

GENERAL BUDGET THEORY

In 2010, SCLS, like other systems, experienced a significant cut in state aids. Some one-time savings and cost-cutting measures allowed us to provide the same services in 2010 as in previous years and still end the year with a healthy carryover. This carryover, along with an increase in state aids in 2011, means we can continue to provide the same level of service in 2011, and also absorb the inevitable increases in employee benefits. Because the staff did not have a cost of living increase in 2010, the 2011 budget also includes a 1% increase for all staff.

How we budget for technology and the integrated library system (ILS) services changed in the 2011 budget because of governance and organizational changes, along with the migration to an open-source ILS. LINK, the separate consortium that ran the ILS and network services until 2010, has been disbanded, and the ILS and technology services are now system services. A workgroup of member libraries will decide on a new way to divide costs for these services in early 2011. We were able to hold member fees for these services at the same level as 2010 because a new library in Fitchburg will be joining us in 2011, and their first-year payment offsets any increases in the costs to provide the services.

It is impossible to plan for 2011 without acknowledging the upcoming biennial budget process and the implications for system aids. We are hoping for the best, but preparing for the worst by budgeting conservatively and keeping as much reserve as possible. About 3.8% of our total budget is reserved in our "contingency/interlibrary loan/delivery" fund. This sum, added to whatever additional dollars show up in our audit or can be saved in other accounts, represents our primary resource to enable us to cope with rising service demands and to take advantage of new opportunities.

REVENUES

1. (4010) This is the formal state aid estimate provided to SCLS by DLTCL for 2011.
2. (4030) For next year, we expect \$35,000 is a realistic projection for interest earnings, based on estimated interest earnings for 2010 and projections from First Business Bank.
3. (4040) Our interest earnings shown under #2 above reflect our practice of investing funds on behalf of member agencies that desire this service. This account is required to reflect the share of the total interest earned that belongs to our members (traditionally anything over 1%) rather than to SCLS. This amount continues to be \$0 for 2011 because the State Pool Investment Fund is unlikely to pay 1% or more in 2011.
4. (4050) This carryover figure is an estimate, and will be finalized as part of our annual audit.
- 5-6. (4090-4110) Green and Sauk Counties each appropriate funds to pay for their respective county library services, and entrust the administration of these funds to South Central. The sums indicated represent proposed county budgets which have yet to be ratified by their county boards of supervisors, so that they may very well need to be revised early next year.

Additionally, both projected amounts have been reduced by the amount of board expenses and certain insurances. The counties retain these funds, and bills pertaining to these categories are paid directly by the counties. These county budgets include a portion of the cost of delivery services, which increased by the amount approved at the SCLS All-Directors Meeting.

7. (4120) Adams, Dane, Portage, and Wood counties contract for a portion of the cost of delivery services. These fees increased by the amount approved at the SCLS All-Directors Meeting.

8. (4130) This sum pays for additional delivery for various libraries throughout the system. This sum is currently paid by the libraries rather than by their respective counties. These fees increased by the amount approved at the SCLS All-Directors Meeting.

9. (4170) Our intersystem and multitype delivery services continue to grow, linking together major library resources of all kinds throughout the state. These services are provided on a cost recovery basis. These services benefit SCLS because our libraries, who are very active participants in the statewide interlibrary loan network, have ready access to statewide delivery at no direct cost to their individual municipalities. The increase in this account comes from a contractual increase in the UW System/UW Madison contract.

10. (4180) This account reflects the income earned through special delivery services, including the contract with UW-Madison for a book digitization project.

11. (4220) SCLS and the Wisconsin Library Association (WLA) will continue to share quarters in the facility at 4610 S. Biltmore Lane. This account represents the 2011 gross rent due from WLA.

12. (4242) This sum represents the share paid toward ILS and technology expenses by SCLS member libraries. While the amount paid by each library was held at the 2010 rate, the increase in income represents the startup and first year amounts for the Fitchburg Public Library (minus some funds coming from an LSTA grant).

