		12,000
Fines & Charges	175,000	175,000	0		175,000	0		175,000	0		175,000
Web-based Fees & Charges	10,000	10,000	56,000	R4	66,000	0		66,000	0		66,000
Lost & Damaged	40,200	40,200	0		40,200	0		40,200	0		40,200
Rental Income	8,400	8,400	4,200	R3	12,600	0		12,600	0		12,600
Retail Sales	2000	2000	(750)	R3	1,250	0		1,250	0		1,250
<b>TOTAL SERVICES &amp; FEES</b>	<b>\$ 268,800</b>	<b>\$ 268,800</b>	<b>\$ 50,450</b>		<b>\$ 319,250</b>	<b>\$ 0</b>		<b>\$ 319,250</b>	<b>\$ 0</b>		<b>\$ 319,250</b>
<b>TOTAL CONTRACTED CITIES, SERVICES &amp; FEES</b>	<b>\$ 493,216</b>	<b>\$ 493,216</b>	<b>\$ 340,036</b>		<b>\$ 833,252</b>	<b>\$ (57,019)</b>		<b>\$ 776,233</b>	<b>\$ (3,478)</b>		<b>\$ 772,755</b>
Leasehold Excise Tax	\$ 20,000	\$ 20,000	\$ (14,000)	R5	\$ 6,000	\$ 0		\$ 6,000	\$ 0		\$ 6,000
Shared Revenue: Timber Tax	6,000	6,000	0		6,000	0		6,000	0		6,000
Sale of Surplus Property	0	0	0		0	0		0	0		0
Grants-Nongovernmental	2,700	0	0		0	0		0	0		0
Grants & Donations: Wellness	4,270	4,270	(3,270)	R6	1,000	0		1,000	0		1,000
Purchase Discounts	4,000	4,000	0		4,000	0		4,000	0		4,000
Miscellaneous	3,878	3,878	0		3,878	0		3,878	0		3,878
Public Library Directors Mtgs	1,325	0	0		0	0		0	0		0
Gifts & Donations	7,000	7,000	0		7,000	0		7,000	0		7,000

<b>REVENUE</b>	<b>2011 Budget</b>	<b>2012 Baseline</b>	<b>Sept Adjust</b>	<b>Notes</b>	<b>Oct Budget</b>	<b>Oct Adjust</b>	<b>Notes</b>	<b>Nov Budget</b>	<b>Dec Adjust</b>	<b>Notes</b>	<b>Dec Budget</b>
Sale of Library Materials	26,000	26,000	0		26,000	0		26,000	0		26,000
E-Rate Reimbursement	105,000	105,000	10,000		115,000	0		115,000	0		115,000
<b>TOTAL MISCELLANEOUS</b>	<b>\$ 180,173</b>	<b>\$ 176,148</b>	<b>\$ (7,270)</b>		<b>\$ 168,878</b>	<b>\$ 0</b>		<b>\$ 168,878</b>	<b>\$ 0</b>		<b>\$ 168,878</b>
Interest Earnings	\$ 35,000	\$ 35,000	\$ 0		\$ 35,000	\$ 0		\$ 35,000	\$ 0		\$ 35,000
<b>TOTAL REVENUES</b>	<b>\$ 11,446,416</b>	<b>\$ 11,442,391</b>	<b>\$ 168,616</b>		<b>\$ 11,611,007</b>	<b>\$ (55,612)</b>		<b>\$ 11,555,395</b>	<b>\$ (2,147)</b>		<b>\$ 11,553,248</b>
Transfer In	\$ 0	\$ 0	\$ 0		\$ 0	\$ 0		\$ 0	\$ 0		\$ 0
<b>TOTAL REVENUES &amp; TRANSFERS IN</b>	<b>\$ 11,446,416</b>	<b>\$ 11,442,391</b>	<b>\$ 168,616</b>		<b>\$ 11,611,007</b>	<b>\$ (55,612)</b>		<b>\$ 11,555,395</b>	<b>\$ (2,147)</b>		<b>\$ 11,553,248</b>

<b>EXPENSES</b>	<b>2011 Budget</b>	<b>2012 Baseline</b>	<b>Sept Adjust</b>	<b>Notes</b>	<b>Oct Budget</b>	<b>Oct Adjust</b>	<b>Notes</b>	<b>Nov Budget</b>	<b>Dec Adjust</b>	<b>Notes</b>	<b>Dec Budget</b>
Salaries: Regular Hours	\$ 4,442,493	\$ 4,442,493	\$ 278,259	E1-3,6-7	\$ 4,720,752	\$ (78,382)	E33	\$ 4,642,370	\$ 0		\$ 4,642,370
