

2009 FINAL BUDGET (DECEMBER 2008)
DIRECTOR'S BUDGET MESSAGE

General Operating Fund: \$9,953,497

BUDGET GOALS

The goals for the 2009 General Operating Fund budget are to:

- Continue to maintain all services and programs at no less than the increased levels made possible by the 2006 levy lid lift.
- Continue to maintain salary level competitiveness.
- Carry out 2009 facility maintenance plan, technology upgrade plan, and FF&E maintenance plan projects.
- Continue to maintain sufficient cash flow without a Tax Anticipation Note sale.
- Retain sufficient unencumbered recurring revenue to maintain the above in 2010.

SUMMARY

At your October meeting I provided an overview of 2009 budget development to date as well as 2010-2013 revenue and expense projections. The November preliminary budget message was an expansion of that budget presentation that also included revenue and expense changes made since that time. This final budget message includes the few changes made from last month.

On the revenue side for 2009, a higher than anticipated increase in new construction revenue again softened potential ramifications of having a 1% levy lid. Even so, our levy rate will drop once again to just over 44¢ per \$1,000 of assessed valuation, \$1.28 million less than the maximum levy possible. The levy rate drop also negatively impacts city contract fees.

In expenses, the largest increase will be for personnel – substantial salary increases driven by the very high Consumer Price Index increase, salary steps for eligible staff, benefit costs, and a little less than one FTE increase in staffing. The next largest increase is for library materials.

The approximate \$341,000 balance of revenue over expenses should provide sufficient cash flow going into 2010 that when combined with new 2010 revenue and potentially supplemented from our \$2.49 million fund balance, will be sufficient to assure service level maintenance for at least a year beyond the levy lid lift financial plan projection.

REVENUE CHANGES FROM 2008 BASELINE (\$5,000 OR MORE)

The 2009 revenue projection from all sources other than interfund transfers is currently \$228,412 higher than the 2008 baseline amount. The projection hasn't changed from the November version.

Property taxes: On October 22, the Spokane County Assessor's Office provided a preliminary estimate of SCLD's 2008 assessed valuation that will be used to determine the 2008 property tax levy for collection in 2009. 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 "best guess" levy estimate shows a \$331,092 increase from this year consisting of the 1% increase from the current levy (\$91,128) and \$233,132 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 \$15,000 has been included in the Resolution estimate,

rounded out to \$9,459,000. The total amount in this November budget is slightly different (\$9,497,652) from the resolution estimate and \$257,000 lower than the figure included in the October budget report. We took a more conservative approach, using a 97% collection rate for 2009 property taxes and a lower estimate of prior year delinquent tax collections. Regardless of our estimate, the amount the Assessor's Office ultimately certifies will be a function of final property valuations up to that estimate. Because the combination of application of the 1% levy lid and timeliness of Assessor's Office levy estimates, there's no need for a "just in case" insurance factor as there's been in prior years.

The impact of the 1% levy lid continues to be significant. Using the \$21,448,534,124 assessed valuation estimate – which doesn't yet include changes in state-assessed values – and applying the 1% levy lid, the levy amount for collection in 2009 results in a levy rate of \$0.440302688. The property tax savings to property owners – which is a property tax loss to the District – is \$1,280,419.

City contract fees: Three cities will be paying contract fees in 2009, each of a different type.

- Airway Heights: Fee is estimated to be \$117,188 based on the latest Assessor's Office assessed valuation information and estimated SCLD levy rate – an increase of \$8,016 (7.3%) over 2008.
- Spokane Valley: 2009 fee is an amount equal to 50¢ per \$1000 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 2009 is down to \$4,000.
- City of Spokane: Based on the Assessor's Office assessed valuation estimate, the City of Spokane's Moran Prairie annexation mitigation fee will be \$48,670 – a decrease of \$390 from 2008 due to our lower levy rate. In addition, year two of the Park Place and North Division Annexation mitigation fees will total \$1,558 and \$19,138 respectively, a 20% decrease from 2008.

Services & Fees: Total increase of \$20,400, with only one of \$5,000 or more.

- Lost and Damaged: 2009 payments for lost and damaged materials projected to increase (+ \$10,000)

Miscellaneous: Total increase of \$54,000 in Miscellaneous accounts, with only three of \$5,000 or more.

- Leasehold Excise Tax: Higher estimate based on actual 2008 collections (+ \$5,000)
- Grants-Nongovernmental: New account for the two years of the Gates grant (+ \$23,400 for Year 1)
- E-rate: Next year's telecommunications line discounts are based on higher total reimbursable telecommunications costs. (+ \$21,000)

Interest Earnings: Increase in interest earnings from idle cash (+ \$30,000). Business manager Bill Sargent confirmed my response to the question about increasing interest earnings during this bad economic period. First, we have a higher fund balance available for investment during the year and second, the rate of return in the county's investment pool has increased; interest rates for municipal finance don't track with the prime rate set by the Federal Reserve or the rates available at commercial banks.