13. (4245) This sum represents ILS/technology funds to be carried over into next year and includes primarily unspent capital and contingency account funds. This amount is substantially reduced because of payments associated with the upgrade to a new automated system to take place in early 2011. This sum is a current estimate that will be finalized as part of our next audit.

14. (4270) During each of several years, participants in the ILS project and the SCLS network has assessed themselves a fee to be put into long-term carryover to pay for the next automated system or significant network upgrades. These funds have not been shown on previous SCLS budgets.

15. (9102) This is a non-competitive Library Services and Technology Act Grant. It will enable SCLS to fund upgrades to computers on the SCLS network and an upgrade of our anti-virus/anti-malware product.

16. (9105) SCLS received an LSTA noncompetitive grant in this category in 2010 to fund GoToWebinar, an online training product. There is no such grant category in 2011, so this account will be removed at the mid-year budget.

17. (9113) This is a non-competitive Library Services and Technology Act Grant. It will provide additional support for the statewide portion of our delivery service, thus reducing each public library system's required contribution to the service.

18. (9150) In 2010, SCLS received a competitive grant in this literacy category. No grant was submitted in this category in 2011, so this account will be removed at the mid-year budget.

19. (9200) In 2010, SCLS received a grant for multi-type collaboration. SCLS submitted a grant in 2011 in this category to fund a multi-type summit and digitization project. If awarded the grant, the income will be reflected in the 2011 mid-year budget.

20. (9830) In 2010, SCLS received a grant in this category. No grant was submitted in this category in 2011, so this account will be removed at the mid-year budget.

21. (9840) In 2010, SCLS received a grant in this category. No grant was submitted in this category in 2011, so this account will be removed at the mid-year budget.

22. (4480) This account was a special one-time donation made from Commercial Tenant Associates to SCLS through the SCLS Foundation, and will be removed at mid-year.

23. – 24. (NEW) SCLS applied for two competitive grants in two new categories: enhanced use of technology and digitization projects. If awarded the grants, the income will be reflected in the 2011 mid-year budget.

25. (NEW) SCLS applied for a non-competitive grant in this category to assist two libraries, Rio and Fitchburg, with first year and startup costs for joining the SCLS ILS and network.

PROJECTED REVENUE TOTAL: \$8,494,311

EXPENDITURES

I.A. (5130) This account includes two separate contracts with our system resource library. The first, our statutory contract, pays for backup interlibrary loan and reference service. The second, our supplementary contract, purchases a wide variety of items including in-demand items. These contracts fund a wide range of services for all system residents, including the

percentage of our population that resides in Madison. There is no increase proposed in the contract for 2011.

I.B. (5230) If library materials from our system member libraries are lost or damaged during the interlibrary loan process, the patron responsible is charged. If, however, physical damage to the item occurs because of our delivery service, then the system makes good on such losses, up to the amount in this account. The account is unchanged for 2011, based on our last several years' experience.

I.C. (5260) As automation enabled more of our system member public libraries to share their collections for interlibrary loan purposes, it seemed logical to provide at least a modest incentive for the efforts of those who became net lenders. In 1991, a fund was established for this purpose. This fund was discontinued in early 1992 to help pay for the purchase of the new automated system, and re-instituted in mid 1992 due to popular demand. The 2011 amount remains the same as the 2010 amount.

I.D. (5310) This account funds both our OCLC direct interlibrary loan charges and also any costs to borrow from libraries that charge to loan items. The proposed 2011 amount is the same as the 2010, due to OCLC holding fees at 2010 levels.