Salaries: Temporary Hours	90,000	90,000	0		90,000			90,000	0		90,000
Salaries: Paid Time Off	831,386	831,386	43,428	E1-3,6-7	874,814	(12,333)	E33	862,481	0		862,481
Salaries: Overtime Hours	2,500	2,500	0		2,500	0		2,500	0		2,500
<b>TOTAL SALARIES</b>	<b>\$ 5,366,379</b>	<b>\$ 5,366,379</b>	<b>\$ 321,687</b>		<b>\$ 5,688,066</b>	<b>\$ (90,615)</b>		<b>\$ 5,597,451</b>	<b>\$ 0</b>		<b>\$ 5,597,451</b>
FICA-Social Security	\$ 332,196	\$ 332,196	\$ 22,014	E1-3,6-7	\$ 354,210	\$ (5,618)	E33	\$ 348,592	0		\$ 348,592
FICA - Medicare	78,196	78,196	4,643	E1-3,6-7	82,839	(1,313)	E33	81,526	0		81,526
Retirement Contributions	351,654	351,654	34,495	E1-3,6-7	386,149	(6,460)	E33	379,689	0		379,689
Unemployment Insurance	6,700	6,700	0		6,700	0		6,700	0		6,700
Medical Insurance	650,898	615,898	73,443	E1,4,6-7	689,341	0		689,341	0		689,341
Vision Insurance	13,734	13,734	666	E4,7	14,400	0		14,400	0		14,400
Dental Insurance	95,548	95,548	(9,442)	E1,4,7	86,106	0		86,106	0		86,106
Life & Disability Insurance	4,826	4,826	(963)	E7	3,863	0		3,863	0		3,863
State Industrial Insurance	36,770	36,770	1,192	E1,5-7	37,962	0		37,962	\$ (921)	E36	37,041
Long Term Disability	2,380	2,380	(253)	E1,4,6	2,127	0		2,127	0		2,127
Employee Assistance (EAP)	1,839	1,839	(180)	E1,6	1,659	0		1,659	0		1,659
<b>TOTAL FRINGE BENEFITS</b>	<b>\$ 1,574,741</b>	<b>\$ 1,539,741</b>	<b>\$ 125,615</b>		<b>\$ 1,665,356</b>	<b>\$ (13,391)</b>		<b>\$ 1,651,965</b>	<b>\$ (921)</b>		<b>\$ 1,651,044</b>
Cleaning & Sanitation Supplies	\$ 18,000	\$ 18,000	\$ 0		\$ 18,000	\$ 0		\$ 18,000	\$ 0		\$ 18,000
Vehicle Fuel	11,000	11,000	0		11,000	0		11,000	0		11,000
Other Supplies	1,078	1,078	0		1,078	0		1,078	0		1,078
Maintenance Supplies	4,300	4,300	0		4,300	0		4,300	0		4,300
Employee Awards & Recog.	750	750	0		750	0		750	0		750
Small Tools	750	750	0		750	0		750	0		750
Cost of Retail Inventory Sold	4,567	4,567	0		4,567	0		4,567	0		4,567
Office & Library Supplies	182,559	182,559	3,600	E8	186,159	0		186,159	0		186,159
<b>TOTAL SUPPLIES</b>	<b>\$ 223,004</b>	<b>\$ 223,004</b>	<b>\$ 3,600</b>		<b>\$ 226,604</b>	<b>\$ 0</b>		<b>\$ 226,604</b>	<b>\$ 0</b>		<b>\$ 226,604</b>
Accounting & Auditing Services	\$ 12,500	\$ 12,500	\$ 0		\$ 12,500	\$ (12,500)	E31	\$ 0	\$ 0		\$ 0
Legal Services	25,000	25,000	0		25,000	0		25,000	0		25,000
Damages, Claims, Settlements	0	0	0		0	0		0	0		0
Other Professional Services	30,010	30,010	30,218	E9	60,228	0		60,228	0		60,228

<b>EXPENSES</b>	<b>2011 Budget</b>	<b>2012 Baseline</b>	<b>Sept Adjust</b>	<b>Notes</b>	<b>Oct Budget</b>	<b>Oct Adjust</b>	<b>Notes</b>	<b>Nov Budget</b>	<b>Dec Adjust</b>	<b>Notes</b>	<b>Dec Budget</b>