Transfer In

- Capital Reserve Fund: Installation of IT emergency electrical generator (+ \$65,000)

EXPENSE CHANGES FROM 2008 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 2008 partial year changes (- \$6,123).
- Increase in the minimum wage (paid to pages) by 5.9% from \$8.07 to \$8.55 per hour (+ \$13,212)
- Increase non-page salary scale by 5.0% (+ \$223,419)
- Salary step increases for eligible staff (+ \$34,064)

- Add anticipated cost for terminal leave payoff for retiring employees (+ \$50,000)
- Convert 24 hpw information services librarian position at North Spokane to full-time (+ \$17,815)
- Add 22 hpw collection services staffing to allow more timely materials processing (+ \$15,032)

Benefits: As with last year, the largest single chunk of the total fringe benefit increase is annualizing the July 1, 2008 Public Employees Retirement System employer contribution @ \$42,379. The next largest is the increase in medical insurance premiums @ \$38,449. Most of the remainder are factors of increased salary levels and additional staffing.

Changes of \$5,000 or more for line items are:

	Social Security	Medicare	Retirement	Medical Ins	Other <\$5k *	TOTAL
Annualize 2008	\$ (522)	\$ (89)	\$ 42,379	\$ 3,150	\$ (2,003)	\$ 42,921
Step increases	2,112	494	2,431	0	0	5,037
5.9% page COLA	819	192	162	0	0	1,173
5% non-page COLA	13,451	3,239	17,986	0	0	34,676
Benefit rate increases	0	0	0	38,559	1,305	39,864
Terminal leave	3,100	725	4,078	2,811	372	11,086
Add'l 16 librarian hours	1,105	259	1,453	5,622	(87)	8,429
Add'l processing hours	932	218	522	422	23	2,236
TOTAL	\$ 20,997	\$ 5,038	\$ 69,011	\$ 50,564	\$ (390)	\$ 145,423

*Vision insurance (- \$40); dental insurance (+ \$135); life insurance (- \$1,243); state industrial insurance (+ \$1,361); long-term disability insurance (- \$129); employee assistance program (- \$46)

Supplies: There are no changes of \$5,000 or more from the baseline.

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

- Other Professional Services: Consultant fees for the classification and compensation study (+ \$28,600, one-time) and architectural/engineer services for facility master planning (+ \$20,000, one time)
- Electronic Library Services: Addition of Tutor.Com online homework help services (+ \$37,000)
- Data Communications: WAN: Uses actual billings for total network upgrade (- \$5,000)
- Training-Staff: First increase since 2005 reflects higher staffing levels and additional training needs (+ \$15,000)
- Recruitment: Primarily candidate interview travel for senior-level manager positions (+ \$6,000)
- Insurance: Addition of "cyber-insurance" for web-based customer financial transactions (+ \$7,500)
- Heat, Light, Power: Anticipated electrical and natural gas rate increases (+ \$9,400)
- Repair and Maintenance-Buildings (non Facility Plan-related): Rate increases for ongoing services (+ \$3,000); assumption of additional responsibilities for three city-owned buildings (+ \$14,500)

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

- DP Hardware & Software: 2009 projects total \$197,750, lower than the new \$230,357 baseline (- \$32,607)
- Furniture, Fixtures, & Equipment: 2009 FF&E Plan purchases total \$72,795, higher than the new \$57,503 baseline (+ \$15,292); IT emergency electrical generator (+ \$65,000)

Materials: The materials budget baseline for 2009 is \$1.235 million, less than the actual 2008 budget that included about \$65,000 in one-time funds. This budget adds ongoing funding to maintain current

purchasing levels as well as to provide additional copies of high-demand materials, establishing a new baseline of \$1,321,750, once again the highest in SCLD history.

- All material formats: Maintain purchasing levels (+ \$61,750)
- Books: Additional copies of high-demand materials for Books-To-Go program (+ \$12,500)
- Non-Print: Additional DVDs, CDs, and audiobooks (+ \$12,500)

Operational Contingencies: For the first time in many years there's no need to include an expense amount to offset a property tax revenue fudge factor so the usual \$40,000 baseline is used.

Transfers out: The \$5,515 transfer out is the net of the three infrastructure plan variations from their baseline amounts: Technology @ \$32,607 under, FF&E @ \$15,292 over, and Facilities @ \$11,800 over.

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 2009 beginning fund balance is based on our projected 2008 ending balance which doesn't yet include an estimate of unexpended 2008 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 approximately 25%, the 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 \$341,060. The net of one-time 2009 revenue and expenses adds another \$25,000 or so. While this amount is less than I showed in my October projection, barring something huge and unexpected and combined with conservatively-estimated 2010 revenue and expenses, it should be enough to assure the sustainability of our expanded operations through 2010.

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 the November Preliminary.

BUDGET REVIEW DURING 2009

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

As previously noted, judicious use of funds generated by the 2006 levy lid lift election success now allows 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 a larger-than-expected revenue increase for 2009 leaves SCLD in a very strong position to weather a short-term revenue shortfall.

It continues to look like a fall 2010 levy lid lift proposal would be required to allow maintenance of current service levels in 2011.

Bond Redemption Fund: \$60,000

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.

The \$60,000 budget for 2009 reflects another transfer to Capital Reserve.

