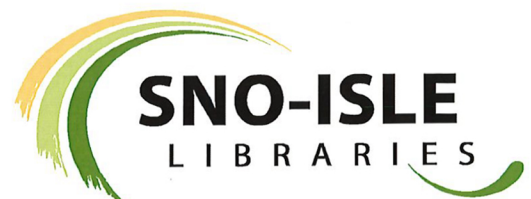


# Sno-Isle Libraries 2019 Final Budget

November 26, 2018



# Sno-Isle Libraries 2019 Operating Revenue

## Executive Summary

### Introduction

The 2019 budget proposal focuses on continuing to support the 2016-2019 Strategic Priorities and reflects Sno-Isle Libraries' ongoing commitment to provide knowledgeable staff, welcoming places and diverse collections. The proposed budget includes increased revenue from a successful levy lid lift which ensures stable funding for library services. In addition, current reserve funds will be increased to address future requirements.

### Revenue

The total *Revenue* proposed for 2019 is **\$68,424,000**, including \$8,500,000 of beginning cash.

Total property tax revenues for 2019 are budgeted at \$58,500,000. The increase in property tax revenues reflects the voter-approved \$.47 per \$1,000 of assessed value levy rate as applied to escalating property valuations in the two counties served by the Library District.

An additional \$1,424,000 in revenue is collected from timber sales, contract fees and other revenue sources.

### Expenditures

Total *Expenditures* are in balance with the proposed *Revenue* at **\$68,424,000**. This is a net increase of \$11,348,000 from the 2018 budget.

The proposed 2019 budget includes ongoing operating expenditures at \$52,159,000, capital outlays of \$1,265,000, and an increased ending cash balance of \$9,000,000. The staffing budget includes two additional FTE (full-time equivalent) positions and necessary technology upgrades. Also included is a \$4,000,000 transfer to the *Levy Rate Stabilization Reserve* and a \$2,000,000 transfer to the *Land Acquisition Reserve* from the *General Operating Fund*.

### Summary

The 2019 budget requests were prepared in a thoughtful manner to enable the Sno-Isle Library District to continue to invest in library services, programming, materials and facilities for the communities they serve while merging excellent service and sound fiscal management. The Library is also exercising fiscal constraint by placing \$6,000,000 of expected property tax revenues into reserves that can be used to ensure future stable funding of library services.

# Revenues

# **Sno-Isle Libraries**

## **2019 Budget - Revenue**

### **Introduction**

The total revenue proposed for 2019, including estimated beginning cash forward is **\$68,424,000**. This is an \$11,348,000 (19.6%) increase from the 2018 budget. The majority of this increase is from a voter-approved levy lid lift that sets a levy rate of \$.47 per \$1,000 of assessed value.

Supplementing property and timber tax revenues is beginning cash and other sources of budgeted revenue (including contract fees, investment interest, E-Rate program, etc.). The proposed 2019 budget earmarks \$8,500,000 for beginning cash and \$9,000,000 for ending cash.

### **Beginning Cash**

*Beginning Cash* is the amount of cash that remains in the Library District's *General Operating Fund* at the end of a year and carries forward into the new budget year.

The Library District is dependent on property and timber taxes as a primary source of operating funds. These tax revenues make up 98.6% of total revenues. Levied property taxes are due on April 30<sup>th</sup> and October 31<sup>st</sup> each year. Ending each year with ample cash allows for the funding of library services until the receipt of first-half property taxes in April. Estimated first quarter 2019 property tax revenue will be \$2.8 million. During this same timeframe, expenditures will approximate \$12.7 million. A beginning cash balance of \$8.5 million is required to help bridge this disparity in cash flow.

### **Transfer from Reserves - \$0**

The Library maintains certain unrestricted reserve funds which can be drawn from to supplement revenues necessary for providing library services during a budget year. For 2018, the budget included reserve transfers totaling \$4,825,000 as an added source of funds. The proposed 2019 budget does not require any transfers from reserves as a result of the levy lid lift.

