

RECOMMENDED MID-YEAR ADJUSTMENTS

**SUMMARY**

<u>Category</u>	FY09-10 September Budget	Transfers	Adjusted for Transfers	Totals FY 09-10 Recommended Adjustment	Increase/ (Decrease) Over September
Expenditures	\$16,898,290	\$0	\$16,898,290	\$16,346,542	(\$551,748)
Revenues	\$15,720,238	\$0	\$15,720,238	\$15,962,203	\$241,965
Use of Fund Balance	\$1,178,052	\$0	\$1,178,052	\$384,339	(\$793,713)

**EXPENDITURES**

<u>Category</u>	Actual Expenditures July- Dec 09	Recommended Adjustment Jan- June 2010	Totals FY 09-10 Recommended Adjustment	Totals FY 09-10 September	Increase/ (Decrease) Over September
Salaries & Benefits	\$6,102,230	\$5,554,079	\$11,656,309	\$12,129,113	(\$472,804)
Services & Supplies	\$1,875,356	\$2,504,876	\$4,380,233	\$4,434,177	(\$53,944)
Long-Term Debt	\$7,599	\$22,401	\$30,000	\$30,000	\$0
Fixed Assets	\$57,082	\$222,918	\$280,000	\$280,000	\$0
Approp. for Cont.	\$0	\$0	\$0	\$25,000	(\$25,000)
<b>TOTAL</b>	<b>\$8,042,268</b>	<b>\$8,304,274</b>	<b>\$16,346,542</b>	<b>\$16,898,290</b>	<b>(\$551,748)</b>

**RECOMMENDED MID-YEAR ADJUSTMENTS**  
**Revenue Detail (page 1)**

Revenues	Actual Expenditures July-Dec 09	Recommended Adjustment Jan-June 2010	Totals FY 09-10 Recommended Adjustment	Totals FY 09-10 September	Increase/ (Decrease) Over September	Increase/ (Decrease) Over September
1000 Property Taxes-CY Secured	6,165,997	8,385,479	14,551,476	13,982,184	569,292	104.1%
1008 Redevelopment	(480,296)	(180,500)	(660,796)	(674,220)	13,424	98.0%
1011 SB2577-Prop Tax Admin Fee	0	(207,727)	(207,727)	(200,991)	(6,736)	103.4%
1020 Property Taxes-CY Supp	(67)	113,573	113,506	190,432	(76,926)	59.6%
1040 Property Taxes-CY Unsecured	512,352	(1,969)	510,383	514,177	(3,794)	99.3%
1042 Cost Reim-Coll Del CY Uns	(13,337)	(178)	(13,515)	(12,287)	(1,228)	110.0%
1044 Prop Taxes-CY Unsecured July	0	0	0	0	0	N/A
1060 Prop Tax-PY Secured	(1,348)	1,348	0	0	0	N/A
1100 Prop Tax-PY Unsecured	0	7,800	7,800	4,500	3,300	173.3%
1266 Timber Yield Tax	89	(0)	89	2,428	(2,339)	3.7%
<b>Total Taxes</b>	<b>6,183,390</b>	<b>8,117,826</b>	<b>14,301,216</b>	<b>13,806,223</b>	<b>494,993</b>	<b>103.6%</b>
1700 Interest	12,763	29,237	42,000	120,000	(78,000)	35.0%
1701 Interest Earned	0	10,000	10,000	20,000	(10,000)	50.0%
1800 Rent/Concessions	100	400	500	500	0	100.0%
<b>Total Use of Money</b>	<b>12,863</b>	<b>39,637</b>	<b>52,500</b>	<b>140,500</b>	<b>(88,000)</b>	<b>37.4%</b>
2081 St-Highway Rentals	103	0	103	126	(23)	81.7%
2440 State-HOPTR	0	139,608	139,608	139,752	(144)	99.9%
2500 State-Other	2,400	2,600	5,000	5,000	0	100.0%
2563 ST-CLSA Reimb/ILL	89,071	216,887	305,958	305,958	0	100.0%
2566 State-Lib-SB 358	0	132,000	132,000	132,000	0	100.0%
2901 County-Local Agency Grant	0	25,378	25,378	25,378	0	100.0%
2945 Library Literacy	21,968	47,577	69,545	69,545	0	100.0%
<b>Total Intergovernmental Revenue</b>	<b>113,542</b>	<b>564,050</b>	<b>677,592</b>	<b>677,759</b>	<b>(167)</b>	<b>100.0%</b>

**RECOMMENDED MID-YEAR ADJUSTMENTS**  
**Revenue Detail (page 2)**

Revenues	Actual Expenditures July-Dec 09	Recommended Adjustment Jan-June 2010	Totals FY 09-10 Recommended Adjustment	Totals FY 09-10 September	Increase/ (Decrease) Over September (\$)	Increase/ (Decrease) Over September (%)
3019 NCPA Gov't Service Fee	0	32,839	32,839	33,425	(586)	98.2%
3480 Library Fines	178,669	122,404	301,073	434,957	(133,884)	69.2%
3482 Lib. Membership	2,400	13,600	16,000	16,000	0	100.0%
3483 Postage Recovery	129	21	150	100	50	150.0%
3484 Library Fines-Delinquent Coll	14,853	29,706	44,559	75,000	(30,441)	59.4%
3485 Lib. Document Delivery	0	55	55	55	0	100.0%
3700 Lib. Copier Fees	29,225	30,072	59,297	59,297	0	100.0%
3701 Check Handling Fees	20	30	50	50	0	100.0%
3980 Rev Applic to PY	0	9,000	9,000	9,000	0	100.0%
<b>Total Charges for Services</b>	<b>225,296</b>	<b>237,727</b>	<b>463,023</b>	<b>627,884</b>	<b>(164,861)</b>	<b>73.7%</b>
4020 Other Sales	0	50	50	50	0	100.0%
4040 Miscellaneous Revenues	28,206	62,466	90,672	90,672	0	100.0%
4102 Donations & Reimburse	40,492	329,508	370,000	370,000	0	100.0%
4106 Refunds	2,401	3,599	6,000	6,000	0	100.0%
4109 Outdate/Cancelled Warrants	289	711	1,000	1,000	0	100.0%
4113 Returned Checks	139	11	150	150	0	100.0%
<b>Total Miscellaneous</b>	<b>71,527</b>	<b>396,345</b>	<b>467,872</b>	<b>467,872</b>	<b>0</b>	<b>100.0%</b>
<b>Total Revenues</b>	<b>6,606,618</b>	<b>9,355,585</b>	<b>15,962,203</b>	<b>15,720,238</b>	<b>(164,861)</b>	<b>101.5%</b>

**3480 - Library Fines**

Fines have been less than budgeted due to factors in the economy, new circulation policies, and e-mail notices alerting patrons that their books are due to be returned. Projected revenue in this line has been reduced by \$133,884, from \$434,957 to \$301,073.

**3484 - Library Fines -Delinquent Collections**

Patron accounts that have been over \$100 for 30 days are turned over to a collection agency. Because the new circulation policies raised the debt collection threshold from \$40 to \$100 and extended the time from 14 to 30 days, current collection rates are lower than originally projected. Staff recommends lowering the projected revenue in this line from \$75,000 to \$44,559.