Capital Reserve Fund: \$65,000

Funds move in and out of the Capital Reserve Fund to implement the Technology Upgrade, Facilities Maintenance, and FF&E Plans, paid up-front planning and election costs for the Greater Spokane Valley LCFA, and cover other 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 \$230,357; facilities maintenance is \$52,000; and FF&E is \$57,503.

Revenue: \$137,015

- Interest earnings: \$45,000
- Transfer In from General Operating Fund: \$5,515 (net baseline and expenses)
- Transfer In From Bond Redemption Fund: \$60,000 (explained above under Bond Redemption Fund)
- Transfer In from Construction Fund: \$26,500 (explained below under Construction Fund)

Expenses

- Transfer out to General Operating Fund: \$65,000; the cost for the IT emergency power generator

Fund Balance

With these transfers, estimated interest earnings, and the beginning fund balance, the estimated ending fund balance for 2009 is \$785,127, including internal fund designations. This is a very respectable amount given expenditures of over \$1 million over the past two years for property and costs for Spokane Valley LCFA planning and the election.

Construction Fund: \$51,500

The Construction Fund was reactivated in 2006 for use in paying for and tracking preliminary planning expenses for the Greater Spokane Valley Area Libraries project as well as the Hastings Road property purchase. Once demolition activities on the Hastings Road property are completed, it will go back into hiatus until the next capital projects are undertaken.

Revenue

- Interest Earnings: \$500. Anticipated interest revenue on idle funds.

Expenses

- Demolition: \$25,000. Hastings property asbestos mitigation, demolition, well decommissioning
- Transfer Out to Capital Reserve Fund: \$26,500. Anticipated unused funds. Because the demolition was also included in the 2008 budget and won't be done this year, the beginning fund balance – and thus the amount available to transfer – is higher.

Fund balance

- Estimated ending fund balance: \$5,000

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: Prepare budget report with preliminary line item revenue and expenses
- **Completed** Staff: Present proposed 2009 organization memberships
- **Completed** Board of Trustees: Hold public hearing on 2009 revenue sources
- **Completed** Board of Trustees: Review and approve 2009 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 preliminary budget message and recommendation
- **Completed** Board of Trustees: Review, adopt, certify preliminary budget (Resolution)
- **Completed** Board of Trustees: Certify maximum 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 final budget message and recommendation
- Board of Trustees: Review and adopt final budget (Resolution)

**Spokane County Library District
Preliminary 2009 Budget (November 18, 2008)
General Operating Fund (001-661)
Summary**

REVENUES

Property Tax	\$ 9,497,652	
Contracted Cities, Services & Fees	447,404	
Miscellaneous Revenues	209,500	
Interest Earnings	75,000	
	Total Revenues	\$ 10,229,557
Transfer in From Capital Reserve Fund	65,000	
	Total Transfers In	65,000
	Total Revenues & Transfer In	\$ 10,294,557

EXPENSES

Salaries	\$ 5,119,510	
Fringe Benefits	1,405,267	
Supplies	189,908	
Services	1,535,502	
Capital Outlay	335,545	
Library Materials	1,321,750	
Short Term Debt	500	
Operational Contingencies	40,000	
	Total Expenses	\$ 9,947,982
Transfer Out to Capital Reserve Fund	\$ 5,515	
	Total Transfers Out	5,515
	Total Expenses & Transfer Out	\$ 9,953,497

Revenues Over/(Under) Expenses	\$ 341,060	
Estimated Beginning Fund Balance 01/01/09	2,451,233	
	Estimated Ending Fund Balance 12/31/09	\$ 2,792,293

(Less)

Reserved for Prepaid Items	(137,135)	
Reserved for Inventory	(56,249)	
Designated for Margaret Irving Program Fund	(5,926)	
Reserved for Public Library Directors Meetings	(4,218)	
Designated for Compensated Absences	(100,000)	