Bad Debt Expense	\$ 400	\$ 400	\$ 0		\$ 400	0		\$ 400	0		\$ 400
Bank & Postal Charges	13,400	13,400	0		13,400	0		13,400	0		13,400
Software Support Services	142,500	142,500	0		142,500	0		142,500	0		142,500
Web Catalog Content Services	15,940	15,940	0		15,940	(4,733)	E32	11,207	0		11,207
Collection Agency Services	87,600	87,600	(20,000)	E10	67,600	0		67,600	0		67,600
Electronic Library Services	38,000	38,000	0		38,000	0		38,000	0		38,000
Data Communications: WAN	123,500	123,500	0		123,500	0		123,500	0		123,500
Data Communications: Internet	40,000	40,000	0		40,000	0		40,000	0		40,000
Telephone	25,000	25,000	0		25,000	0		25,000	0		25,000
Postage	36,550	36,550	0		36,550	750	E34	37,300	0		37,300
Freight Charges	2,000	2,000	0		2,000	0		2,000	0		2,000
Courier Services	60,000	60,000	0		60,000	0		60,000	0		60,000
Mileage	19,850	19,850	850	E11	20,700	0		20,700	0		20,700
Travel: Business	21,150	21,150	3,400	E12	24,550	0		24,550	0		24,550
Travel & Travel: Staff	73,891	58,891	21,879	E13	80,770	0		80,770	0		80,770
Travel – Board	5,500	5,500	6,500	E14	12,000	0		12,000	0		12,000
Training – Board	3,500	3,500	1,075	E15	4,575	0		4,575	0		4,575
Public Library Directors Mtngs	3,491	0	0		0	0		0	0		0
Advertising & Promotion	6,000	6,000	0		6,000	0		6,000	0		6,000
Recruitment	37,000	12,000	0		12,000	0		12,000	0		12,000
Rentals & Leases: Other	4,700	4,700	0		4,700	0		4,700	0		4,700
Rentals & Leases: Equipment	8,400	8,400	0		8,400	0		8,400	0		8,400
Insurance	62,283	62,283	1,800	E16	64,083	0		64,083	0		64,083
Printing	14,000	14,000	2,000	E17	16,000	0		16,000	0		16,000
Heat, Light, & Power	151,500	151,500	1,500	E18	153,000	0		153,000	0		153,000
Water, Refuse, & Sewer	48,000	48,000	500	E19	48,500	0		48,500	0		48,500
Repair & Mtnce: Miscellaneous	6,000	6,000	1,000	E20	7,000	0		7,000	0		7,000
Repair & Mtnce: DP Equipment	32,000	32,000	0		32,000	0		32,000	0		32,000
Repair & Mtnce: Vehicles	4,000	4,000	3,500	E21	7,500	0		7,500	0		7,500
Repair & Mtnce: Buildings	203,800	91,800	106,000	E21	197,800	0		197,800	0		197,800
Grounds Maintenance Services	80,555	34,255	7,200	E21	41,455	0		41,455	0		41,455
Security Alarm Monitoring Svcs	9,800	7,700	0		7,700	0		7,700	0		7,700
Snow Removal	21,341	21,341	0		21,341	0		21,341	0		21,341
Custodial Services	175,000	175,000	0		175,000	0		175,000	0		175,000
Dues & Memberships	13,530	12,930	(3,930)	E22	9,000	0		9,000	0		9,000
Wellness Services & Programs	1,424	1,424	(659)	E23	765	0		765	0		765

<b>EXPENSES</b>	<b>2011 Budget</b>	<b>2012 Baseline</b>	<b>Sept Adjust</b>	<b>Notes</b>	<b>Oct Budget</b>	<b>Oct Adjust</b>	<b>Notes</b>	<b>Nov Budget</b>	<b>Dec Adjust</b>	<b>Notes</b>	<b>Dec Budget</b>