### **General Property Tax - \$58,500,000**

Proposed property tax revenue is \$58,500,000 and constitutes 97.6% of the total budgeted revenues. Property tax revenues received are from levies in unincorporated Snohomish and Island counties as well as annexed cities.

Preliminary assessed values in the Library District increased an average 12.2% building on last year's increase of 12.0%. More specifically, Snohomish County reports an increase of 12.7% in assessed values and Island County reports an 8.7% increase.



## **Timber and Excise Taxes - \$560,000**

*Timber and Excise Taxes* are projected to be \$560,000 which is a \$45,000 decrease from the 2018 budget. Timber value is not included in the assessment of real property value within the counties; therefore, taxes are collected and distributed by the State and Counties at the time timber is harvested. The 2019 proposed decrease follows a decline in this year's timber harvests.

## **Contract Fees - \$13,350**

*Contract Fees* consist of a library service agreement with the *Town of Index* and tax revenues collected from the *Darrington Partial County Library District* (PCLD). The 2019 proposed budget for *Contract Fees* is \$13,350.

The Library District provides mobile library services to the *Town of Index*. The 2019 proposed budget includes estimated revenue of \$3,350.

Property tax revenue of approximately \$10,000 is collected from the Darrington Partial County Library District (PCLD) each year. Under an agreement with the Darrington PCLD, funds collected from timber tax are set aside in a reserve fund for the Darrington Library and are not part of the operating budget. This agreement is under review to explore the potential for increased flexibility in the use of the reserve fund beyond capital outlays.

## **Other - \$850,650**

*Other* sources of budgeted revenue totals \$850,650 which is a \$30,000 increase from the 2018 budget. Included in *Other* are the following categories:

- **Investment Interest - \$250,000**

Interest income is projected to be \$250,000. Increasing interest rates is expected to provide a \$50,000 increase in interest earned over the 2018 budget. Interest income on the Library District's reserve funds is swept from the reserve funds into the *General Operating Fund* each month.

- **Donations - \$135,000**

Gifts and contributions from the *Sno-Isle Libraries Foundation* and Friends of the Library groups are expected to be \$135,000.

- **Friends of the Library - \$45,000**

The Friends of the Library historically make contributions to their local community libraries. The Friends periodically will request items be acquired by the Library District. This is done with the understanding these costs will be reimbursed. The reimbursements are recorded as revenues.

- **Sno-Isle Libraries Foundation - \$90,000**

The *Sno-Isle Libraries Foundation* will fund approximately \$90,000 towards the annual Mariner and Lakewood Smokey Point Libraries' leases. The Foundation is expected to continue its support for library services in 2019.

- **E-Rate Program - \$200,000**

Sno-Isle Libraries participates in the *Universal Service Administrative Company* (USAC) E-rate program. USAC collects contributions from telecommunications carriers and administers support programs designed to help communities, including public libraries secure access to affordable telecommunications services.

Sno-Isle Libraries submitted funding requests to USAC in the amount of \$275,038 for funding year 2018-19. USAC funding received is based on the actual invoiced cost of telecommunication services and equipment.

- **Miscellaneous - \$265,650**

The majority of the “Miscellaneous” revenues are from customers paying for lost materials, print and copier services and other general revenue.

### **Total Revenue plus Beginning Cash and Transfers - \$68,424,000**

Total *Revenue* provides **\$68,424,000** to support the 2019 work plan and strategic priorities, and to rebuild reserves to ensure stable funding for future services. This is a 19.9% increase compared to the 2018 budget, of which 11.4% is attributable to rebuilding reserves and increasing the 2019 year-end cash balance.