Estimated Ending Undesignated Unrestricted Fund Balance		
12/31/09	\$ 2,488,764	

**Spokane County Library District
Preliminary 2009 Budget (November 18, 2008)
General Operating Fund (001-661)
Detail**

	2008	2009	Oct		Oct	Nov		Nov	Dec		Final
REVENUES	Budget	Baseline	Adjust	Notes	Budget	Adjust	Notes	Budget	Adjust	Notes	Budget
Property Tax: Current Year	\$ 9,095,219	\$ 9,095,219	\$ 339,528	R1	\$ 9,434,747	\$ (187,095)	R1A-B	\$ 9,247,652	\$ 0		\$ 9,247,652
Property Tax: Prior Years	280,079	280,079	39,921	R2	320,000	(70,000)	R2A	250,000	0		250,000
TOTAL PROPERTY TAXES	\$ 9,375,298	\$ 9,375,298	\$ 379,449		\$ 9,754,747	\$ (257,095)		\$ 9,497,652	\$ 0		\$ 9,497,652
Contract City: Airway Heights	\$ 109,172	\$ 109,172	\$8,016	R3	\$117,188	\$ 0		\$117,188	\$ 0		\$117,188
Contract City: Spokane Valley	7,000	7,000	(3,000)	R3	4,000	0		4,000	0		4,000
City of Spokane mitigation	72,724	72,724	(3,358)	R3	69,366	0		69,366	0		69,366
TOTAL CONTRACTED CITIES	\$ 188,896	\$ 188,896	\$ 1,658		\$ 190,554	\$ 0		\$ 190,554	\$ 0		\$ 190,554
Interlibrary Loans	\$ 200	\$ 200	\$ 0		\$ 200	\$ 0		\$ 200	\$ 0		\$ 200
Photocopiers	9,000	9,000	2,000	R4	11,000	0		11,000	0		11,000
Nonresident Fees	8,000	8,000	1,000	R4	9,000	0		9,000	0		9,000
Fines & Charges	167,500	167,500	2,400	R4	169,900	0		169,900	0		169,900
Lost & Damaged	40,000	40,000	10,000	R4	50,000	0		50,000	0		50,000
Rental Income	2,750	2,750	750	R4	3,500	0		3,500	0		3,500
Workstation Printing	9,000	9,000	(500)	R4	8,500	0		8,500	0		8,500
Retail Sales	0	0	4,750	R4	4,750	0		4,750	0		4,750
TOTAL SERVICES & FEES	\$ 236,450	\$ 236,450	\$ 20,400		\$ 256,850	\$ 0		\$ 256,850	\$ 0		\$ 256,850
TOTAL CONTRACTED CITIES, SERVICES & FEES	\$ 425,346	\$ 425,346	\$ 22,058		\$ 447,404	\$ 0		\$ 447,404	\$ 0		\$ 447,404
Leasehold Excise Tax	\$ 15,000	\$ 15,000	\$ 5,000	R5	\$ 20,000	\$ 0		\$ 20,000	\$ 0		\$ 20,000
Shared Revenue: Timber Tax	24,600	24,600	0		24,600	0		24,600	0		24,600
Purchase Discounts	4,000	4,000	0		4,000	0		4,000	0		4,000
NSF Check Recovery	400	400	(400)	R8	0	0		0	0		0
Gifts & Donations	1,500	1,500	0		1,500	0		1,500	0		1,500
Sale of Library Materials	20,000	20,000	0		20,000	0		20,000	0		20,000
Sale of Surplus Property	1,825	0	1,000	R6	1,000	0		1,000	0		1,000

Sales to Library Staff	0	0	0		0	0		0	0	0
E-Rate Reimbursement	79,000	79,000	21,000	R9	100,000	0		100,000	0	100,000
Public Library Directors Mtngs	8,000	8,000	4,000	R7	12,000	0		12,000	0	12,000
Grants-Nongovernmental	0	0	0		0	23,400	R11	23,400	0	23,400
Miscellaneous	3,000	3,000	0		3,000	0		3,000	0	3,000
TOTAL MISCELLANEOUS	\$ 157,325	\$ 155,500	\$ 30,600		\$ 186,100	\$ 23,400		\$ 209,500	\$ 0	\$ 209,500
Interest Earnings	45,000	45,000	30,000	R10	75,000	0		75,000	0	75,000
TOTAL REVENUES	\$10,002,970	\$10,001,145	\$ 462,107		\$10,463,252	\$ (233,695)		\$10,229,557	\$ 0	\$10,229,557
Transfer In: Cap Reserve Fund	253,190	0	2,685	T1	2,685	62,315	T2-3	65,000	0	65,000
TOTAL REVENUES & TRANSFERS IN	\$10,256,160	\$10,001,145	\$464,792		\$10,465,937	\$ (171,380)		\$ 10,294,557	\$ 0	\$ 10,294,557

EXPENSES	2008 Budget	2009 Baseline	Oct Adjust	Notes	Oct Budget	Nov Adjust	Notes	Nov Budget	Dec Adjust	Notes	Final Budget
Salaries: Regular Hours	\$ 3,974,725	\$ 3,976,975	\$ 274,350	E1-5	\$ 4,251,325	\$ (21,416)	E40-41	\$ 4,299,909	\$ 0		\$ 4,299,909
Salaries: Temporary Hours	69,500	65,000	0		65,000	0		65,000	0		65,000
Salaries: Paid Time Off	727,464	727,464	98,416	E1-5	825,880	(3,779)	E40-41	822,101	0		822,101
Salaries: Overtime Hours	2,500	2,500	0		2,500	0		2,500	0		2,500
TOTAL SALARIES	\$ 4,774,189	\$ 4,771,939	\$ 375,766		\$ 5,144,705	\$ (25,195)		\$ 5,119,510	\$ 0		\$ 5,119,510
FICA-Social Security	\$ 294,172	\$ 294,032	\$ 22,496	E1-5	\$ 316,528	\$ (1,490)	E40-41	315,038	\$ 0		315,038
FICA - Medicare	69,226	69,193	5,405	E1-5	74,598	(366)	E40-41	74,232	0		74,232
Retirement Contributions	323,249	323,062	71,741	E1-5	394,803	(2,718)	E40-41	392,085	0		392,085
Unemployment Insurance	1,000	1,000	0		1,000	0		1,000	0		1,000
Medical Insurance	446,161	446,161	50,142	E1,E4-6	496,303	422	E40	496,725	0		496,725
Vision Insurance	11,956	11,956	(40)	E1,E4	11,916	0		11,916	0		11,916
Dental Insurance	79,531	79,531	135	E1,E4,E6	79,666	0		79,666	0		79,666
Life & Disability Insurance	5,931	5,913	(1,243)	E1,E4	4,670	0		4,670	0		4,670
Long Term Disability	2,123	2,123	(129)	E1,E5	1,994	0		1,994	0		1,994
State Industrial Insurance	24,918	24,904	84	E1,E5	24,988	119	E40	25,107	1,158	E47	26,265
Employee Assistance (EAP)	1,699	1,699	(46)	E1,E5	1,653	23	E40	1,676	0		1,676
TOTAL FRINGE BENEFITS	\$ 1,259,948	\$ 1,259,574	\$ 148,545		\$ 1,408,119	\$ (4,010)		\$ 1,404,109	\$ 1,158		\$ 1,405,267
Cleaning & Sanitation Supplies	\$ 18,000	\$ 18,000	\$ 0		\$ 18,000	\$ 0		\$ 18,000	\$ 0		\$ 18,000