Library Programs	27,550	27,550	(550)	E24	27,000	0		27,000	0		27,000
Library Programs: Irving Fund	500	500	0		500	0		500	0		500
Cataloging & Authority Services	40,200	40,200	3,400	E25	43,600	0		43,600	0		43,600
Binding Services	500	500	0		500	0		500	0		500
ILL Services	12,960	12,960	200	E26	13,160	0		13,160	0		13,160
<b>TOTAL SERVICES</b>	<b>\$ 1,740,825</b>	<b>\$ 1,536,334</b>	<b>\$ 165,883</b>		<b>\$ 1,702,217</b>	<b>\$ (16,483)</b>		<b>\$ 1,685,734</b>	<b>\$ 0</b>		<b>\$ 1,685,734</b>
Data Proc Hardware & Software	\$ 387,200	\$ 0	\$ 280,800	E27	\$ 280,800	\$ 0		\$ 280,800	\$ 0		\$ 280,800
Bldg Renovations: Capitalized	0	0	0		0	0		0	0		0
Vehicles	0	0	0		0	0		0	0		0
Furniture Fixtures & Equip	76,600	0	60,275	E28	60,275	0		60,275	0		60,275
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$ 463,800</b>	<b>\$ 0</b>	<b>\$ 341,075</b>		<b>\$ 341,075</b>	<b>\$ 0</b>		<b>\$ 341,075</b>	<b>\$ 0</b>		<b>\$ 341,075</b>
Library Materials	\$ 1,468,595	\$ 1,445,982	\$ 43,379	E29	\$ 1,489,361	\$ 0		\$ 1,489,361	\$ 0		\$ 1,489,361
<b>TOTAL LIBRARY MATERIALS</b>	<b>\$ 1,468,595</b>	<b>\$ 1,445,982</b>	<b>\$ 43,379</b>		<b>\$ 1,489,361</b>	<b>\$ 0</b>		<b>\$ 1,489,361</b>	<b>\$ 0</b>		<b>\$ 1,489,361</b>
Short Term Interest Expense	\$ 500	\$ 500	\$ 0		\$ 500	\$ 0		\$ 500	\$ 0		\$ 500
Operational Contingencies	31,701	40,000	275,274	E30	315,274	(44,055)	E35	271,219	(28,834)	E37	242,385
<b>TOTAL EXPENSES</b>	<b>\$ 10,869,545</b>	<b>\$ 10,151,940</b>	<b>\$ 1,276,513</b>		<b>\$ 11,428,453</b>	<b>\$ (164,544)</b>		<b>\$ 11,263,909</b>	<b>\$ (29,755)</b>		<b>\$ 11,234,154</b>
Transfer Out: Cap Projects Fnd	\$ 406,655	\$ 0	\$ 0		\$ 0	\$ 200,000	T1	\$ 200,000	0		\$ 200,000
<b>TOTAL EXPENSES &amp; TRANSFER OUT</b>	<b>\$ 11,276,200</b>	<b>\$ 10,151,940</b>	<b>\$ 1,276,513</b>		<b>\$ 11,428,453</b>	<b>\$ 35,456</b>		<b>\$ 11,463,909</b>	<b>\$ (29,755)</b>		<b>\$ 11,434,154</b>
<b>REVENUES OVER/(UNDER) EXPENSES</b>	<b>\$ 170,216</b>	<b>\$ 1,290,451</b>	<b>(1,107,897)</b>		<b>\$ 182,554</b>	<b>\$ (91,068)</b>		<b>\$ 91,486</b>	<b>\$ 27,608</b>		<b>\$ 119,094</b>
Est. Beginning Fund Balance 01/01/12	\$ 3,291,147	\$ 3,291,147	\$ 0		\$ 3,291,147	\$ 0		\$ 3,291,147	\$ 0		\$ 3,291,147

<b>EXPENSES</b>	<b>2011 Budget</b>	<b>2012 Baseline</b>	<b>Sept Adjust</b>	<b>Notes</b>	<b>Oct Budget</b>	<b>Oct Adjust</b>	<b>Notes</b>	<b>Nov Budget</b>	<b>Dec Adjust</b>	<b>Notes</b>	<b>Dec Budget</b>
Est. Ending Fund Balance 12/31/12	\$ 3,461,363	\$ 4,581,598	\$ 1,107,897		\$ 3,473,701	\$ (91,068)		\$ 3,382,633	\$ 27,608		\$ 3,410,241
(LESS)											