## 2019 Proposed Budget Revenues

	2018 Adopted		2019 Proposed	
<b>Source of Funds:</b>				
<b>Beginning Cash</b>	8,550,000		8,500,000	
<b>Transfer From Reserves</b>				
Levy Rate Stabilization	3,985,000		-	
Building Reserve	840,000		-	
Equipment Reserve	-		-	
Subtotal Transfer From General Reserve Fund	4,825,000		-	
<b>Total Transfer From Reserves and Beg. Cash</b>	13,375,000		8,500,000	
<b>Revenues</b>				
Taxes				
General Property	42,262,000		58,500,000	
Private Timber Harvest	100,000		100,000	
State Timber Sales	300,000		255,000	
Leasehold Excise	205,000		205,000	
Subtotal Taxes	42,867,000	98.1%	59,060,000	98.6%
Contract Fees				
Town of Index	3,350		3,350	
Darrington Partial County	10,000		10,000	
Subtotal Contract Fees	13,350	0.0%	13,350	0.0%
Other				
Investment Interest	200,000		250,000	
Donations	155,000		135,000	
E-rate Program	200,000		200,000	
Miscellaneous	265,650		265,650	
Subtotal Other	820,650	2.0%	850,650	1.4%
Total Revenue	43,701,000	100%	59,924,000	100%
<b>Total Revenue plus Reserves and Beg. Cash</b>	<u>57,076,000</u>		<u>68,424,000</u>	

# Expenditures

# **Sno-Isle Libraries 2019 Budget - Expenditures**

## **Introduction**

Total *Expenditures* is proposed at **\$68,424,000**, an increase of \$11,348,000 from the 2018 budget. Total operating expenditures including capital purchases are proposed at \$53,424,000. This is a \$4,848,000 (10.0%) increase compared with the 2018 budget. In addition to operating and capital outlays, the budget includes a \$6,000,000 allocation to reserve funds to establish a solid funding base for the next five years. This includes \$2,000,000 to the *Land Acquisition Reserve* and \$4,000,000 to the *Levy Rate Stabilization Reserve*. The ending cash is proposed at \$9,000,000, a \$500,000 increase from the 2018 budget. This adjustment is commensurate with the higher expenditure levels and first quarter operating cash requirements.

## **Operations**

### **Salaries & Benefits - \$35,623,400**

The “Salaries and Benefits” portion of the proposed 2019 budget is 66.7% of total expenditures. The proposed staffing budget for 2019 includes funds for the vacant Director of Facilities and Special Projects position, a Friends of the Library engagement position to support the Friends of the Libraries groups, and a HVAC mechanic position.

### **Salary Schedule**

The 2019 salary budget includes both salary schedule (market increase) and staff anniversary increases. This follows the direction set by the Board of Trustees in the adoption of the salary program providing for “increase in base pay reflecting current pay levels in the market.” A 3.0% market adjustment is included in the proposed 2019 budget based on market salary information from *Milliman*. The overall impact of a 3.0% market increase on salaries is \$901,738. The staff anniversary increases total \$390,287.

This year’s salary budget includes two proposed adjustments to the current salary schedule established in 2001. The first proposed adjustment moves the positions in the lowest classification range from \$12.08 per hour to \$15.21 per hour. This revision sets the lowest pay grade range at \$15.21 per hour to \$20.89, dependent on the numbers of years in the position.

A second proposed adjustment adds one additional pay grade to the schedule. Currently, there are 15 pay grades. The salary schedule established in 2001 limits Human Resources’ ability to address internal equity concerns. For example, the Manager of Community Libraries is currently in the same pay grade as the positions he supervises. Moving his position to the next pay grade would place the position into a pay grade that includes two leadership team positions. This schedule compression continues through a number of pay grades. By adding one additional pay grade a number of internal equity issues can be addressed. The financial impact of these two adjustments in the 2019 proposed budget is \$145,130.

## **Benefits**

The Library District's proposed 2019 budget includes a continuation of the self-insurance strategy with *Premera* and the continued offering of the *Kaiser Permanente* insurance plan as HMO plans do not have an option for self-insurance. The library's insurance broker *MCM* negotiated insurance renewal rates for 2019. Higher self-insurance stop loss premiums were offset by a rate reduction to the HMO plan. The total increase to total medical benefit costs from the 2018 budget is \$445,529 (12.5%) excluding the State's new *Paid Family and Medical Leave*. Beginning January 1, 2019, the State is establishing a new *Paid Family and Medical Leave* program. Employers and employees contribute to a pool that will fund paid leave beginning in 2020. The proposed 2019 budget includes \$92,571 covering both employer and employee portions to meet the new State required *Paid Family and Medical Leave*.