**RECOMMENDED MID-YEAR ADJUSTMENTS**  
**Expenditure Detail - Salary & Benefits**

Salaries/Employee Benefits		Actual Expenditures July-Dec 09	Recommended Adjustment Jan-June 2010	Totals FY 09-10 Recommended Adjustment	Totals FY 09-10 September	Increase/ (Decrease) Over September Dollars	Increase/ (Decrease) Over September Percent
5900	Salary Savings	0	(45,000)	(45,000)	(45,000)	0	100.0%
5910	Perm Positions	3,962,668	3,570,879	7,533,547	7,920,632	(387,085)	95.1%
5911	Extra Help	322,225	276,578	598,803	598,803	0	100.0%
5920	PERS Emp Contr	75,572	31,253	106,825	114,083	(7,258)	93.6%
5923	PERS	537,075	518,416	1,055,491	1,101,398	(45,907)	95.8%
5924	Medicare	49,819	41,452	91,271	95,643	(4,372)	95.4%
5925	Defer Comp PST	37,085	41,052	78,137	78,352	(215)	99.7%
5930	Health Insurance	614,769	594,474	1,209,243	1,233,473	(24,230)	98.0%
5931	Disability Ins	18,074	17,923	35,997	38,875	(2,878)	92.6%
5932	Dental Ins	94,983	68,747	163,730	177,212	(13,482)	92.4%
5933	Life Ins	5,178	5,139	10,317	12,216	(1,899)	84.5%
5934	Vision Ins	15,235	10,354	25,589	27,410	(1,821)	93.4%
5935	Unemployment Ins	0	10,000	10,000	10,000	0	100.0%
5936	Retiree Health Ins	240,593	291,407	532,000	500,038	31,962	106.4%
5940	Worker's Comp	128,954	121,405	250,359	265,978	(15,619)	94.1%
<b>Total Salaries/Benefits</b>		<b>6,102,230</b>	<b>5,554,079</b>	<b>11,656,309</b>	<b>12,129,113</b>	<b>(472,804)</b>	<b>96.1%</b>

**Salaries & Benefits**

Salary and benefit costs are projected to be \$472,804 under budget due to the reductions to personnel expenditures planned through by management and as a result of the agreement with SEIU, which include:

- vacant management positions
- an early retirement incentive program,
- the roll back of a 2% COLA beginning September 27, 2009,
- the elimination of 1% of the employer's contribution to CalPERS,
- 3.5 days of mandatory time off, which reduced salaries by 1.75% .

**RECOMMENDED MID-YEAR ADJUSTMENTS**  
**Expenditure Detail - Services & Supplies (page 1)**

Services & Supplies		Actual Expenditures July-Dec 09	Recommended Adjustment Jan-June 2010	Totals FY 09-10 Recommended Adjustment	Totals FY 09-10 September	Increase/ (Decrease) Over September (\$)	Increase/ (Decrease) Over September (%)
6040	Communications	5,361	6,639	12,000	4,750	7,250	252.6%
6041	Data Lines	21,293	44,707	66,000	66,000	0	100.0%
6043	Alarm Systems	3,762	4,238	8,000	15,000	(7,000)	53.3%
6045	Telephone Service	8,684	13,316	22,000	32,000	(10,000)	68.8%
6048	Cell Phone Service	778	1,222	2,000	2,000	0	100.0%
6049	Unclaimable Comm Exp	0	50	50	50	0	100.0%
6084	Janitorial Supplies	15,159	10,591	25,750	25,750	0	100.0%
6085	Janitorial Services	82,440	118,560	201,000	201,000	0	100.0%
6103	Liability Insurance	70,418	1,213	71,631	71,631	0	100.0%
6140	Maint Equip-IT	107,337	10,663	118,000	118,000	0	100.0%
6152	Maint Equip-Purchase Parts	5,507	26,038	31,545	31,545	0	100.0%
6153	Maint Equip-Outside	12,122	29,717	41,839	41,839	0	100.0%
6180	Maint-Bldgs/Imp-Contracts	33,730	65,592	99,322	99,322	0	100.0%
6190	Landscape Service	15,895	34,105	50,000	50,000	0	100.0%
6226	Maint-Bldgs/Imp-Parts	3,861	17,385	21,246	21,246	0	100.0%
6280	Memberships	6,802	8,609	15,411	15,411	0	100.0%
6401	Office Expense-Inventory	21,455	23,545	45,000	45,000	0	100.0%
6410	Postage	11,450	37,265	48,715	48,715	0	100.0%
6430	Printing	9,146	36,390	45,536	45,536	0	100.0%
6452	Paper Stock	5,530	15,154	20,684	20,684	0	100.0%

**6040 - Communications**

The actual expenditures in line 6040 are higher than budgeted because pay phone charges are charged here rather than 6045, where they were budgeted. We'll continue to use 6040 for pay phones and revise the budget for next fiscal year, since it easier to track pay phone charges when kept separate from regular phone expenditures. Also, the phone company audited the Library's pay phones, and discovered they were only charging us for one pay phone, not the nine that the Library actually has. Effective 7/1/09, they began charging us for the Library's nine pay phones system wide, which total approximately \$800/month. In response to a question raised by Commissioner Bennett at the December meeting, staff asked branch managers if the pay phones were still being used. The phones are used, and Branch staff wants to continue to make the pay phones available. If the pay phones are not available, patrons will ask to use the Library's phones. The Rohnert Park-Cotati Library did offer to eliminate one of its 2 pay phones. The projected expenditures for the year have been increased from \$4,750 to \$12,000, which assumes that we will have only 8 phones for the balance of the year.

**6043 - Alarm Systems**

The actual cost of the alarm system ( \$523/mo.) and fire permits are lower than anticipated, so the estimated expenditures have been reduced from \$15,000 to \$8,000.

**6045 - Telephone Service**

The cost of pay phones is not being charged to this line, so the estimate for the year has been reduced to \$22,000. The reduction offsets the increase in estimated charges in 6040.

**RECOMMENDED MID-YEAR ADJUSTMENTS**  
**Expenditure Detail - Services & Supplies (page 2)**

Services & Supplies		Actual Expenditures July-Dec 09	Recommended Adjustment Jan-June 2010	Totals FY 09-10 Recommended Adjustment	Totals FY 09-10 September	Increase/ (Decrease) Over September (\$)	Increase/ (Decrease) Over September (%)
6517	DP-Networking	0	10,000	10,000	10,000	0	100.0%
6518	Data Entry-OCLC	10,662	44,338	55,000	55,000	0	100.0%
6521	County Services	43	55,367	55,410	55,410	0	100.0%
6540	Contract Services	96,307	64,919	161,226	161,226	0	100.0%
6553	Security Services	27,533	37,467	65,000	65,000	0	100.0%
6570	Consulting Services	5,500	24,500	30,000	30,000	0	100.0%
6589	Permits	0	274	274	274	0	100.0%
6610	Legal Services	1,435	4,362	5,797	5,797	0	100.0%
6630	Audit/Accounting Services	28,613	228	28,840	28,840	0	100.0%
6631	Bookkeeping	9,284	13,216	22,500	22,500	0	100.0%
6800	Public/Legal Notices	425	3,575	4,000	9,289	(5,289)	43.1%
6820	Rents/Leases-Equip	7,815	10,185	18,000	18,000	0	100.0%
6840	Rents/Leases-Bldgs/Improv	5,570	6,430	12,000	12,000	0	100.0%
6880	Small Tools/Instruments	2,630	12,370	15,000	15,000	0	100.0%
6881	Library Equipment	36,977	10,762	47,739	47,739	0	100.0%
6882	Gift Equipment	0	28,082	28,082	28,082	0	100.0%
6889	Software	28,266	36,343	64,609	45,000	19,609	143.6%
6890	Computer Hardware	546	147,954	148,500	148,500	0	100.0%
6891	Small Equipment - IT	29,185	15,815	45,000	45,000	0	100.0%
7000	Library & Other Supplies	41,943	58,057	100,000	125,000	(25,000)	80.0%
7020	Summer Reading	7,565	18,402	25,967	25,967	0	100.0%
7030	Programming	10,464	13,992	24,456	24,456	0	100.0%
7110	Professional Development	6,789	11,786	18,576	25,000	(6,424)	74.3%