Vehicle Fuel	7,663	7,663	0		7,663	0		7,663	0		7,663
Other Supplies	200	200	0		200	0		200	0		200
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
Office & Library Supplies	151,978	150,978	2,700	E8	153,678	0		153,678	0		153,678
Cost of Retail Inventory Sold	0	0	4,567	E7	4,567	0		4,567	0		4,567
TOTAL SUPPLIES	\$ 183,641	\$ 182,641	\$ 7,267		\$ 189,908	\$ 0		\$ 189,908	\$ 0		\$ 189,908
Accounting & Auditing Services	\$ 0	\$ 12,500	\$ 2,450	E9	\$ 14,950	\$ 0		\$ 14,950	0		\$ 14,950
Legal Services	25,000	25,000	0		25,000	0		25,000	0		25,000
Other Professional Services	91,630	27,500	148,600	E10-12	176,100	(100,000)	E42	76,100	0		76,100
Bank & Postal Charges	3,400	3,400	0		3,400	0		3,400	1,000	E48	4,400
Software Support Services	105,800	105,800	4,200	E13	110,000	0		110,000	0		110,000
Web Catalog Content Services	14,550	14,550	0		14,550	0		14,550	0		14,550
Electronic Library Services	2,500	2,500	37,000	E15	39,500	0		39,500	0		39,500
Collection Agency Services	21,445	21,445	625	E14	22,095	0		22,095	0		22,095
Data Communications: WAN	136,000	125,000	(5,000)	E16	120,000	0		120,000	0		120,000
Data Communications: Internet	33,350	33,350	(2,350)		31,000	0		31,000	0		31,000
Telephone	24,000	24,000	0		24,000	0		24,000	0		24,000
Postage	65,500	65,500	0		65,500	0		65,500	0		65,500
Freight Charges	2,000	2,000	0		2,000	0		2,000	0		2,000
Courier Services	62,660	62,660	3,133	E18	65,793	0		65,793	0		65,793
Mileage	15,210	15,210	0		15,210	0		15,210	(910)	E49	14,300
Travel – Training Related	21,000	21,000	5,400	E20	26,400	(5,500)	E43	20,900	0		20,900
Travel – Business	12,700	12,700	1,950	E19	14,650	0		14,650	0		14,650
Travel – Board	13,000	4,500	(2,500)	E21	2,000	0		2,000	0		2,000
Training – Board	4,450	4,450	(950)	E21	3,500	0		3,500	0		3,500
Training – Staff	41,200	35,200	17,550	E20	52,750	(2,500)	E44	50,250	0		50,250
Public Library Directors Mtngs	10,380	8,000	4,000	E22	12,000	0		12,000	0		12,000
Advertising & Promotion	6,000	6,000	0		6,000	0		6,000	0		6,000
Recruitment	8,250	9,000	6,000	E23	15,000	0		15,000	0		15,000
Rentals & Leases: Other	1,600	1,600	0		1,600	0		1,600	0		1,600
Rentals & Leases: Equipment	8,400	8,400	0		8,400	0		8,400	0		8,400
Insurance	54,293	53,293	7,500	E24	61,793	0		61,793	0		61,793
Printing	18,000	18,000	0		18,000	0		18,000	0		18,000
Heat, Light, & Power	135,200	132,200	9,400	E25	144,600	0		144,600	0		144,600
Water, Refuse, & Sewer	37,255	37,255	1,865	E26	39,120	0		39,120	0		39,120
Repair & Mtnce: Miscellaneous	6,000	6,000	0		6,000	0		6,000	0		6,000