## **New Materials - \$7,000,000**

The proposed *New Materials* budget at \$7,000,000 is a 7.7% (\$500,000) increase from the 2018 budget. The materials budget represents 13.1% of the 2019 proposed operating budget including capital outlays. The increase will enable the Library District to address increasing demand for electronic resources and the addition of two community libraries (Mariner and Lakewood Smokey Point). The 2018 budget benchmark percentages are 11.1% for *Pierce County Library System* and 11.7% for the *King County Library System*.

## **Professional & Contracted Services - \$2,323,200**

The *Professional & Contract Services* budget is \$2,323,200 or 4.3% of the total operating budget – an increase of \$349,350 compared to the 2018 budget. This budget line includes custodial services, security services, vendor processing, ILS support, and other contract services. The increase is generally attributable to additional ILS support and higher labor costs affecting custodial and security services.

## **Equipment & Furnishings - \$1,437,900**

The 2019 proposed budget for *Equipment & Furnishing* includes a \$1,040,150 increase from the 2018 budget. The additional funds refresh the Library District's technology base and include funds to support software/applications, updated technology, enhanced data security, and implementing IT disaster recovery plans. Planned spending includes funds for desktop computers, laptops, tablets, servers, and network switches.

## **Maintenance and Repairs - \$372,300**

The 2019 budget proposal for this category is \$372,300, a \$48,100 (11.4%) reduction from the 2018 budget. This category of expense includes the cost of keeping our vehicle fleet, community library buildings, service center, and grounds in good operating condition. The proposed addition of an HVAC mechanic position will allow the library to avoid or offset a portion of the current spending in facilities and will improve the timely delivery of building-related services.

## **Software & Licensing Fees - \$1,186,200**

Software and licensing fees have increased \$78,050 (7.0%) from the 2018 budget to \$1,186,200 in 2019. Included in this line are systems such as *Polaris* and the discovery platform

*BiblioCommons*. The funds support improved security including logging and monitoring activity and intrusion detection and prevention.

### **Communications - \$458,100**

The proposed communications budget is \$458,100, a \$24,000 (5.5%) increase from last year's budget. This category includes: data lines and phones, internet access, market research, mailings and civic engagement activities. The increase from the 2018 budget supports increased internet service and speed.

### **Office & Operating Supplies - \$689,400**

General operating supplies are budgeted at \$689,400 for 2019, a \$39,600 (6.1%) increase from the 2018 budget. This category consists of office supplies, copier and printer paper, toner, and postage. The increase reflects increased use of customer printing and public copier supplies. A portion of these costs are recovered by user fees and are recorded as *Miscellaneous* revenue in the proposed 2019 budget.

### **Utilities - \$535,000**

The proposed budget is \$535,000, an \$18,300 (3.5%) increase from the 2018 budget. Key components of the budget includes electricity, natural gas, water, sewer, recycling, waste disposal, and other utility fees and service. The impact of the electrical rate increases are partially offset by ongoing investment in efficient lighting.

### **Rentals & Leases - \$325,100**

Total budgeted rentals and leases for 2019 are \$325,100 as compared to \$309,400 in the 2018 adopted budget. The proposed amount includes leases at both the Lakewood Smokey Point (\$87,500) and Mariner (\$84,500) libraries and copy machine leases (\$142,000).

### **Insurance - \$152,600**

The proposed insurance budget for 2019 is \$152,600. This is a \$5,100 (3.5%) increase from the 2018 budget. The insurance increase is due to the increasing value of insured buildings, contents, and vehicle replacement. Cyber insurance is included as well.