Non-Spendable: Prepaid Items	\$ (256,910)	\$ (256,910)	\$ 0		\$ (256,910)	\$ 0		\$ (256,910)	\$ 0		\$ (256,910)
Non-Spendable: Inventory	(64,311)	(64,311)	0		(64,311)	0		(64,311)	0		(64,311)
Assigned: M. Irving Fund	(6,207)	(6,207)	0		(6,207)	0		(6,207)	0		(6,207)
Assigned: Wellness Program	(1,295)	(1,295)	0		(1,295)	0		(1,295)	0		(1,295)
Assigned: Facility Mtnce Plan	(180,168)	(180,168)	8,064	C1	(172,104)	0		(172,104)	0		(172,104)
Assigned: Technology Plan	(306,409)	(306,409)	9,176	C2	(297,233)	0		(297,233)	0		(297,233)
Assigned: FF&E Plan	(91,260)	(91,260)	(11,898)	C3	(103,158)	0		(103,158)	0		(103,158)
Assigned: Library Mtrls Plan	(136,140)	(136,140)	(12,256)	C4	(148,396)	0		(148,396)	0		(148,396)
Assigned: Cont Reserve Plan	(135,552)	(135,552)	0		(135,552)	(426,083)	C5	(561,635)	10,046		(551,588)
	<b>\$ (1,178,252)</b>	<b>\$ (1,178,252)</b>	<b>\$ (6,914)</b>		<b>\$ (1,185,166)</b>	<b>\$ (426,083)</b>		<b>\$ (1,611,249)</b>			<b>\$ (1,611,249)</b>
<b>EST ENDING UNASSIGNED FUND BALANCE 12/31/12</b>	<b>\$ 2,283,111</b>	<b>\$ 3,403,346</b>	<b>\$(1,114,811)</b>		<b>\$ 2,288,535</b>	<b>\$ (517,151)</b>		<b>\$ 1,771,384</b>	<b>\$ 37,654</b>		<b>\$ 1,809,038</b>

**Spokane County Library District  
Final 2012 Budget (December 20, 2011)  
General Operating Fund (001-661)  
Notes**

Note	Cost Account	Description	Increase/ (Decrease)	One-Time/ GO Fund	One-Time/ Interfund Transfer
<b>REVENUES</b>					
R1	PROPERTY TAX - CURRENT	Preliminary levy per 09/15 Assessor estimate	\$ (164,150)		
R2	CONTRACT - AIRWAY HTS	AV increase and annexation area value	59,615		
R2	CONTRACT - SPOKANE	Net of 5 annexation mitigation agreement fees, including West Plains	229,971		
R3	COPYING & PRINTING	Print management eliminates honors system printing	(9,000)		
R3	RENTAL FEES	Full year of Upriver Drive property lease	4,200		
R3	RETAIL SALES	Only book bags now being sold	(750)		
R4	WEB-BASED FEES/CHARGES	From online credit/debit card payments	56,000		
R5	LEASEHOLD EXCISE TAX	Losing airport portion from West Plains annexation	(14,000)		
R6	WELLNESS GRANTS/DONATIONS	Grants no longer available	(3,270)		
R7	E-RATE REIMBURSEMENT	Higher reimbursement amount approved	10,000		
R8	PROPERTY TAX - CURRENT	Adjust for 10/06 & 10/24 Assessor estimate	1,407		
R9	CONTRACT - AIRWAY HTS	Adjust for 10/06 & 10/24 Assessor estimate	21,900		
R10	CONTRACT - SPOKANE	Adjust for 10/06 & 10/26 Assessor MPLCFA estimate and 2012 mitigation agreement payments	(78,919)		
R11	PROPERTY TAX - CURRENT	Adjust for 12/01 Assessor estimate	\$ 1,331		
R12	CONTRACT - AIRWAY HTS	Adjust for 12/01 Assessor estimate	349		