I.E. (5320) This is a new account in 2011, moved from account 5635, and held at a similar amount. This account will cover the cost of the WorldCat database from OCLC and pays our Wisconsin Public Library Consortium (WPLC) membership, which includes funding OverDrive and netLibrary, electronic book and audiobook providers. In August 2010, the System and Resource Library Administrators' Association of Wisconsin (SRLAAW) voted to ask WPLC to double the amount spent on electronic content in 2012, as the need for these materials is rapidly increasing and the current WPLC budget is not adequately funding these collections. SCLS will contribute an additional \$5,000 to the collection in 2011, in recognition of the importance of the collection, and the urgent need for increased funding. It is expected that other systems will also increase their 2011 contributions to the WPLC collection.

IIa. General note: In past years, these accounts represented most of the budget for the LINK consortium. Because of the restructuring of the SCLS governance, the upcoming changes in charging for technology and the integrated library system (ILS) and the significant changes caused by migrating to a new ILS system, all accounts in section II will not be used for the 2011 budget.

IIb. General note: These accounts represent most ILS and technology expenses. As often as possible, technology and ILS expenses have been divided, but it is not yet possible to completely separate these two areas. In early 2011, a workgroup will determine a new formula for dividing costs for technology and ILS services, and will also determine a way to equitably split the remaining combined expenses and income. The expenses in this section, along with the employee benefits for the technology and ILS staff, are funded by accounts 4242, 4245, 4270, a portion of the LSTA grant for adding libraries to the ILS, and a \$234,646 contribution from SCLS.

I Ib.A. (5530) This account pays for ongoing LibLime support costs. In 2011, this sum represents our final payment to LibLime for migration services and development, payable at go-live.

I Ib.B. (5535) This account will be used to pay LibLime for additional development to the Koha product. In 2011, this amount was determined by taking the amount paid to Dynix in the past for maintenance and support, and subtracting the amount in 5530. The ILS Committee will determine if more funds are needed for development in 2011, and a mid-year adjustment could be made if necessary.

I Ib.C. (5540) This account pays for all maintenance and startup for add-ons to the ILS system. This includes enhanced content for the catalog, maintenance for the tele-messaging system, maintenance for RFID conversion kits and inventory wands, and startup for a new mobile catalog.

I Ib.D. (5545) This account pays for the lines and local/long distance charges for the tele-messaging system.

I Ib.E. (5550) This account pays the salary costs of the staff members required to manage the ILS.

I Ib.F. (5551) This account funds the contract with Madison Public Library for the provision of cataloging services to all ILS member libraries, including Madison. This amount is based on actual 2010 experience, with a 1.25% increase in the per title cost, based on an increase in the urban consumer price index. This account also funds all OCLC charges related to cataloging.

I Ib.G. (5552) This account pays for vendor authority control on our database, and the annual subscription service that provides MARC records for electronic journals. The 2011 amount is equal to that budgeted in 2010.

I Ib.H. (5555) This account pays for router and server maintenance for the SCLS network. The amounts budgeted are the same as those for 2010.

I Ib.I. (5560) This account covers upgrades to servers and central equipment needed for the SCLS network. In 2011, this account will cover the cost to purchase a new server for virtualization, expected to provide significant cost savings in future server purchases, along with some unbudgeted funds for unexpected expenses.

I Ib.J. (5565) This account covers software licenses needed for either the central servers or for workstations attached to the SCLS network. In 2011, this account will cover costs related to the migration to Windows 7 and Windows Server 2008, along with some unbudgeted funds for unexpected expenses.

I Ib.K. (5570) This account covers expenses for the PC technicians, including miscellaneous cables and peripherals, and cell phone expenses.

IIb.L. (5575) This account pays for all charges for the SCLS network internet connections and connections to libraries participating on the SCLS network. These costs include the BadgerNet TEACH lines for libraries currently participating in the SCLS network, WiscNet charges (for Internet service and membership) and annual costs for the Madison Unified Fiber Network.

IIb.M. (5580) This account pays the salary costs of the technology staff members.

IIb. N. (5585) The contingency account represents the amount remaining from the income dedicated to the technology and ILS projects minus the above expenses and the benefits for the ILS and technology staff. It is intended to be used for unexpected expenses in the ILS and technology areas, as approved by the ILS and Technology Committees.