### **Employee Training - \$330,000**

The proposed employee training budget for 2019 is \$330,000, an \$80,000 increase from last year's budget. The training budget includes funds for *In-Service Day* held every two years. The \$80,000 increase over the 2018 budget is directly connected to this training event.

### **Strategic Initiatives - \$175,000**

The proposed *Strategic Initiatives* budget for 2019 is a reinstatement of this line item. These funds are used to support innovation and non-budgeted pilot projects.

### **Development Initiatives - \$900,500**

This budget line establishes a one-year allocation of \$900,500 to support funding for transition/development initiatives that are yet to be determined. For example: strategic planning

support, establishment of a new demonstration library project, and/or the development of a new service model for the Lake Stevens Library.

### **Miscellaneous - \$650,300**

*Miscellaneous* expenses are budgeted at \$650,300, a \$1,925,500 reduction from the 2018 budget. The decrease in this category is attributable to a reduction in scheduled ballot measures in 2019. The 2018 budget included funds for the proposed Lake Stevens Library and levy lid lift election totaling \$2,060,000. This level of funding is not required in 2019. The proposed 2019 budget includes \$60,000 for an as-yet unidentified bond election.

In addition, \$44,600 is included to continue improving IT operations and safeguards.

### **Capital Outlays - \$1,265,000**

Total capital requested in the 2019 budget is \$1,265,000 or 2.4% of total budgeted expenditures. This is an increase from the 2018 budget and includes:

- Three new delivery vehicles to replace existing delivery vehicles at end of lifecycle
- Flooring and carpet replacement for the Freeland, Marysville, and Monroe libraries, and the Service Center
- Parking lot sealing, coating and striping
- Monroe Library Reroofing project

### **Transfer to Reserves - \$6,000,000**

The proposed 2019 budget includes a \$6,000,000 allocation to reserve funds to establish a solid funding base for the next five years. This includes \$2,000,000 to the *Land Acquisition Reserve* and \$4,000,000 to the *Levy Rate Stabilization Reserve*.

### **Ending Cash - \$9,000,000**

Ending cash is the target amount of cash funded in 2019 for the beginning of 2020 (\$9.0 million). This is an increase of \$500,000. This cash target aligns with funds required to cover projected expenditures during the 4-month period preceding receipt of first-half property taxes.



## 2019 Proposed Budget Expenditures

	2018 Adopted		2019 Proposed	
<b>Use of Funds:</b>				
<b>Operations</b>				
Salaries and Benefits	32,965,500	67.9%	35,623,400	66.7%
New Materials	6,500,000	13.4%	7,000,000	13.1%
Professional & Contract Services	1,973,850	4.1%	2,323,200	4.3%
Equipment & Furnishings	397,750	0.8%	1,437,900	2.7%
Maintenance & Repairs	420,400	0.9%	372,300	0.7%
Software & Licensing Fees	1,108,150	2.3%	1,186,200	2.2%
Communications	434,100	0.9%	458,100	0.9%
Office & Operating Supplies	649,800	1.3%	689,400	1.3%
Utilities	516,700	1.1%	535,000	1.0%
Rentals & Leases	309,400	0.6%	325,100	0.6%
Insurance	147,500	0.3%	152,600	0.3%
Employee Training	250,000	0.5%	330,000	0.6%
Strategic Initiatives	-	0.0%	175,000	0.3%
Development Initiatives	-	0.0%	900,500	1.7%
Miscellaneous	<u>2,575,800</u>	<u>5.3%</u>	<u>650,300</u>	<u>1.2%</u>
Subtotal Operations	48,248,950	99.3%	52,159,000	97.6%
<b>Capital Outlay</b>				
Buildings & Improvements	166,050	0.3%	891,000	1.7%
Equipment & Furnishings	161,000	0.3%	144,000	0.3%
Vehicles	-	0.0%	230,000	0.4%
Subtotal Capital Outlay	<u>327,050</u>	<u>0.7%</u>	<u>1,265,000</u>	<u>2.4%</u>
Total Operations	48,576,000	100%	53,424,000	100%
<b>Transfer To Reserves &amp; Ending Cash</b>				
Levy Rate Stabilization	-		4,000,000	
Land Acquisition			2,000,000	
Ending Cash	<u>8,500,000</u>		<u>9,000,000</u>	
<b>Total Transfer To Reserves and Ending Cash</b>	8,500,000		15,000,000	
<b>Total Operations, Reserves, and Ending Cash</b>	<u>57,076,000</u>		<u>68,424,000</u>	
<b>Summary</b>				
Total Revenue plus Reserves & Beg. Cash	57,076,000		68,424,000	
Total Operations, Reserves, and End. Cash	<u>57,076,000</u>		<u>68,424,000</u>	
Operations Plus Changes in Reserves & Cash	<u>-</u>		<u>-</u>	