Repair & Mtnce: DP Equipment	33,000	33,000	0		33,000	0		33,000	0		33,000
Repair & Mtnce: Vehicles	6,500	4,000	0		4,000	0		4,000	0		4,000
Repair & Mtnce: Buildings	93,800	65,300	67,500	E27-29	132,800	(10,000)	E45	122,800	23,800	E50	146,600
Custodial Services	175,000	175,000	0	E31	175,000	0		175,000			175,000
Grounds Maintenance Services	54,150	25,195	1,060	E30	26,255	0		26,255			26,255
Security Alarm Monitoring Svcs	7,450	7,450	0		7,450	0		7,450			7,450
Snow Removal	20,141	20,141	1,200	E31	21,341	0		21,341			21,341
Dues & Memberships	10,500	10,500	1,500	E32	12,000	0		12,000			12,000
Library Programs	20,000	20,000	2,000	E33	22,000	0		22,000			22,000
Library Programs: Irving Fund	1,000	500	0		500	0		500			500
Cataloging & Authority Services	34,250	34,250	3,700	E34	37,950	0		37,950			37,950
Binding Services	1,000	1,000	0		1,000	0		1,000			1,000
ILL Services	12,100	12,100	605	E35	12,705	0		12,705			12,705
Lost Materials Refunds	1,930	1,930	770	E36	2,700	0		2,700			2,700
TOTAL SERVICES	\$ 1,451,594	\$ 1,312,379	\$ 317,233		\$ 1,629,612	\$ (118,000)		\$ 1,511,612	\$ 23,890		\$ 1,535,502
Data Proc Hardware & Software	\$ 272,000	\$ 230,357	\$ (32,607)	E37	\$ 197,750	\$ 0		\$ 197,750	\$ 0		\$ 197,750
Vehicles	25,000	0	0		0	0		0	0		0
Furniture Fixtures & Equip	65,410	57,503	15,292	E38	72,795	65,000	E46	137,795	0		137,795
TOTAL CAPTL EXPENDITURES	\$ 362,410	\$ 287,860	\$ (17,315)		\$ 270,545	\$ 65,000		\$ 335,545	\$ 0		\$ 335,545
Books	\$ 771,955	\$ 752,500	\$ 50,125	E39	\$ 802,625	\$ 0		\$ 802,625	\$ 0		\$ 802,625
Periodicals	57,000	57,000	2,850	E39	59,850	0		59,850	0		59,850
Nonprint Materials	239,500	239,500	24,475	E39	263,975	0		263,975	0		263,975
Databases	107,500	107,500	5,375	E39	112,875	0		112,875	0		112,875
Downloadable Media	123,500	78,500	3,925	E39	82,425	0		82,425	0		82,425
TOTAL LIBRARY MATERIALS	\$ 1,299,455	\$ 1,235,000	\$ 86,750		\$ 1,321,750	\$ 0		\$ 1,321,750	\$ 0		\$ 1,321,750
Short Term Interest Expense	\$ 4,500	\$ 500	0		500	\$ 0		500	0		500
Operational Contingencies	40,000	40,000	0		\$ 40,000	0		\$ 40,000	\$ 0		\$ 40,000
TOTAL EXPENSES	\$ 9,375,737	\$ 9,089,893	\$ 915,246		\$10,005,139	\$ (82,205)		\$ 9,922,934	\$ 0		\$ 9,922,934
Transfer Out: Cap Reserve Fnd	263,775	0	0		0	29,315		29,315	(23,800)	T5	5,515
TOTAL EXPENSES & TRANSFER OUT	\$ 9,639,512	\$ 9,089,893	\$ 915,246		\$10,005,139	\$ (52,890)		\$ 9,952,249	\$ 1,248		\$ 9,953,497

REVENUES OVER/(UNDER)	\$ 616,648	\$ 911,252	\$ (450,454)	\$ 460,798	\$ (118,490)	\$ 342,308	\$ (1,248)	\$ 341,060
EXPENSES								

**Spokane County Library District
Preliminary 2009 Budget (November 18, 2008)
General Operating Fund (001-661)
Notes**

Note	Cost Account	Description	Increase/ (Decrease)	One-Time/ GO Fund	One-Time/ Interfund Transfer
REVENUES					
R1	Property Tax: Current Year	Property tax levy increase (Assessor, 10/08)	\$ 339,528		
R1A	Property Tax: Current Year	Tax levy increase adjustment (Assessor 10/22)	1,600		
R1B	Property Tax: Current Year	Adjustment for anticipated 2009 collections (SCLD)	(188,695)		
R2	Property Tax: Prior Years	Increase in delinquent property taxes (SCLD)	39,921		
R2A	Property Tax: Prior Years	Adjustment for anticipated 2009 collections	(70,000)		
R3	Contract Fee: Airway Hts	Increased valuation/lower levy rate	8,016		
R3	Contract Fee: Spo Valley	Reduction in 2005 taxes still owed	(3,000)		
R3	Contract Fee: Spokane	Scheduled mitigation fee ramp down	(3,358)		
R4	Nonresident Fees	Fee increase	1,000		
R4	Fines & Charges	Estimated from 2008 actual & circ increase	2,400		
R4	Photocopiers	Projected revenue increase	2,000		
R4	Lost & Damaged	Estimated from 2008 actual & circ increase	10,000		
R4	Rentals	Increased meeting room use payments	750		
R4	Workstation printing	Based on 2008 actual	(500)		
R4	Retail Sales	Increased book bag & flash drive sales	4,750		
R5	Leasehold Excise Tax	Based on 2008 actual	5,000		
R6	Sale of Surplus Property	Baseline estimate	1,000		
R7	Public Lib Directors Mtgs	Increased registration fees (pass through)	4,000		
R8	NSF Check Recovery	Estimated from 2008 actual	(400)		
R6	E-Rate Reimbursement	Higher eligible data/phone expenses	21,000		
R10	Interest	Higher interest rates for County Pool	30,000		
R11	Grants-Nongovernmental	2009 Gates grant for computer equipment	23,400	23,400	
Total Revenues			\$ 228,412	\$ 23,400	
TRANSFERS IN					
T1	Transfer In: Capital Reserve	Net infrastructure plans baseline difference	\$ 2,685		\$ 2,685
T2	Transfer In: Capital Reserve	Emergency electrical generator for server room	65,000		65,000
T3	Transfer In: Capital Reserve	Revised infrastructure plan costs	(2,685)		(2,685)
Total Transfers In			\$ 65,000		\$ 65,000
Total Revenues and Transfers-In			\$ 293,412	\$ 23,400	\$ 65,000