**6800 - Public Notices**

Expenditures in this line pay for the cost of advertising vacant positions. The Library has not had to recruit for many positions to date, so the estimate for the year has been reduced to from \$9,289 to \$4,000.

**6889 - Software**

The cost of software will be more than budgeted to pay for expenditures associated with the migration to a Microsoft network, so the estimate for the year has been increased from \$45,000 to \$64,609. Projected expenditures in line 7302 have been reduced to make up this increase.

**7000 - Special Departmental**

Expenditures for RFID tags will not be as high as estimated, so the projected expenditures have been reduced from \$125,000 to \$100,000.

**7110 - Professional Development**

Professional development has been less than budgeted, so the estimate for the year has been reduced from \$25,000 to \$18,576, based on a 5-year average.

**RECOMMENDED MID-YEAR ADJUSTMENTS**  
**Expenditure Detail - Services & Supplies (page 3)**

Services & Supplies		Actual Expenditures July-Dec 09	Recommended Adjustment Jan-June 2010	Totals FY 09-10 Recommended Adjustment	Totals FY 09-10 September	Increase/ (Decrease) Over September (\$)	Increase/ (Decrease) Over September (%)
7120	In-Service Training	30	9,970	10,000	15,914	(5,914)	62.8%
7180	Literacy	34,527	88,109	122,636	122,636	0	100.0%
7190	Books/Materials	774,769	938,231	1,713,000	1,713,000	0	100.0%
7191	Binding	2,678	5,322	8,000	15,000	(7,000)	53.3%
7301	County Car Expense	10,770	19,639	30,409	30,409	0	100.0%
7302	Travel Expense	1,738	18,262	20,000	39,609	(19,609)	50.5%
7303	Private Car Expense	28,567	31,433	60,000	54,567	5,433	110.0%
7320	Utilities	223,994	260,106	484,100	484,100	0	100.0%
7400	Data Processing	0	383	383	383	0	100.0%
	<b>Total Svc and Supplies</b>	<b>1,875,356</b>	<b>2,504,876</b>	<b>4,380,233</b>	<b>4,434,177</b>	<b>(53,944)</b>	<b>98.8%</b>
7910	LTD-Principal	7,599	22,401	30,000	30,000	0	100.0%
	<b>Total Long Term Debt</b>	<b>7,599</b>	<b>22,401</b>	<b>30,000</b>	<b>30,000</b>	<b>0</b>	<b>100.0%</b>
8510	Building Improvements	6,699	143,301	150,000	150,000	0	100.0%
8560	Equipment	0	20,000	20,000	20,000	0	100.0%
8562	Computer Equipment	50,159	49,841	100,000	100,000	0	100.0%
8570	Furniture/Fixtures	224	9,776	10,000	10,000	0	100.0%
	<b>Total Fixed Assets</b>	<b>57,082</b>	<b>222,918</b>	<b>280,000</b>	<b>280,000</b>	<b>0</b>	<b>100.0%</b>
9000	Appropriations for Cont	0	0	0	25,000	(25,000)	0.0%
	<b>Total Expenditures</b>	<b>8,042,268</b>	<b>8,304,274</b>	<b>16,346,542</b>	<b>16,898,290</b>	<b>(551,748)</b>	<b>96.7%</b>

**7120 -In-Service Training**

All Staff Day was cancelled this year due to reduce overall expenditures, so the estimate for the year has been reduced from \$15,914 to \$10,000.

**7191 - Binding**

Binding expenditures are less than budgeted, so the estimate for the year has been reduced from \$15,000 to \$8,000.

**7303 - Private Car Expense**

Parking and staff mileage are higher than budgeted, so the estimate for the year has been increased by \$5,433 to \$60,000.

**SONOMA COUNTY LIBRARY  
FUND BALANCE SUMMARY  
January 26, 2010**

**DOCUMENT #3.2.2  
(1.26.10)**

	Actual		FY 08-09 Budget		FY 09-10 Budget		
	FY 06-07	FY 07-08	Approved 9.08	Actual 6.09	Final Budget Sept 2009	Midyear Adjustments	Change
<b>One -Time Expenditures</b>							
Branch Facilities Improvement			(500,000)	(142,297)	(150,000)	(150,000)	0
Equipment					(20,000)	(20,000)	0
Self-Check Fund			(500,000)	(318,810)	(100,000)	(100,000)	0
Horizon Servers				(184,939)			
Furniture & Fixtures			(50,000)	(38,348)	(10,000)	(10,000)	0
* Contingencies			(25,000)		(25,000)	0	25,000
Subtotal			(1,075,000)	(684,394)	(305,000)	(280,000)	25,000
<b>Ongoing Operating Expenditures</b>							
Contribution to/(Use of Fund Balance)			(284,380)	(400,525)	(873,052)	(104,339)	768,713
Subtotal			(284,380)	(400,525)	(873,052)	(104,339)	768,713
<b>Contribution/(Use of Fund Balance)</b>	1,346,022	769,244	(1,359,380)	(1,084,919)	(1,178,052)	(384,339)	793,713
<b>Prop 1A Transfer</b>					(1,098,202)	0	1,098,202
<b>Prop 1A Receivable</b>					1,098,202	0	(1,098,202)
<b>2009-2010 Use of Fund Balance</b>					<b>(1,178,052)</b>	<b>(384,339)</b>	<b>793,713</b>
<b>Fund Balance - Actual and Projected</b>							
Undesignated/Unreserved					0	674,218	674,218
Branch Facility Improvements	1,696,875	2,340,291	1,790,291	2,159,646	1,922,025	1,979,646	57,621
Equipment Fund	50,000	100,000	150,000	150,000	200,000	200,000	0
Self Check Fund	2,000,000	2,000,000	1,500,000	1,496,251	1,396,251	1,396,251	0
Northwest Branch Fund	1,250,000	1,250,000	873,359	791,870	0	0	0
Reserved & Petty Cash	1,220	1,220	1,220	1,220	1,220	1,220	0
** "Rainy Day Fund"	\$1,723,757	\$1,816,734	\$1,833,995	\$1,824,339	\$1,725,778	\$1,787,652	61,874
<b>Total Fund Balance</b>	<b>\$6,721,852</b>	<b>\$7,508,245</b>	<b>\$6,148,865</b>	<b>\$6,423,326</b>	<b>5,245,274</b>	<b>6,038,987</b>	<b>\$793,713</b>
<b>Percentage of Operating Budget</b>	<b>46.24%</b>	<b>47.95%</b>	<b>34.06%</b>	<b>36.95%</b>	<b>31.04%</b>	<b>36.94%</b>	<b>5.90%</b>

**Use of Fund Balance**

The Use of Fund Balance (i.e., use of reserves) is projected to be reduced by \$793,713. The changes are due primarily to the increase in projected property tax revenues and savings in expenditures for salaries and benefits.