# Reserves

## Sno-Isle Libraries 2019 Reserves

The 2018 budget called for reserve transfers totaling \$4,825,000 into the *General Operating Fund*. Only one reserve transfer has been required so far in 2018. A \$2,000,000 transfer was made from the *Levy Rate Stabilization Reserve* to the *General Operating Fund* in March 2018. A second transfer may be required at year end to bring the Libraries' ending cash balance up to the \$8,500,000 budgeted target. Currently, this year-end transfer is estimated to be \$500,000. This would bring the total estimated transfers for fiscal year ending December 2018 to \$2,500,000 compared with \$4,825,000 in the 2018 budget. Recognizing this positive funding position, the Board of Trustees took action at the October 22, 2018 meeting directing staff to transfer \$885,000 to the *Emergency Reserve* and \$100,000 to the *Medical Self-Insurance Reserve* to meet 2019 reserve sufficiency requirements.

The 2019 budget proposes a \$4,000,000 increase to the *Levy Rate Stabilization Reserve* from the *General Operating Fund*. It also includes a \$2,000,000 transfer from the *General Operating Fund* to the *Land Acquisition Reserve*. Interest income earned in the *Unrestricted Reserve Fund* is automatically deposited into the *General Operating Fund* each month.

### Fund Balances & Sufficiency

The establishment and maintenance of reserve funds are critical elements of fiscal planning. Recognizing the importance of setting policy to guide and direct the administration of financial resources, the Board of Trustees adopted a Financial Reserve Policy which requires a review of the reserves balances and their sufficiency to meet policy targets and objectives. All reserve balances supporting the 2019 proposed budget achieve sufficiency standards as shown in the following table.

<b>FUND</b>	<b>Projected Balances 12/31/19</b>	<b>Policy Target / Objective</b>	<b>2019 Sufficiency</b>
Emergency	\$8,385,000	60-90 Days of operating expenditures excluding <i>Materials</i> .	68 Days
Medical Self-Insurance	\$850,000	At least 16 weeks of program expenses	16.2 weeks
Unemployment Compensation	\$40,000	Board discretion	n/a
Levy Rate Stabilization	\$8,021,266	Board discretion	n/a
Vacation & Sick Pay Liability	\$1,400,000	At least 60% of the year-end estimated vacation and sick leave liability.	71.3%
Building	\$2,500,000	Board discretion	n/a
Equipment	\$1,100,000	Board discretion	n/a
Land Acquisition	\$2,198,018	Board discretion	n/a