IIb. O. (5590) The capital fund is equal to the amount in the long-term carryover income account (4270) and intended for use for large expenses needed to upgrade the ILS or SCLS network.

III.A. (5510) SCLS works to develop multi-type cooperation and partnerships throughout the system, and to fulfill our statutory mandates related to multi-type libraries. This account funds the multitype coordinator who is to develop and manage our multi-type activities at 10 hours per week.

III.B. (5520) This account is available for small multi-type projects. The 2011 amount is reduced to reflect expenditures made in 2010, but should still be ample for any planned projects.

IV. General notes: In 2011, all technology services were combined into the ILS/Technology Services area. Accounts 5630 and 5650 were added to that area. Account 5620, which primarily funded experimental projects with libraries to enhance services, has been moved to account 7475 in the Program & Service Development area. Account 5635, used to fund databases and online content, has been moved to account 5320 in the Interloan and Resource Services.

V.A. (5710) This account funds employees involved in our public information service, including the Public Relations/Marketing Coordinator, and 70% of the time of our Building and Design Consultant and Web Services Specialist. The Web Services Specialist was previously funded from a different account. This change, along with a 1% increase for staff, caused the increase in this account.

V.B. (5740) This account pays for contracted printing services from Madison Public Library, Badger State Industries, and other sources. The same amount as budgeted in 2010 should suffice for 2011.

V.C. (5750) This category pays for the paper, art, office, and computer supplies necessary to our public information service, and for "free-lance" art services when required. The 2010 amount should suffice for 2011.

V.D. (5760) This account covers equipment purchases, the lease for the copiers at SCLS Headquarters and the SCLS copier at Madison Public Library, and all printing done on these copiers. Due to an ongoing increase in printing for member libraries, this account will need to be increased in 2011. SCLS will be evaluating the feasibility of continuing to offer almost unlimited printing services for member libraries.

V.E. (5770) Obtaining adequate funding for our member libraries and for the system itself requires the support of the public. This support can only be obtained if the public is adequately informed concerning the services offered by the system and the member libraries and the impact these services have upon everyday life. This account is intended to support this general effort as well as to enable us to better publicize newer products and the SCLS Foundation effort. The 2010 amount should suffice for 2011. A special campaign using individual stories from member libraries to reinforce the value of libraries and illustrate how they change lives is planned to continue into 2011.

VI.A. (6010) This account funds all consultant/coordinator staff, including our Public Library Administration Consultant, part of our Continuing Education and Multitype Coordinator, our Youth Services and Outreach Coordinator and 20% of the time of both the System Director and the Associate Director, and the 30% of the time of our Building and Design Consultant (used for building consultation). A 1% increase is proposed for these positions in 2011.

VI.B. (6040) This budget category includes funds for at least some South Central representation at selected American Library Association Conferences and the Wisconsin Library Association's Annual Conference. It also pays for a number of smaller continuing education events throughout the year, often including professional seminars concerning new developments in the library field. The largest share of this account, however, goes to pay mileage for employee visits throughout the system area. Quick and effective response to the needs of our member libraries is a vital system task, and it is not unheard of for a single employee to travel more than 1000 miles in a single month. Since it is clear that our employees must attend most conferences to officially represent SCLS as opposed to going primarily for their own benefit, SCLS also pays the required dues for our professional employees, as we do for our board, to belong to the necessary associations at which we require representation.

In 2010, training and travel for SCLS staff was separated into two accounts, 6040 and 5476. In 2011, all training and travel has been combined into this account, with the amount set to the anticipated 2010 expenditures from each account.