R13	CONTRACT - SPOKANE	Adjust for 12/01 Assessor estimate	(3,827)		
	<b>TOTAL REVENUES</b>		<b>\$ 110,857</b>		
	<b>TOTAL TRANSFERS IN</b>		<b>\$ 0</b>		
		<b>TOTAL REVENUES &amp; TRANSFERS IN</b>	<b>\$ 110,857</b>		

**EXPENSES**

E1	SALARIES: REGULAR HOURS	Adjust to 2012 baseline	\$ 9,692		
E1	SALARIES: PAID TIME OFF	Adjust to 2012 baseline	1,513		
E1	SOCIAL SECURITY	Adjust to 2012 baseline	663		
E1	MEDICARE	Adjust to 2012 baseline	141		
E1	STATE INDUSTRIAL INS	Adjust to 2012 baseline	88		
E1	RETIREMENT CONTRIB	Adjust to 2012 baseline	13,322		
E1	MEDICAL INSURANCE	Adjust to 2012 baseline	25,070		
E1	DENTAL INSURANCE	Adjust to 2012 baseline	117		
E1	LONG TERM DISABILITY INS	Adjust to 2012 baseline	(386)		
E1	EMPLOYEE ASSIST PROG	Adjust to 2012 baseline	(163)		
E2	SALARIES: REGULAR HOURS	Salary step increases for eligible employees	53,818		
E2	SALARIES: PAID TIME OFF	Salary step increases for eligible employees	8,399		
E2	SOCIAL SECURITY	Salary step increases for eligible employees	3,857		
E2	MEDICARE	Salary step increases for eligible employees	903		
E2	RETIREMENT CONTRIB	Salary step increases for eligible employees	4,218		
E3	SALARIES: REGULAR HOURS	Placeholder 4.3% salary scale increase	199,514		
E3	SALARIES: PAID TIME OFF	Placeholder 4.3% salary scale increase	31,138		
E3	SOCIAL SECURITY	Placeholder 4.3% salary scale increase	16,402		
E3	MEDICARE	Placeholder 4.3% salary scale increase	3,344		
E3	RETIREMENT CONTRIB	Placeholder 4.3% salary scale increase	15,678		
E4	MEDICAL INSURANCE	7.1% rate increase	44,122		

E4	VISION INSURANCE	5.0% rate increase	695	
E4	DENTAL INSURANCE	WDS 9.75% rate decrease; Willamette 5.0% increase	(9,431)	
E4	LONG TERM DISABILITY INS	Rate increase	186	
E5	STATE INDUSTRIAL	Project 2.5% rate increase	921	
E6	SALARIES: REGULAR HOURS	Additional Collection Services staff hours	4,241	
E6	SALARIES: PAID TIME OFF	Additional Collection Services staff hours	662	
E6	SOCIAL SECURITY	Additional Collection Services staff hours	304	
E6	MEDICARE	Additional Collection Services staff hours	71	
E6	STATE INDUSTRIAL INS	Additional Collection Services staff hours	183	
E6	RETIREMENT CONTRIB	Additional Collection Services staff hours	356	
E6	MEDICAL INSURANCE	Additional Collection Services staff hours	5,825	
E6	LONG TERM DISABILITY INS	Additional Collection Services staff hours	(53)	
E6	EMPLOYEE ASSIST PROG	Additional Collection Services staff hours	(17)	
E7	SALARIES: REGULAR HOURS	Executive Director terminal leave overlap	10,994	10,994
E7	SALARIES: PAID TIME OFF	Executive Director terminal leave overlap	1,716	1,716
E7	SOCIAL SECURITY	Executive Director terminal leave overlap	788	788