**Summary of Net Cost**

Expenditures are projected to be reduced by \$551,748 from levels in the September budget. The new estimates increase revenues a net \$241,965 over levels in the September budget.



<b>Agenda Item</b>			
<b>Information/Action</b>	<b>Commission Meeting Date</b>	<b>Regular/Executive Meeting</b>	<b>Agenda Item No.</b>
<b>Information</b>	<b>1.26.10</b>	<b>Regular</b>	<b>3.3</b>

**SUBJECT**

FY 2010-2011 Budget Schedule

---

**RECOMMENDED ACTION**

None

---

**DRAFT ACTION**

None

---

**BACKGROUND**

In past years, the Library has been required to follow the County's schedule for budget preparation and submittal. The County's schedule this year is not yet available because they have a new County Administrator. The Library's budget analyst has indicated that the Commission can submit its budget after it is approved at the April meeting (assuming the Commission approves a change of schedule for its meetings).

The current MOU with SEIU expires on June 30, 2101. This means that the final budget will have to wait until the terms of the new contract are negotiated. As a result, the Spring budget will be a first step only and ,for all intents and purposes, will only be a placeholder.

To aid the Commission in developing its guiding principles for the FY10-11 budget, a copy of the County's budget "policies" is attached. Their issues are much more complex, but there are some useful concepts in the document that the Commission may wish to consider.

---

**FUTURE BOARD ACTIONS**

Approve preliminary budget for submittal to the County at the regular April meeting.

---

**FISCAL IMPACT**

---

**POLICY ISSUES**

The Commission will have an initial discussion of financial policies at its next budget workshop. Will Soper will attend the next meeting to participate in that discussion.

---

**ATTACHMENTS**

Document #3.3.1 – County Budget Policies for FY 10-11

### 3. Sonoma County Financial Policies for FY 10-11 Budget Development

*Note: The following policies have been updated from those approved in FY 09-10 to reflect the need for 20% reduction options (as opposed to the standard 10%). Most of the policy language remains the same except the addition of language to guide the use of monies generated by property tax delinquencies.*

#### Balanced Budget

- The budget must balance resources with expenditure appropriations. The County must live within its own means and avoid disturbing other local jurisdictions' revenue sources to resolve its deficiencies. Furthermore, any deviation from a balanced budget is not permitted by the California State Government Code, which states: "In the proposed and final budgets the budgetary requirements shall equal the available financing" (Government Code §29009).
- All County departments/agencies must submit proposed options for reducing 20% of their net county costs as part of their annual budget submittal. These reduction options will be the primary source for balancing the County Administrator's proposed budget as submitted to the Board of Supervisors during difficult financial times. Reduction options will be accompanied by each department's analysis of the impact on services. Depending upon state budgetary impacts on Sonoma County, additional reductions may be requested from the County departments.
- County departments and agencies will receive monthly reports that compare actual revenues and expenditures to budget. Mid-year and third quarter reports of actual revenues and expenditures, with projections for the remainder of the year compared to budget, will be submitted by departments to the County Administrator, and on to the Board with recommendations, if necessary, for budget adjustments.

#### Long Range Planning

- Annual budgets will not be increased or changed to the point that ongoing operating costs become overly reliant on cyclical or unreliable one-time revenues.
- Annual budgets will be compiled with long-term sustainability in mind, except as part of a Board approved plan in response to unilateral state budgeting actions that may include reducing costs, over a specified number of years, to within available on going revenues.
- Proposed new services, public facilities, significant technological changes, and major strategy changes should/will be analyzed for their long term impacts on operations, funding, liability and maintenance before seeking Board approval. New programs or services will generally not be recommended unless they further Strategic Plan goals, objectives, or strategies; are provided with a reliable funding stream sufficient to finance their costs; and the Board can be assured that the County can control both the quality and level of services provided.
- The County Administrator's Office, in conjunction with the County Auditor-Controller, will submit a multi-year financial projection and solicit budget policy direction prior to compiling the Proposed Budget.
- Budget growth will be based on 3 to 5 year projections of revenues to anticipate and minimize short-term fluctuations in revenues.
- One-time funding sources (i.e. fund balance, cyclical increases to revenues, grants) will be used to fund one-time expenditures (i.e. fixed assets, infrastructure, grant programs, Economic Uncertainty Reserves, and special one-time needs programs). An exception to this policy will

be when reducing ongoing costs in accordance with a Board approved multi-year plan to reach a new reduced ongoing financing base as a result of state budgetary action. This plan will be called out separately in the budget message.

- Sonoma County will create and maintain a prudent level of financial resources to protect against the need to reduce service levels or raise taxes and fees due to temporary revenue shortfalls or unpredicted one-time expenditures. Reserves will also be created and maintained to fund anticipated future one-time expenditure needs and to allow time for the County to respond to major actions of the State of California that materially affect the County's financial position. Consistent with best practice recommendations from the Government Finance Officers Association of the United States and Canada, the County will strive to maintain total General Fund discretionary reserves equal to 5%-15% of annual General Fund operating revenues. This range will be further subdivided into "traffic light" increments where 5-10% represents the red light signaling that no further use of reserves should be made except in dire emergencies or where almost immediate replenishment is assured. Further, priority should be given to increase reserve levels. The 10-15% increment of the range represents the yellow light signaling that caution should be exercised in the use of reserves and only for one-time costs. In addition, consideration should be given to increase reserve levels should resources become available. Above 15%, a green light is given, adequate reserve levels have been achieved. Additional resources need not be set aside at this time for economic uncertainties but used to further other Board goals.
- Fund balance, created as a result of actual revenue and expenditure deviations from the budget, will be used to achieve and maintain the County's reserve goals and to balance the next year's budget. Reliance upon fund balance for budget balancing will be managed judiciously, taking into account its volatility and past actual activity.
- The Tax Loss Reserve Fund (TLRF) shall maintain as a restricted reserve an amount equal to 2% of the levy. The County Administrator in conjunction with the Auditor-Controller-Treasurer-Tax Collector may recommend the use of funds in excess of the established reserve to the Board of Supervisors for the purpose of balancing the budget.

### **Asset Inventory/Protection**

- Sonoma County will regularly assess the condition of its assets that support delivery of County services (i.e. public facilities, infrastructure, technology, vehicle fleet, etc.) and plan for their maintenance and eventual replacement.
- Assets with an initial cost of more than \$5,000 will be capitalized. Capital assets are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Capital assets used in operations will be depreciated or amortized using the straight-line method over the lesser of the capital lease period or their estimated useful lives.
- The Board requires all departments to certify a detailed listing of all fixed asset inventory within their possession no later than December 15 of every other year.
- Capital replacement funds will be used to accumulate financial resources for future replacement of assets (mainly vehicles and equipment) that will be retired from service.