## 2019 Proposed Budget Unrestricted Reserves

### General Reserve Fund Balances

<b><u>Unrestricted Reserves</u></b>	<b>Actual Fund Balance <u>12/31/2017</u></b>	<b>Projected 2018 <u>Activity</u></b>	<b>Forecast Fund Balance <u>12/31/2018</u></b>	<b>Proposed 2019 <u>Activity</u></b>	<b>Proposed Fund Balance <u>12/31/2019</u></b>
Emergency	7,500,000	885,000	8,385,000		8,385,000
Self-Insurance	750,000	100,000	850,000		850,000
Insurance Rate Stabilization	-		-		-
Unemployment Compensation	40,000		40,000		40,000
Levy Rate Stabilization	7,506,266	(3,485,000)	4,021,266	4,000,000	8,021,266
Vacation & Sick Pay Liability	1,400,000		1,400,000		1,400,000
Building	2,500,000		2,500,000		2,500,000
Equipment	1,100,000		1,100,000		1,100,000
Land Acquisition	198,018		198,018	2,000,000	2,198,018
<b>Total General Reserve Funds</b>	<b>20,994,284</b>	<b>(2,500,000)</b>	<b>18,494,284</b>	<b>6,000,000</b>	<b>24,494,284</b>

# Budget Summary

## Sno-Isle Libraries 2019 Proposed Budget

	2018 Adopted		2019 Proposed	
<b>Source of Funds:</b>				
<b>Beginning Cash</b>	8,550,000		8,500,000	
<b>Transfer From Reserves</b>				
Levy Rate Stabilization	3,985,000		-	
Building Reserve	840,000		-	
Equipment Reserve	-		-	
Subtotal Transfer From General Reserve Fund	4,825,000		-	
<b>Total Transfer From Reserves and Beg. Cash</b>	13,375,000		8,500,000	
<b>Revenues</b>				
Taxes				
General Property	42,262,000		58,500,000	
Private Timber Harvest	100,000		100,000	
State Timber Sales	300,000		255,000	
Leasehold Excise	205,000		205,000	
Subtotal Taxes	42,867,000	98.1%	59,060,000	98.6%
Contract Fees				
Town of Index	3,350		3,350	
Darrington Partial County	10,000		10,000	
Subtotal Contract Fees	13,350	0.0%	13,350	0.0%
Other				
Investment Interest	200,000		250,000	
Donations	155,000		135,000	
E-rate Program	200,000		200,000	
Miscellaneous	265,650		265,650	
Subtotal Other	820,650	2.0%	850,650	1.4%
<b>Total Revenue</b>	43,701,000	100%	59,924,000	100%
<b>Total Revenue plus Reserves and Beg. Cash</b>	57,076,000		68,424,000	

## Sno-Isle Libraries 2019 Proposed Budget

	<b>2018</b>		<b>2019</b>	
	<b>Adopted</b>		<b>Proposed</b>	
<b>Use of Funds:</b>				
<b>Operations</b>				
Salaries and Benefits	32,965,500	67.9%	35,623,400	66.7%
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Rentals & Leases	309,400	0.6%	325,100	0.6%
Insurance	147,500	0.3%	152,600	0.3%
Employee Training	250,000	0.5%	330,000	0.6%
Strategic Initiatives	-	0.0%	175,000	0.3%
Development Initiatives	-	0.0%	900,500	1.7%
Miscellaneous	<u>2,575,800</u>	<u>5.3%</u>	<u>650,300</u>	<u>1.2%</u>
Subtotal Operations	48,248,950	99.3%	52,159,000	97.6%
<b>Capital Outlay</b>				
Buildings & Improvements	166,050	0.3%	891,000	1.7%
Equipment & Furnishings	161,000	0.3%	144,000	0.3%
Vehicles	-	0.0%	230,000	0.4%
Subtotal Capital Outlay	<u>327,050</u>	<u>0.7%</u>	<u>1,265,000</u>	<u>2.4%</u>
Total Operations	48,576,000	100%	53,424,000	100%
<b>Transfer To Reserves &amp; Ending Cash</b>				
Levy Rate Stabilization	-		4,000,000	
Land Acquisition			2,000,000	
Ending Cash	8,500,000		9,000,000	
<b>Total Transfer To Reserves and Ending Cash</b>	<u>8,500,000</u>		<u>15,000,000</u>	
<b>Total Operations, Reserves, and Ending Cash</b>	<u>57,076,000</u>		<u>68,424,000</u>	
<b>Summary</b>				
Total Revenue plus Reserves & Beg. Cash	57,076,000		68,424,000	
Total Operations, Reserves, and End. Cash	<u>57,076,000</u>		<u>68,424,000</u>	
Operations Plus Changes in Reserves & Cash	<u>-</u>		<u>-</u>	