E7	MEDICARE	Executive Director terminal leave overlap	184	184
E7	RETIREMENT CONTRIB	Executive Director terminal leave overlap	921	921
E7	MEDICAL INSURANCE	Executive Director terminal leave overlap	(1,574)	(1,574)
E7	VISION INSURANCE	Executive Director terminal leave overlap	(29)	(29)
E7	DENTAL INSURANCE	Executive Director terminal leave overlap	(128)	(128)
E7	LIFE INSURANCE	Executive Director terminal leave overlap	(963)	(963)
E8	OFFICE/LIBRARY SUPPLIES	Increased consumption for materials processing	3,600	
E9	OTHER PROFESSIONAL SVCS	Increase in 2012 ELPLP membership fee	218	
E9	OTHER PROFESSIONAL SVCS	Fairfield broadband project matching funds	30,000	30,000
E10	COLL AGCY SVCS/NOTICES	Reduced number of notices sent	(20,000)	
E11	MILEAGE	Increased IRS reimbursement rate	850	
E12	TRAVEL: BUSINESS	Executive Director: PLA, % Rotary	2,700	
E12	TRAVEL: BUSINESS	Collection Svcs: Collection Development meetings	700	
E13	TRAINING/TRAVEL: STAFF	Branch Svcs: Cascade Exec Mgmt program	15,000	15,000
E13	TRAINING/TRAVEL: STAFF	Collection Svcs: Increased costs	150	
E13	TRAINING/TRAVEL: STAFF	Communications: Additional web design training	350	
E13	TRAINING/TRAVEL: STAFF	IT: Additional training classes	1,400	
E13	TRAINING/TRAVEL: STAFF	Branch Svcs: Add'l costs for PLA, WLA & WALE	4,979	
E13	TRAVEL: BOARD	PLA Conference	6,500	
E13	TRAINING: BOARD	PLA Conference	1,075	
E16	INSURANCE	3% premium increase	1,800	
E17	PRINTING	Increased costs/more outsourcing	2,000	
E18	HEAT, LIGHT, POWER	Projected rate increases	1,500	
E19	WATER, REFUSE, SEWER	Projected rate increases	500	
E20	BUILDING MAINTENANCE	Upriver Drive property	1,000	
E21	REPAIR & MTNCE: VEHICLES	2012 Facilities Maintenance Plan	3,500	3,500
E21	REPAIR & MTNCE: BUILDINGS	2012 Facilities Maintenance Plan	106,000	106,000
E22	GROUND MTNCE SERVICES	2012 Facilities Maintenance Plan	7,200	7,200
E22	DUES & MEMBERSHIPS	Includes reduction of WLA dues	(3,930)	
E23	WELLNESS SVCS & PROG	Wellness grants discontinued	(659)	
E24	LIBRARY PROGRAMS	No grant funding in 2012	(550)	
E25	CATALOGING & AUTH. SCV	1.5% rate increase; add'l downloadable materials	3,400	
E26	ILL SERVICES	Projected 3% rate increase	200	
E27	DP HARDWARE & SOFTWARE	2012 Technology Plan	280,800	280,800
E28	FF&E	2012 Furniture, Fixtures, Equipment Plan	60,275	60,275
E29	LIBRARY MATERIALS	3% increase over 2011 baseline	43,379	
E30	OPER CONTINGENCIES	Offset for higher property tax revenue	275,274	275,274
E31	ACCOUNTING & AUDIT SVCS	No audit in 2012	(12,500)	
E32	WEB CATALOG CONTENT	Change in rate calculation methodology	(4,733)	
E33	SALARIES: REGULAR HOURS	Salary scale increase reduction to 2.5%	(78,382)	