### **Revenue Management**

- Sonoma County will continue to advocate for more discretion over its revenue sources and to diversify and maximize discretionary revenue sources in order to resist state erosion to local revenues and improve the County's ability to manage individual revenue fluctuations.

- Programs financed by charges for services, fees, grants, and special revenue fund sources shall pay their full and fair share of all direct and indirect costs to the extent feasible and legally permitted.
- Departments requesting new or increased revenues from fees, permits and user charges shall submit these requests to the Board of Supervisors for consideration during the Board's annual fee hearing process. Requested fee increases shall include annual service improvement plans to identify efficiency and productivity measures taken or planned to minimize the level of rate increases, while improving customer service. If permissible by law, fees and charges should cover all costs of the services provided, unless otherwise directed by the Board, to provide for public benefit.
- Staff will use conservative but defensible estimates for major revenue sources and not unduly anticipate changes in revenue trends.

### **Expenditure Management & Control**

- Sonoma County, in conjunction with employee groups, will consider temporary salary and benefit cost saving programs (e.g. Mandatory Time Off, Voluntary Time Off) in lieu of service reductions or layoffs when the fiscal problem is of a temporary nature where one can reasonably predict when the fiscal problem will end.
- Federal and state program reductions will not be backfilled with County discretionary revenues except by Board direction. The Board typically does not backfill these programs due to their sheer size and magnitude on the County's financial position.
- Board policy direction is required prior to changing one-time expenses in to ongoing expenses. In addition, departments will not engage in internal cost shifting to the County General Fund.

### **Treasury Management**

- Other than amounts held with trustees under bond indenture or other restrictive agreements, the County's cash and investments shall be invested by the County Treasurer. The Treasury Oversight Committee has regulatory oversight for all monies deposited in the Treasury Pool. Such amounts are invested in accordance with investment policy guidelines established by the County Treasurer and reviewed by the Board. The objectives of the policy are, in order of priority, safety of principal, liquidity, and yield. The policy addresses the soundness of financial institutions in which the County will deposit funds, types of investment instruments as permitted by the California Government Code, and the percentage of the portfolio that may be invested in certain instruments with longer terms to maturity.
- Debt is incurred for the purpose of spreading capital project costs to the years in which the improvement will benefit. Debt is also incurred to reduce future costs such as refinancing (pension obligation bonds, general obligation bonds, certificates of participation) at lower interest rates.
- Sonoma County will not exceed its legal maximum debt amount. This amount calculated annually based on 2% of the County's total assessed valuation. Sonoma County currently utilizes approximately 2% of this legal maximum, leaving a 98% debt margin.



<b>Agenda Item</b>			
<b>Information/Action</b>	<b>Commission Meeting Date</b>	<b>Regular/Executive Meeting</b>	<b>Agenda Item No.</b>
<b>Information</b>	<b>1.26.10</b>	<b>Regular</b>	<b>3.4</b>

**SUBJECT**

Budget Projections

---

**RECOMMENDED ACTION**

For discussion only

---

**DRAFT ACTION**

For discussion only

---

**BACKGROUND**

The two attached documents include:

- A comparison of actual and projected revenue, using property tax estimates are based on the information we received from the county last week: -3% for FY10-11; 0% for FY 11-12; and +1% for FY12-13. Note that management recommends using a
- The expenditure projections are flat for the time being for two reasons:
  1. the county usually suggests a “net cost increase” that was used to project expenditures—this year they did not provide that guidance.
  2. We need some direction from the Commission regarding budget reductions for FY10-11 to close the revenue gap.

---

**FUTURE BOARD ACTIONS**

Approve preliminary budget for submittal to the County at the regular April meeting.

---

**FISCAL IMPACT**

---

**POLICY ISSUES**

The Commission will have an initial discussion of financial policies at its next budget workshop. Will Soper will attend the next meeting to participate in that discussion.

---

**ATTACHMENTS**

Document #3.4.1 – Revenue & Expenditure Projections

Document #3.4.2 – Fund Balance Projections

**SONOMA COUNTY LIBRARY  
FUND BALANCE SUMMARY  
January 26, 2010**

**DOCUMENT #3.4.2  
(1.26.10)**

	Actual	Actual	FY 09-10 Budget		Proposed Budget FY 2010-11	Projected Budget FY 2011-12	Projected Budget FY 2012-13
	FY 07-08	FY 08-09	Final Budget Sept 2009	Midyear Adjustments			
<b>One -Time Expenditures</b>							
Branch Facilities Improvement		(142,297)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)
Equipment			(20,000)	(20,000)	0	0	0
Self-Check Fund		(318,810)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Horizon Servers		(184,939)					
Furniture & Fixtures		(38,348)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
* Contingencies			(25,000)	0	(25,000)	(25,000)	(25,000)
<b>Subtotal</b>		<b>(684,394)</b>	<b>(305,000)</b>	<b>(280,000)</b>	<b>(285,000)</b>	<b>(285,000)</b>	<b>(285,000)</b>
<b>Ongoing Operating Expenditures</b>							
Contribution to/(Use of Fund Balance)		(400,525)	(873,052)	(104,339)	(729,570)	(729,570)	(553,226)
<b>Subtotal</b>		<b>(400,525)</b>	<b>(873,052)</b>	<b>(104,339)</b>	<b>(729,570)</b>	<b>(729,570)</b>	<b>(553,226)</b>
<b>Contribution/(Use of Fund Balance)</b>	769,244	(1,084,919)	(1,178,052)	(384,339)	(1,014,570)	(1,014,570)	(838,226)
<b>Prop 1A Transfer</b>			(1,098,202)	0	0	0	0
<b>Prop 1A Receivable</b>			1,098,202	0	0	0	0
<b>2009-2010 Use of Fund Balance</b>			<b>(1,178,052)</b>	<b>(384,339)</b>	<b>(1,014,570)</b>	<b>(1,014,570)</b>	<b>(838,226)</b>
<b>Fund Balance - Actual and Projected</b>							
Undesignated/Unreserved			0	674,218	0	0	0
Branch Facility Improvements	2,340,291	2,159,646	1,922,025	1,979,646	1,742,924	1,180,639	697,856
Equipment Fund	100,000	150,000	200,000	200,000	250,000	300,000	350,000
Self Check Fund	2,000,000	1,496,251	1,396,251	1,396,251	1,296,251	793,966	371,183
Northwest Branch Fund	1,250,000	791,870	0	0	0	0	0
Reserved for Petty Cash	1,220	1,220	1,220	1,220	1,220	1,220	1,220
** "Rainy Day Fund"	\$1,816,734	\$1,824,339	\$1,725,778	\$1,787,652	\$1,734,022	\$1,734,023	\$1,751,363
<b>Total Fund Balance</b>	<b>\$7,508,245</b>	<b>\$6,423,326</b>	<b>5,245,274</b>	<b>6,038,987</b>	<b>5,024,417</b>	<b>4,009,847</b>	<b>3,171,622</b>
<b>Percentage of Operating Budget</b>	<b>47.95%</b>	<b>36.95%</b>	<b>31.04%</b>	<b>36.94%</b>	<b>30.63%</b>	<b>24.45%</b>	<b>19.34%</b>

**Use of Fund Balance - FY 2009-10**

The Use of Fund Balance (i.e., use of reserves) is projected to be reduced by \$793,713. The changes are due primarily to the increase in projected property tax revenues and savings in expenditures for salaries and benefits.