EXPENSES

E1	Salaries: Regular Hours	Adjust to 2008 baseline	\$ (5,205)		
E1	Salaries: Paid Time Off	Adjust to 2008 baseline	(918)		
E1	Fringe Benefits	Adjust to 2008 baseline	42,922		
E2	Salaries: Regular Hours	Salary step increases for eligible employees	28,954		
E2	Salaries: Paid Time Off	Salary step increases for eligible employees	5,110		
E2	Fringe Benefits	Salary step increases for eligible employees	5,037		
E3	Salaries: Regular Hours	5.9% COLA salary/min wage increase	235,330		
E3	Salaries: Paid Time Off	5.9% COLA salary/min wage increase	41,529		
E3	Fringe Benefits	5.9% COLA salary/min wage increase	42,094		
E4	Salaries: Paid Time Off	Retiree terminal leave	50,000		
E4	Fringe Benefits	Retiree terminal leave	11,086		
E5	Salaries: Regular Hours	Add'l 16 hours librarian	15,272		
E5	Salaries: Paid Time Off	Add'l 16 hours librarian	2,695		

E5	Fringe Benefits	Add'l 16 hours librarian	8,452	
E6	Medical Insurance	Rate increase	38,559	
E6	Dental Insurance	Rate increase	395	
E7	Cost of Retail Inventory	Anticipated 2009 sales	4,567	
E8	Office Supplies	Increased consumption	2,700	
E9	Auditing Services	Increased cost due to two-year audit	2,450	2,450
E10	Other Professional Services	A/E services for facility master plan	20,000	20,000
E11	Other Professional Services	Classification/compensation study	28,600	28,600
E12	Other Professional Services	Levy lid lift election cost	100,000	100,000
E13	Software Support	Vendor cost increases for support contracts	4,200	
E14	Collection Agency Services	Anticipated 3% increase in invoiced costs	650	
E15	Electronic Library Services	Addition of Tutor.Com	37,000	
E16	Datacom-WAN	Based on actual billings	(5,000)	
E17	Datacom-Internet	Based on actual billings	(2,350)	
E18	Courier Services	Anticipated 5% rate increase	3,133	
E19	Travel-Business	Based on required activities	1,950	
E20	Travel-Training Related	Based on planned training activities	5,400	
E20	Training-Staff	Increased training/development activities	17,550	
E21	Travel-Board	Based on planned training activities	(2,500)	
E21	Training-Board	Fewer applicable 2009 activities available	(950)	
E22	Public Library Directors Mtgs	Increased meeting costs (pass through)	4,000	
E23	Recruitment	New line item for position recruitment costs	6,000	
E24	Insurance	Adds liability insurance for Web credit card use	7,500	
E25	Heat, Light, Power	Projected rate increases	9,400	
E26	Water, Refuse, Sewer	Projected rate increases	1,865	
E27	Repair/Maint: Buildings	HVAC maintenance rate increase	3,000	
E28	Repair/Maint: Buildings	Add'l maintenance for city-owned buildings	14,500	
E29	Repair/Maint: Buildings	2009 Facility Maintenance Plan projects	50,000	
E30	Grounds Maintenance	Projected rate increase	1,060	
E31	Snow removal	Project rate increases	1,200	
E32	Dues & Memberships	Fee increases; transfer of two from materials	1,500	
E33	Library Programs	Increase costs for outsourced programming	2,000	
E34	Cataloging & Authority Svcs	Projection from 2008 actual	3,700	
E35	ILL Services	OCLC rate increase	605	
E36	Lost Materials Refund	Projected increased due to payments increase	770	
E37	DP Hardware & Software	2009 Technology Plan projects below baseline	(32,607)	(32,607)
E38	Furniture/Fixtures/Equipment	2009 FF&E Plan projects above baseline	15,292	15,292
E39	Materials: Books	5% baseline inflation & add'l Books-To-Go	50,125	
E39	Materials: Periodicals	5% baseline inflation	2,850	
E39	Materials: Nonprint	5% baseline inflation & add'l MP3 CDs	24,475	
E39	Materials: Databases	5% baseline inflation	5,375	
E39	Materials: Downloadable	5% baseline inflation	3,925	
E40	Salaries: Regular Hours	Added materials processing hours	12,777	
E40	Salaries: Paid Time Off	Added materials processing hours	2,255	
E40	Fringe Benefits	Added materials processing hours	2,236	
E41	Salaries: Regular Hours	Reduce non-page COLA to 5%	(34,193)	
E41	Salaries: Paid Time Off	Reduce non-page COLA to 5%	(6,034)	
E41	Fringe Benefits	Reduce non-page COLA to 5%	(6,246)	
E42	Other Professional Services	Eliminate levy lid lift election costs	(100,000)	(100,000)
E43	Travel-Training	Based on revised planned training activities	(5,500)	
E44	Training-Staff	Revised planned training activities	(2,500)	
E45	Repair/Maint: Buildings	Revised infrastructure plan costs	(10,000)	
E46	Furniture/Fixtures/Equipment	Emergency electrical generator for server room	65,000	65,000
E47	State Industrial Insurance	Rate increase	1,158	
E48	Bank & Postal Charges	Bank service charges in excess of earnings	1,000	
E49	Mileage	Reduction in IRS reimbursement rate	(910)	