VII.A-F. (6210-6340) The South Central Library System has handled Green County library funds for many years. The decisions in this budget category have been made by the Green County Library Board, and reflect the purchase of centralized county services of various sorts, including resource library service, the provision of bulk book collections, their portion of delivery service, reimbursement to county libraries for walk-in use by rural residents, and reimbursement for use by rural residents across certain borders. It should be noted that the funds budgeted for delivery services by Green County do not appear in this section total. This is because delivery income is included for purposes of expenditure as part of our delivery budget in section X. At

this time, the sums shown represent the budget proposed to the county board of supervisors, but not yet acted upon.

VIII.A-D. (6610-6699) This section of the budget consists of Sauk County Library Service funds, managed by South Central. The decisions in this budget category have been made by the Sauk County Library Board, and reflect the purchase of centralized county services of various sorts, including resource library service, their portion of delivery service, reimbursement to county libraries for walk-in use by rural residents, and reimbursement for use by rural residents across certain borders. It should be noted that the funds budgeted by Sauk County for delivery services do not appear in this section total. This is because delivery income is shown for purposes of expenditure as part of our delivery budget in section X. At this time, the sums shown represent the budget proposed to the county board of supervisors, but not yet acted upon.

IX.A. (7010) Each year South Central produces a number of continuing education and training programs for member libraries. Some of these are annual events. Others are developed in response to current needs, and cover various "hot" topics in the library world. Still others provide the "hands on" training our members require to cope effectively with new technologies. Although we provide much of this training ourselves, in many cases outside presenters are required. The amount proposed for 2011 is reduced as a cost-savings measure, but is still above the amount of anticipated 2010 expenditures.

IX.B. (7030) South Central maintains a small collection of books and other materials in specialized areas of librarianship such as building and furnishing libraries, children's services, and library administration. These materials are utilized by staff and are checked out by member libraries. A 2011 level of funding equal to 2010 is budgeted for this account.

IX.C. (7050) Many expensive book reviewing resources and technical library periodicals are beyond the budgets of smaller SCLS member libraries. The system therefore subscribes to a number of such publications and routes them from library to library to cut costs for all. In some cases the periodical in question may only be obtained if South Central is a member of a specific library organization, so this account covers institutional dues as well as subscriptions. SCLS also subscribes to on-line services to provide access to specialized and highly current information, especially in the legislative area. A 2011 level of funding equal to 2010 is budgeted for this account.

IX.D. (7070) Our member library directors are required by law to seek continuing education in order to maintain their statutory certification, upon which their continued employment depends. This account allows directors, library staff members, and trustees to attend continuing education events produced by agencies other than South Central. This has been a highly popular program, and because we ask participants to share what they learn with other member librarians, it has vastly increased the quantity of new expertise available in our area. It is especially important to smaller system member public libraries, because many of them have little or no access to local funds for continuing education purposes.

Many of our members from our smallest libraries cannot attend CE events because they have no travel funds, and in some cases they must personally pay a substitute if they leave the library. This account includes a special fund from which these librarians can draw reasonable and necessary expenses in order to attend CE events and other system meetings. For several years, we have purchased memberships in WLA for member library trustees in order to ensure that they have easy access to information concerning Wisconsin's library community. However, many directors from smaller member public libraries have not been able to afford these same memberships for themselves, especially because they are more expensive than for the trustees, so they are paid in part from this account.

This account was increased in 2011 to help defray the costs of travel for one face-to-face meeting per year for SCLS governance representatives and the libraries they represent.

IX.E. (7090) The costs of producing continuing education events include name tags, flip chart paper, coffee, etc. This account covers all these expenses, and also similar ones for many other system meetings. No increase in funding is planned for this account.

X.A. (7210) This account covers the expenses of operating our delivery vehicles including fuel, repairs, tires, parking expenses, etc. The 2011 proposal reflects a slight increase in fuel use in 2011 due to route changes needed to handle increased volume and new libraries. The per gallon fuel cost is budgeted at the same level as 2010.