**Summary of Net Cost - FY 2009-10**

Expenditures are projected to be reduced by \$551,748 from levels in the September budget. The new estimates increase revenues a net \$241,965 over levels in the September budget.

**Sonoma County Library Commission  
Revenue Projections - For Discussion  
January 26, 2010**

**DOCUMENT #3.4.1 (1.26.10)**

			C	D	E	F		G	H	J		K	L	M	N
					Budget	Revenue Projections		Revenue Projections		TOTAL					
Sub-Obj			Actual	Actual		Mid-Yr Est	Increase/Decrease	Proposed	Increase/Decrease	Jan 10	Projected	Projected			
Code	Account Title		FY 2007-08	FY 2008-09	FY 2009-10	2009-10	Dollars	Percent	Budget 10-11	Dollars	Percent	FY 2011-12	FY 2012-13		
1	1000	Property Taxes-CY Secured	14,424,478	14,707,393	13,982,184	14,551,476	569,292	4.1%	14,114,932	(436,544)	-3.0%	14,114,932	14,114,932	14,256,081	
2	1004	Property Taxes-CY Secured-July	62,621	59,096	0	0	0	N/A	0	0	N/A	0	0	0	
3	1008	Redevelopment	(648,360)	(684,667)	(674,220)	(1,644,495)	(970,275)	143.9%	(1,595,160)	49,335	-3.0%	(1,595,160)	(1,595,160)	(1,611,112)	
4	1011	SB 2557 Prop Tax Admin	(181,646)	(197,220)	(200,991)	(207,727)	(6,736)	3.4%	(201,495)	6,232	-3.0%	(201,495)	(201,495)	(203,510)	
5	1014	AB 1290 RDA Pass-Thrus	0	0	0	83,574	83,574	N/A	81,067	(2,507)	-3.0%	81,067	81,067	81,877	
6	1015	H&S 33401 RDA Pass-thrus	0	0	0	900,125	900,125	N/A	873,121	(27,004)	-3.0%	873,121	873,121	881,852	
7	1020	Property Taxes-CY Supp-84/85	417,156	208,825	190,432	113,506	(76,926)	-40.4%	110,101	(3,405)	-3.0%	110,101	110,101	111,202	
8	1040	Property Taxes-CY Unsecured	463,783	517,704	514,177	510,383	(3,794)	-0.7%	495,072	(15,311)	-3.0%	495,072	495,072	500,022	
9	1042	Cost Reim-Coll Del CY Uns	(9,704)	(10,665)	(12,287)	(13,515)	(1,228)	10.0%	(13,110)	405	-3.0%	(13,110)	(13,110)	(13,241)	
10	1044	Property Taxes-CY Unsec July	93	0	0	0	0	N/A	0	0	N/A	0	0	0	
11	1060	Property Taxes-PY Secured	(3,222)	(11,777)	0	0	0	N/A	0	0	N/A	0	0	0	
12	1080	Property Taxes-PY Supp	(1,618)	(2,540)	0	0	0	N/A	0	0	N/A	0	0	0	
13	1100	Property Taxes-PY Unsecured	7,969	5,808	4,500	7,800	3,300	73.3%	7,566	(234)	-3.0%	7,566	7,566	7,642	
14	1266	Timber Yield Tax	2,323	2,758	2,428	89	(2,339)	-96.3%	86	(3)	-3.0%	86	86	87	
15	<b>Sub-Total - Taxes</b>		<b>14,533,873</b>	<b>14,594,715</b>	<b>13,806,223</b>	<b>14,301,216</b>	<b>494,993</b>	<b>3.6%</b>	<b>13,872,180</b>	<b>(429,036)</b>	<b>-3.0%</b>	<b>13,872,180</b>	<b>13,872,180</b>	<b>14,010,900</b>	
16	1700	Interest on Pooled Fund	235,194	127,448	120,000	42,000	(78,000)	-65.0%	39,900	(2,100)	-5.0%	39,900	39,900	75,000	
17	1701	Interest Earned	36,447	22,999	20,000	10,000	(10,000)	-50.0%	9,500	(500)	-5.0%	9,500	9,500	10,000	
18	1800	Rent/Concessions	148	129	500	500	0	0.0%	150	(350)	-70.0%	150	150	500	
19	<b>Sub-Total - Use of Money/Property</b>		<b>271,789</b>	<b>150,576</b>	<b>140,500</b>	<b>52,500</b>	<b>(88,000)</b>	<b>-6.7%</b>	<b>49,550</b>	<b>(2,950)</b>	<b>-5.6%</b>	<b>49,550</b>	<b>49,550</b>	<b>85,500</b>	
20	2081	St - Highway Rentals	126	121	126	103	(23)	-18.3%	100	(3)	-3.0%	100	100	101	
21	2440	State-HOPTR	142,590	141,357	139,752	139,608	(144)	-0.1%	135,420	(4,188)	-3.0%	135,420	135,420	136,774	
22	2500	ST - Other	25,959	12,625	5,000	5,000	0	0.0%	2,500	(2,500)	-50.0%	2,500	2,500	2,500	
23	2563	ST - CLSA Reimb	403,167	347,752	305,958	305,958	0	0.0%	250,000	(55,958)	-18.3%	250,000	250,000	250,000	
24	2566	State-Lib-SB 358	185,064	164,954	132,000	132,000	0	0.0%	132,000	0	0.0%	132,000	132,000	132,000	
25	2901	County - Local Agency Grant	25,378	25,388	25,378	25,378	0	0.0%	25,378	0	0.0%	25,378	25,378	25,378	
26	2910	City of Sonoma	0	0	0	0	0	N/A	0	0	N/A	0	0	0	
27	2945	Library Literacy	64,642	83,326	69,545	69,545	0	0.0%	69,545	0	0.0%	69,545	69,545	69,545	
28	<b>Sub-Total-Intergovt Revenues</b>		<b>846,926</b>	<b>775,523</b>	<b>677,759</b>	<b>677,592</b>	<b>(167)</b>	<b>-12.6%</b>	<b>614,943</b>	<b>(62,650)</b>	<b>-9.2%</b>	<b>614,943</b>	<b>614,943</b>	<b>616,298</b>	
29	3019	NCPA Gov't Service Fee	33,404	33,425	33,425	32,839	(586)	-1.8%	31,854	(985)	-3.0%	31,854	31,854	32,172	
30	3480	Library Fines	438,248	400,647	434,957	301,073	(133,884)	-30.8%	300,000	(1,073)	-0.4%	300,000	300,000	300,000	
31	3482	Library Membership	23,538	11,325	16,000	16,000	0	0.0%	16,000	0	0.0%	16,000	16,000	16,000	
32	3483	Library Postage Recovery	0	195	100	150	50	50.0%	100	(50)	-33.3%	100	100	100	
33	3484	Library Fines-Delinquent Collections	69,195	54,409	75,000	44,559	(30,441)	-40.6%	44,000	(559)	-1.3%	44,000	44,000	44,000	
34	3485	Library Document Delivery	0	0	55	55	0	0.0%	0	(55)	-100.0%	0	0	0	
35	3700	Library Copier Fees	60,006	62,149	59,297	59,297	0	0.0%	59,948	651	1.1%	59,948	59,948	59,948	
36	3701	Check Handling Fees	0	20	50	50	0	0.0%	50	0	0.0%	50	50	50	
37	3980	Rev Applic Prior Year	72	8,277	9,000	9,000	0	0.0%	0	(9,000)	-100.0%	0	0	0	
38	<b>Sub-Total - Charges for Services</b>		<b>624,463</b>	<b>570,448</b>	<b>627,884</b>	<b>463,023</b>	<b>(164,861)</b>	<b>10.1%</b>	<b>451,952</b>	<b>(11,071)</b>	<b>-2.4%</b>	<b>451,952</b>	<b>451,952</b>	<b>452,270</b>	
39	4020	Other Sales	0	0	50	50	0	0.0%	0	(50)	-100.0%	0	0	0	
40	4040	Misc. Receipts	99,381	107,554	90,672	90,672	0	0.0%	90,672	0	0.0%	90,672	90,672	90,672	
41	4102	Donations/Reimbursements	42,550	89,607	370,000	370,000	0	0.0%	300,000	(70,000)	-18.9%	300,000	300,000	300,000	
42	4106	Refunds	9,116	10,428	6,000	6,000	0	0.0%	6,000	0	0.0%	6,000	6,000	6,000	
43	4109	Outdated Warrants	55	539	1,000	1,000	0	0.0%	1,000	0	0.0%	1,000	1,000	1,000	
44	4113	Returned Checks	(71)	(232)	150	150	0	0.0%	150	0	0.0%	150	150	150	
45	<b>Sub-Total - Miscellaneous Revenues</b>		<b>151,031</b>	<b>207,896</b>	<b>467,872</b>	<b>467,872</b>	<b>0</b>	<b>125.1%</b>	<b>397,822</b>	<b>(70,050)</b>	<b>-100.0%</b>	<b>397,822</b>	<b>397,822</b>	<b>397,822</b>	
46	PY Appropriations Revenue		0	0	0	0	0	N/A	0	0	N/A	0	0	0	
47	<b>TOTAL OPERATING REVENUE</b>		<b>16,428,082</b>	<b>16,299,159</b>	<b>15,720,238</b>	<b>15,962,203</b>	<b>241,965</b>	<b>1.5%</b>	<b>15,386,446</b>	<b>(575,757)</b>	<b>-3.6%</b>	<b>15,386,446</b>	<b>15,386,446</b>	<b>15,562,790</b>	