SNO-ISLE LIBRARIES  
2019 PROPOSED BUDGET  
NOVEMBER 26, 2018

# Sno-Isle Libraries 2019 Proposed Budget

## Administration Summary

	<b>2018 Adopted</b>	<b>2019 Proposed</b>
<b>Operations</b>		
Salaries and Benefits	3,170,300	3,381,700
Professional & Contract Services	494,900	522,750
Equipment & Furnishings	7,600	7,900
Maintenance & Repairs	4,000	4,000
Software & Licensing Fees	100,350	30,200
Office & Operating Supplies	53,200	44,250
Rentals and Leases	127,700	142,000
Insurance	147,500	152,600
Miscellaneous	2,238,840	223,275
Development Initiatives	-	900,500
<b>Total Operations</b>	<b>6,344,390</b>	<b>5,409,175</b>

## Library Services Summary

	<b>2018 Adopted</b>	<b>2019 Proposed</b>
<b>Operations</b>		
Salaries and Benefits	29,474,000	31,776,100
Materials	6,500,000	7,000,000
Professional & Contract Services	733,700	969,700
Equipment & Furnishings	386,150	1,419,000
Maintenance & Repairs	146,900	149,600
Software License / Maint Fees	977,800	1,132,000
Communications	434,100	458,100
Office & Operating Supplies	462,400	516,950
Rentals & Leases	4,100	4,250
Strategic Initiatives/Innovation	-	175,000
Miscellaneous	336,260	425,675
<b>Subtotal Operations</b>	<b>39,455,410</b>	<b>44,026,375</b>



# Sno-Isle Libraries 2019 Proposed Budget

## Training Summary

	<b>2018 Adopted</b>	<b>2019 Proposed</b>
<hr/>		
<b>Operations</b>		
Training	250,000	330,000
Total Operations	250,000	330,000

## Facilities Summary

	<b>2018 Adopted</b>	<b>2019 Proposed</b>
<hr/>		
<b>Operations</b>		
Salaries and Benefits	321,200	465,600
Professional & Contract Services	745,250	830,750
Equipment & Furnishings	4,000	11,000
Maintenance & Repairs	269,500	218,700
Software License / Maint Fees	30,000	24,000
Office & Operating Supplies	134,200	128,200
Utilities	516,700	535,000
Rentals & Leases	177,600	178,850
Insurance	-	-
Miscellaneous	700	1,350
Total Operations	2,199,150	2,393,450

## Sno-Isle Libraries 2018 Proposed Budget

### Capital Summary

	<b>2018 Adopted</b>	<b>2019 Proposed</b>
<b>Capital Outlays</b>		
Building & Improvements	166,050	891,000
Equipment & Furnishings	161,000	144,000
Vehicles	-	230,000
Other Assets		
Total Operations	327,050	1,265,000

### General Reserve Fund Balances

	<b>Forecast Fund Balance</b>	<b>Proposed 2019 Activity</b>	<b>Proposed Fund Balance</b>
<b><u>Unrestricted Reserves</u></b>	<b><u>12/31/2018</u></b>	<b><u>Activity</u></b>	<b><u>12/31/2019</u></b>
Emergency	8,385,000		8,385,000
Self-Insurance	850,000		850,000
Insurance Rate Stabilization	-		-
Unemployment Compensation	40,000		40,000
Levy Rate Stabilization	4,021,266	4,000,000	8,021,266
Vacation & Sick Pay Liability	1,400,000		1,400,000
Building	2,500,000		2,500,000
Equipment	1,100,000		1,100,000
Land Acquisition	198,018	2,000,000	2,198,018
<b>Total General Reserve Funds</b>	<b>18,494,284</b>	<b>6,000,000</b>	<b>24,494,284</b>