X.B. (7220) This account funds delivery employees, ranging from the delivery service coordinator to hourly sorters. The sum proposed for this account includes the 1% general increase, and any continued progression through the steps included within the classification ranges to which these employees are assigned.

X.C. (7260) This account insures our vehicles and their cargos against most forms of loss. It also pays the workers compensation insurance for our delivery personnel, as well as bonding for our drivers, since they have keys to member libraries and carry valuable cargos. The 2011 amount is not increased from 2010.

X.D. (7270) Items purchased from this account include delivery baskets, flatbed trucks, carts, shelves for sorting, removable labels, etc. The 2011 amount is maintained at 2010 levels.

X.E. (7280) This fund represents the sum required to purchase new and used delivery vans and to rebuild older ones. We try to replace each van after approximately 8 years of service (usually at 300,000 to 400,000 miles) and one or more rebuilds (i.e. new engines, doors, drive trains, etc.). This account is maintained at 2010 levels for 2011. Level funding is anticipated to be possible partly due to the success our staff has had in keeping more of our older vehicles on the road longer. A cargo van and box truck replacement are expected for 2011.

X.F. (7290) Since the run to the Ashland-Superior area by one of our own drivers would require an overnight stay, we subcontract this route north of Wausau as part of the University service. We also subcontract routes north of Green Bay for similar reasons. Holding this account to the 2010 amount should be sufficient.

X.G. (7295) This account pays for the annual rental cost for our delivery facility, as well as utilities, security, dumpster service, etc. In 2010, a one-time garage and dock renovation was included in this account, which is not included for 2011, reducing the amount needed for this account.

XI.A. (7440) This category is intended to enable every member public library to fund performers to enhance its summer library program. These performances are often the highlight of a small library's summer program. The 2011 amount proposed is the same as 2010.

XI.B. (7450) Tens of thousands of bookmarks, flyers, certificates, and activity sheets for our summer library program are paid for from this account, as well as manuals, story props, etc. The 2011 amount proposed is the same as 2010.

XI.C. (7460) System Celebration has occurred annually since 1980. It is a recognition event that honors trustees, librarians, and public officials from all over the system area for the work they do throughout the year. Our system celebrations have been intended to convey thanks to those who operate and govern local libraries, and to make them feel more a part of the larger South Central community. Most of the funds in this account pay for dinners, but some is set aside for awards to library of the year, etc. The 2011 level of funding for this event is based on the actual expenses for this event over the last few years.

XI.D. (7470) This account serves as a discretionary fund enabling our Youth Services and Outreach Consultant to help our member libraries undertake new and creative programs as ideas and needs arise. In the past, this account has funded everything from literacy programs in languages other than English for new immigrant parents and children to TTY machines so that libraries can communicate with their deaf customers. The 2011 proposal is the same as the 2010 amount.

XI.E. (7475) This account is new for 2011, moved from account 5620. SCLS will sometimes fund a small project for one member library that could help other libraries learn about a product or a process. This account funds such projects, along with upgrades and maintenance of the gadget and gaming packages used by member libraries. The 2011 proposed amount is reduced as a cost savings measure.

XII.A. (7610) This account funds 80% of the positions of System Director, Associate Director (the remaining 20% being entered under consulting), the Finance and Human Resources Manager, and the Administrative Assistant. The 2010 amount includes a 1% increase for these positions.

XII.B. (7650) This account pays for 10,374 square feet of leased space at 4610 S. Biltmore Lane, which houses the SCLS technology staff, the ILS staff, consulting/coordinative staff, public relations staff, administrative staff, computer server room, meeting rooms, computer lab, and the Wisconsin Library Association. The sum for 2011 includes the lease amount for our space, our share of central costs, and funds for utilities, janitorial services, and any required tenant alterations. The Wisconsin Library Association offsets a proportionate share of our cost

in this account. In 2010, the amount paid in rent was less due to rent-free months negotiated as part of the lease agreement. In 2011, the amount budgeted has increased because there are no free months of rent, and a percentage increase for utilities and cleaning services is expected.