**Sonoma County Library Commission  
Expenditures For Discussion  
January 26, 2010**

**DOCUMENT #3.4.1 (1.26.10)**

			B	C		D	E	F	G	H	I
			Actual	Actual	Budget	Estimate	March 2010 Budget			Increase/Decrease	
Sub-Obj		Account Title	FY 2007-08	FY 2008-09	FY 2009-10	FY 2009-10	FY 2010-11	FY 2010-11	FY 2010-11	Dollars	Percent
Code											
<b>SALARIES AND BENEFITS</b>											
1	5910	Permanent Positions	7,456,392	7,818,322	7,875,632	7,488,547	7,404,861		7,404,861	(83,686)	-1.1%
2	5911	Part-Time Extra Help	562,794	681,635	598,803	598,803	598,803		598,803	0	0.0%
3	5920	PERS-Emp Contrib	146,064	157,430	114,083	106,825	72,819		72,819	(34,006)	-31.8%
4	5923	PERS-Loc Bds	1,088,833	1,180,300	1,101,398	1,055,491	1,042,893		1,042,893	(12,598)	-1.2%
5	5924	Medicare Tax	93,494	101,106	95,643	91,271	93,241		93,241	1,970	2.2%
6	5925	Deferred Comp	65,355	62,028	78,352	78,137	79,245		79,245	1,108	1.4%
7	Emp Group Insurance:										
8	5930	Health Insurance	997,444	1,055,014	1,233,473	1,209,243	1,269,654		1,269,654	60,411	5.0%
9	5931	Disability Insurance	41,638	32,686	38,875	35,997	36,868		36,868	871	2.4%
10	5932	Dental Insurance	144,150	157,353	177,212	163,730	189,267		189,267	25,537	15.6%
11	5933	Life Insurance	10,161	6,676	12,216	10,317	10,438		10,438	121	1.2%
12	5934	Vision Insurance	27,543	26,927	27,410	25,589	27,513		27,513	1,924	7.5%
13	5935	Unemployment Insurance	19,981	6,178	10,000	10,000	10,000		10,000	0	0.0%
14	5936	Retiree Health Insurance	422,488	433,026	500,038	532,000	585,200		585,200	53,200	10.0%
15	5940	Workers' Comp Insurance	111,326	179,893	265,978	250,359	232,981		232,981	(17,378)	-6.9%
<b>TOTAL SALARIES &amp; BENEFITS</b>			<b>11,187,663</b>	<b>11,898,574</b>	<b>12,129,113</b>	<b>11,656,309</b>	<b>11,653,783</b>	<b>0</b>	<b>11,653,783</b>	<b>(2,526)</b>	<b>0.0%</b>
<b>SERVICES &amp; SUPPLIES</b>											
Communications:											
16	6040	Communications	401	4,836	4,750	12,000	12,000		12,000	0	0.0%
17	6041	Data Lines	61,435	110,526	66,000	66,000	66,000		66,000	0	0.0%
18	6043	Alarm Systems	12,803	7,863	15,000	8,000	8,000		8,000	0	0.0%
19	6045	Telephone Service	31,190	35,533	32,000	22,000	22,000		22,000	0	0.0%
20	6048	Cell Phone Service		1,684	2,000	2,000	2,000		2,000	0	0.0%
21	6049	Unclaimable Comm Exp	0	0	50	50	50		50	0	0.0%
22	Household Expense:										
23	6084	Janitorial Supplies	27,021	31,774	25,750	25,750	25,750		25,750	0	0.0%
24	6085	Janitorial Services	196,295	197,909	201,000	201,000	201,000		201,000	0	0.0%
25	Insurance:										
26	6103	Liability Insurance	72,252	71,837	71,631	71,631	71,631		71,631	0	0.0%
27	Maintenance-Equipment:										
28	6140	Maint Equip-IT	0	106,616	118,000	118,000	175,000		175,000	57,000	48.3%
29	6152	Maint Equip-Purchase Parts	27,137	17,453	31,545	31,545	31,545		31,545	0	0.0%
30	6153	Maint Equip-Outside	20,185	31,191	41,839	41,839	41,839		41,839	0	0.0%
31	Maintenance-Buildings:										
32	6180	Maint-Bldgs/Imp-Contracts	92,532	69,796	99,322	99,322	99,322		99,322	0	0.0%
33	6186	Maint-Bldgs/Imp	0	0	0	0	0		0	0	N/A
34	6190	Landscape Service	56,423	44,514	50,000	50,000	50,000		50,000	0	0.0%
35	6226	Maint-Bldgs/Imp-Parts	15,755	17,778	21,246	21,246	21,246		21,246	0	0.0%
36	6280	Memberships	7,909	7,484	15,411	15,411	15,411		15,411	0	0.0%
37	Office Expense:										
38	6401	Office Expense-Inventory	45,250	59,015	45,000	45,000	45,000		45,000	0	0.0%
39	6410	Postage	46,018	36,021	48,715	48,715	48,715		48,715	0	0.0%
40	6430	Printing	53,331	72,526	45,536	45,536	45,536		45,536	0	0.0%
41	6452	Paper Stock	23,025	18,356	20,684	20,684	15,684		15,684	(5,000)	-24.2%
42	Professional/Special Services:										
43	6500	Professional Services	172,959	0	0	0	0		0	0	N/A
44	6516	Automated System	163,477	0	0	0	0		0	0	N/A
45	6517	DP -Networking	7,467	2,161	10,000	10,000	10,000		10,000	0	0.0%
46	6518	Data Entry-OCLC	15,411	17,502	55,000	55,000	55,000		55,000	0	0.0%
47	6521	County Services	44,094	50,945	55,410	55,410	55,410		55,410	0	0.0%
48	6540	Contract Services	108,341	155,234	161,226	161,226	161,226		161,226	0	0.0%
49	6553	Security Services		59,877	65,000	65,000	65,000		65,000	0	0.0%
50	6570	Consulting Services		29,765	30,000	30,000	30,000		30,000	0	0.0%