E33	SALARIES: PAID TIME OFF	Salary scale increase reduction to 2.5%	(12,333)		
E33	SOCIAL SECURITY	Salary scale increase reduction to 2.5%	(5,618)		
E33	MEDICARE	Salary scale increase reduction to 2.5%	(1,313)		
E33	RETIREMENT CONTRIB	Salary scale increase reduction to 2.5%	(6,460)		
E34	POSTAGE	2.1% rate increase	750		
E35	OPER CONTINGENCIES	Adjusts offset for higher property tax revenue	(44,055)	(44,055)	
E36	STATE INDUSTRIAL INS	Eliminates anticipated 2.5% 2012 rate increase	(921)		
E37	OPER CONTINGENCIES	Reflects actual annexation impact with no property tax contingency	(28,834)	(28,834)	
<b>TOTAL EXPENSES</b>			<b>\$ 1,082,214</b>	<b>\$ 717,069</b>	<b>\$ 0</b>
T1	TRANS OUT: CAP PROJECTS	Transfer to increase Capital Projects Fund balance	\$ 200,000		\$ 200,000
<b>TOTAL TRANSFERS OUT</b>			<b>\$ 200,000</b>		<b>\$ 200,000</b>
<b>TOTAL EXPENSES &amp; TRANSFERS OUT</b>			<b>\$ 1,282,214</b>	<b>\$ 717,069</b>	<b>\$ 200,000</b>
<b>TOTAL ADJUSTMENTS: REVENUES OVER/(UNDER) EXPENSES</b>			<b>\$ (1,171,357)</b>	<b>\$ 717,069</b>	<b>\$ 200,000</b>
C1	ASSIGNED: TECH PLAN	Adjusts to Fund Balance Mgt Plan requirements	\$ 8,064		
C2	ASSIGNED: FAC MTNCE PLAN	Adjusts to Fund Balance Mgt Plan requirements	9,176		
C3	ASSIGNED: FF&E PLAN	Adjusts to Fund Balance Mgt Plan requirements	(11,898)		
C4	ASSIGNED: LIB MTRLS PLAN	Adjusts to Fund Balance Mgt Plan requirements	(12,256)		
C5	ASSIGNED: CONT RESERVE	Adjusts to Fund Balance Mgt Plan requirements	(426,083)		
C6	ASSIGNED: CONT RESERVE	Adjusts to Fund Balance Mgt Plan requirements	10,046		
<b>TOTAL ADJUSTMENTS: COMMITTED PLANS</b>			<b>\$ (422,951)</b>		
<b>TOTAL ADJUSTMENTS: REVENUES OVER/(UNDER) EXPENSES &amp; COMMITMENTS</b>			<b>\$ (1,594,308)</b>	<b>\$ 717,069</b>	<b>\$ 200,000</b>

**Spokane County Library District  
Final 2012 Budget (December 20, 2011)  
Capital Projects Fund (005-661)  
Detail**

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	2011 Budget	2012 Budget
<b>REVENUES</b>		
Interest Earnings	\$ 15,005	\$ 16,500
Transfer In from General Operating Fund	406,655	200,000
<b>Total Revenues &amp; Transfers In</b>	<b>\$ 421,660</b>	<b>\$ 216,500</b>
 <b>EXPENSES</b>		
Other Professional Services: Upriver Drive Property	\$ 50,000	\$ 0
Capital Outlay: Upriver Drive Property Purchase	150,000	
<b>Total Expenses &amp; Transfers Out</b>	<b>\$ 200,000</b>	<b>\$ 0</b>
Revenues Over (Under) Expenses	\$ 221,260	\$ 216,500
Actual/Estimated Beginning Committed Fund Balance 01/01/11-12	887,431	1,170,000
<b>Estimated Ending Committed Fund Balance 12/31/11-12</b>	<b>\$ 1,109,191</b>	<b>\$ 1,386,500</b>