XII.C. (7655) This account pays for all the general office supplies used by SCLS staff. This account has been decreased as a cost saving measure.

XII.D. (7670) This account pays for the telephones used by SCLS staff, as well as the fax and secondary internet connection used by staff. In 2010, telephone service for SCLS staff was separated into two accounts, 7670 and 5450. In 2011, all telephone costs have been combined into this account, and the \$6,552 increase reflects the anticipated amount spent for the additional staff.

XII.E. (7680) This account pays the postage for all the documents, newsletters, etc. sent out to board members and member libraries. This account is not increased for 2011.

XII.F. (7690) This category pays for the travel of board and committee members to and from SCLS board and committee meetings, and funds two representatives at the annual American Library Association Washington Legislative Day. At one time, we automatically enrolled all SCLS and member library trustees in WLA for advocacy purposes. We now limit this enrollment only to board members who specifically desire this service. This account is increased for 2011 to reflect actual 2010 expenditures.

XII.G. (7700) This account funds continually increasing health, life, dental, and income continuation insurance. Member library funds are used to pay a portion of these expenses for technology and ILS personnel.

XII.H. (7710) Through 1981, SCLS paid only the employer's share to the Wisconsin Retirement Fund, and each employee paid the employee's share. In 1982, SCLS took over paying both halves of the retirement benefit, but each employee's salary was reduced by the employee share. The advantage of this to the employee is that the system pays in before tax dollars, whereas the employee previously paid after the dollars withheld had already been taxed by the state and federal governments. For 2011, there is an increase in this account reflecting a rate increase to 12.6%. Member library funds are used to pay a portion of these expenses for technology and ILS personnel.

XII.I. (7720) SCLS pays the employer's portion of social security, which is anticipated to be at the same percentage this next year. For 2011, this account has been increased to cover salary increases. Member library funds are used to pay a portion of these expenses for technology and ILS personnel.

XII.J. (7730) This category insures all SCLS office property, bonds key employees and board members, and pays for worker's compensation for non-delivery employees. The 2011 amount has been held steady based on actual costs projected for 2010.

XII.K. (7740) This account pays for the independent audit of SCLS finances, as required by state law. An increase in cost is not anticipated for this service, so this account is held at the same level as 2010.

XII.L. (7750) This account pays for a monthly independent review of our bookkeeping and consulting on Quickbooks, along with charges paid to Quickbooks for some payroll services. In 2011, this account has been increased to reflect an expected increase in consulting and review charges as a new finance manager is trained.

XII.M. (7752) This account is used for expenses related to purchase of new personal computers, software and peripheral devices. Some of the money proposed for this account will also be used to purchase new software, web-based software and upgrades for other programs. In 2010, expenses for computer hardware and supplies were separated into two accounts, 7752 and 5477. In 2011, all computer hardware and supplies costs have been combined into this account, and the 2011 amount is equal to the expected 2010 expenditures.

XII.N. (7754) This account pays costs for maintenance for the photocopier in Delivery. The 2010 amount should suffice for 2011.

XII.O. (7760) This account is used to pay for purchase and repair of all non-PC office equipment such as projectors, screens, and office furniture as required. The 2011 decrease reflects actual 2010 expenses and cost savings.

XIII.A (8010) The sum budgeted here (as SCLS has no parent body to turn to in times of emergency need) must cover all unexpected costs, including legal fees and any unemployment claims. The amount recommended is an estimate and represents 3.9% of our budget. This sum will be revised (and hopefully increased) based on the findings of the annual audit.

XIV.A-J (9103, 9106, 9114, 9151, 9201, 9831, 9841, NEW) These accounts represent the expenses for the LSTA grants described in the revenue section of the budget. Mid-year revisions will reflect any additional grant receipts, which were not known at the time this initial budget was created.

PROJECTED EXPENDITURE TOTAL: \$8,494,311