**Sonoma County Library Commission  
Expenditures For Discussion  
January 26, 2010**

**DOCUMENT #3.4.1 (1.26.10)**

			B	C		D	E	F	G	H	I
			March 2010 Budget								
Sub-Obj	Account Title	Actual	Actual	Budget	Estimate	Continuation	Expansion	Proposed	Increase/Decrease		
Code		FY 2007-08	FY 2008-09	FY 2009-10	FY 2009-10	FY 2010-11	FY 2010-11	FY 2010-11	Dollars	Percent	
51	6589	Permits	361	297	274	274	274	274	0	0.0%	
52	6610	Legal Services	6,891	8,941	5,797	5,797	5,797	5,797	0	0.0%	
53	6630	Audit/Accounting Services	28,688	36,757	28,840	28,840	28,840	28,840	0	0.0%	
54	6631	Bookkeeping	11,596	18,108	22,500	22,500	22,500	22,500	0	0.0%	
55	6800	Public/Legal Notices	1,233	1,480	9,289	4,000	4,000	4,000	0	0.0%	
56	6820	Rents/Leases-Equip		22,524	18,000	18,000	18,000	18,000	0	0.0%	
57	6840	Rents/Leases-Bldgs/Improv	39,711	11,952	12,000	12,000	12,000	12,000	0	0.0%	
58	6880	Small Tools/Instruments	197,172	18,901	15,000	15,000	15,000	15,000	0	0.0%	
59	6881	Library Equipment	59,183	86,563	47,739	47,739	47,739	47,739	0	0.0%	
60	6882	Gift Equipment	114	626	28,082	28,082	28,082	28,082	0	0.0%	
61	6889	Software	23,249	59,445	45,000	64,609	64,609	64,609	0	0.0%	
62	6890	Computer Hardware	0	125,628	148,500	148,500	148,500	148,500	0	0.0%	
63	6891	Small Equipment IT	345	28,989	45,000	45,000	45,000	45,000	0	0.0%	
64	Special Library Expenses:										
65	7000	Library & Other Supplies	110,812	526,895	125,000	100,000	30,000	30,000	(70,000)	-70.0%	
66	7020	Summer Reading Supplies	18,762	35,891	25,967	25,967	25,967	25,967	0	0.0%	
67	7030	Programming-Adult	60,027	38,439	24,456	24,456	12,228	12,228	(12,228)	-50.0%	
68	7035	Programming-Juvenile	0	0	0	0	12,228	12,228	12,228	N/A	
69	7110	Professional Development	18,279	27,065	25,000	18,576	18,576	18,576	0	0.0%	
70	7120	In-Service Training	35,233	26,279	15,914	10,000	10,000	10,000	0	0.0%	
71	7180	Literacy	80,278	128,087	122,636	122,636	122,636	122,636	0	0.0%	
72	Books/Materials:										
73	7187	Books/Materials Misc	0	0	0	0	70,000	70,000	70,000	N/A	
74	7190	Books/Materials	1,684,067	1,713,000	1,713,000	1,713,000	1,713,000	1,713,000	0	0.0%	
75	7191	Binding	22,339	18,109	15,000	8,000	8,000	8,000	0	0.0%	
76	Transportation:										
77	7301	County Car Expense	29,008	27,769	30,409	30,409	30,409	30,409	0	0.0%	
78	7302	Travel Expense	9,365	28,650	39,609	20,000	20,000	20,000	0	0.0%	
79	7303	Private Car Expense	58,569	69,212	54,567	60,000	60,000	60,000	0	0.0%	
80	7320	Utilities	475,377	465,432	484,100	484,100	484,100	484,100	0	0.0%	
81	7400	Data Processing	0	0	383	383	383	383	0	0.0%	
<b>TOTAL SERVICES &amp; SUPPLIES</b>			<b>4,271,370</b>	<b>4,783,235</b>	<b>4,434,177</b>	<b>4,380,233</b>	<b>4,432,233</b>	<b>0</b>	<b>4,432,233</b>	<b>52,000</b>	<b>1.2%</b>
LONG TERM DEBT											
82	7910	LTD-Principal	13,342	17,875	30,000	30,000	30,000	30,000	0	0.0%	
<b>TOTAL LONG TERM DEBT</b>			<b>13,342</b>	<b>17,875</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>0</b>	<b>0.0%</b>	
<b>TOTAL OPERATING EXPENDITURES</b>			<b>15,472,375</b>	<b>16,699,684</b>	<b>16,593,290</b>	<b>16,066,542</b>	<b>16,116,016</b>	<b>0</b>	<b>16,116,016</b>	<b>49,474</b>	<b>0.3%</b>
FIXED ASSETS											
83	Equipment:										
84	8510	Building Improvements		142,297	150,000	150,000	150,000	150,000	0	0.0%	
85	8560	Equipment	18,010	0	20,000	20,000	0	0	(20,000)	-100.0%	
86	8562	Computer Equipment		503,749	100,000	100,000	100,000	100,000	0	0.0%	
87	8570	Furniture/Fixtures	168,453	38,348	10,000	10,000	10,000	10,000	0	0.0%	
<b>TOTAL FIXED ASSETS</b>			<b>186,463</b>	<b>684,394</b>	<b>280,000</b>	<b>280,000</b>	<b>260,000</b>	<b>0</b>	<b>260,000</b>	<b>(20,000)</b>	<b>-7.1%</b>
88	9000	* APPROP FOR CONTINGENCIES	0	0	25,000	0	25,000	25,000	25,000	N/A	
<b>TOTAL CAPITAL EXPENDITURES</b>			<b>186,463</b>	<b>684,394</b>	<b>305,000</b>	<b>280,000</b>	<b>285,000</b>	<b>0</b>	<b>285,000</b>	<b>5,000</b>	<b>1.8%</b>
<b>TOTAL EXPENDITURES</b>			<b>15,658,838</b>	<b>17,384,078</b>	<b>16,898,290</b>	<b>16,346,542</b>	<b>16,401,016</b>	<b>0</b>	<b>16,401,016</b>	<b>54,474</b>	<b>0.3%</b>

\* The \$25,000 in contingency expense is a line item required by the County of Sonoma.