E50	Repair/Maint: Buildings	Revision to 2009 Maintenance Plan projects	23,800	23,800	
Total Expenses			\$ 858,089	\$ 74,850	\$47,685
TRANSFERS OUT					
T4	Transfer Out: Cap Reserve	Revised net cost for infrastructure plans	\$ 29,315		
T5	Transfer Out: Cap Reserve	Revised net cost for infrastructure plans	\$ (23,800)		
Total Expenses & Transfers-out			\$ 863,604	\$ 74,850	\$47,685

**Spokane County Library District
Preliminary 2009 Budget (November 18, 2008)
Bond Redemption Fund (003-661)
Detail**

	2008 Budget	2009 Budget
REVENUES		
Property Taxes: Prior Year	\$ 15,826	\$ 2,500
Interest Earnings	1,500	250
Miscellaneous Revenues	500	0
Total Revenues	\$ 17,826	\$2,750
 EXPENSES		
General Obligation Bond Principal	\$ 0	\$ 0
Interest: Long Term Debt	0	0
Transfer Out to Capital Reserve Fund	0	60,000
Total Expenses	\$ 0	\$ 60,000
 Revenues Over (Under) Expenses	 \$ 17,826	 \$ (57,250)
Actual/Estimated Beginning Fund Balance	\$ 51,617	69,443
Estimated Ending Fund Balance 12/31/09	\$ 69,443	\$ 12,193

**Spokane County Library District
Preliminary 2009 Budget (November 18, 2008)
Capital Reserve Fund (005-661)
Detail**

	2008 Budget	2009 Budget
REVENUES		
Interest Earnings	\$ 42,000	\$ 45,000
Miscellaneous Revenues	100	0
Transfer In from General Operating Fund	263,775	5,515
Transfer In from Bond Redemption Fund	0	60,000
Transfer In from Construction Fund	0	26,500
Total Revenues & Transfers In	\$ 305,875	\$ 137,015
EXPENSES		
Transfer Out to General Operating Fund	\$ 253,190	\$ 65,000
Transfer Out to Construction Fund	655,862	0
Total Expenses	\$ 909,052	\$ 65,000
Revenues Over (Under) Expenses	\$ (603,177)	\$ 72,015
Actual/Estimated Beginning Fund Balance	1,316,289	713,112
Estimated Ending Fund Balance	\$ 713,112	\$ 785,127
(Less)		
Designated for Facility Maintenance Plan	\$ (78,564)	\$ (103,464)
Designated for Technology Plan	(173,522)	(276,428)
Designated for Furniture, Fixtures & Equip Plan	(36,133)	(69,004)
Designated for Library Materials Plan	(66,000)	(123,500)
Estimated Ending Unrestricted, Undesignated Fund Balance	\$ 358,893	\$ 212,731

**Spokane County Library District
Preliminary 2009 Budget (November 18, 2008)
Construction Fund (008-661)
Detail**

	2008 Budget	2009 Budget
REVENUES		
Interest Earnings	\$ 4,000	\$ 500
Transfer in From Capital Reserve Fund	655,862	0
Total Revenues & Transfer In	\$ 659,862	\$ 500
 EXPENSES		
Demolition	\$ 0	\$ 25,000
Professional Services	125,000	0
Land Purchase	655,862	0
Transfer Out to Capital Reserve Fund	0	\$ 26,500
Total Expenses	\$ 780,862	\$ 51,500
Revenues Over (Under) Expenses	\$ (121,000)	\$ (51,000)
Actual/Estimated Beginning Fund Balance	152,080	56,000
Estimated Ending Unrestricted, Undesignated Fund Balance 12/31/09	\$ 31,080	\$ 5,000