

ANNUAL REPORT

VANCOUVER LIBRARY CAPITAL FACILITY AREA

Submitted pursuant to RCW 43.09.230

To The

State Auditor's Office

For the Fiscal Year Ended December 31, 2008

Certified this 5th day of May, 2009

to the best of my knowledge and belief

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Vancouver Library Capital Facility Area
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS
For the Year Ended December 31, 2008

BARS CODE	General Fund	Debt Service Fund
	Actual	Actual
BEGINNING CASH AND INVESTMENTS	\$ 9,559,149	\$ 0
REVENUES AND OTHER SOURCES		
310 Taxes	0	788,610
330 Intergovernmental	0	0
360 Miscellaneous	433,068	0
390 Other Financing Sources	0	0
TOTAL REVENUES AND OTHER SOURCES	433,068	788,610
TOTAL RESOURCES	9,992,217	788,610
OPERATING EXPENDITURES		
572 Library Services	0	0
TOTAL OPERATING EXPENDITURES	0	0
591-93 Debt Service	0	769,873
594-96 Capital Outlay	2,489,746	
TOTAL EXPENDITURES	2,489,746	769,873
Excess (Deficit) of Resources Over Uses	7,502,471	18,737
380 Non-Revenues	0	0
580 Non-Expenditures	0	0
ENDING NET CASH AND INVESTMENTS	\$ 7,502,471	\$ 18,737

The accompanying notes are an integral part of this statement.

Vancouver Library Capital Facility Area

DETAIL OF REVENUES AND OTHER SOURCES

For the Year Ended December 31, 2008

General Fund

BARS Account Number	Description	Actual Amount
308	Beginning Net Cash and Investments	\$ 9,559,149
361.11	Investment Interest	433,068
360	Total Miscellaneous Revenues	433,068
310-370	Total Revenues	433,068
	TOTAL RESOURCES	\$ 9,992,217

Debt Service Fund

BARS Account Number	Description	Actual Amount
308	Beginning Net Cash and Investments	\$ -
311.11	Other General Tax	788,610
310	Total Taxes	788,610
310-370	Total Revenues	788,610
	TOTAL RESOURCES	\$ 788,610

Vancouver Library Capital Facility Area

NOTES TO FINANCIAL STATEMENTS

December 31, 2008

NOTE 1 – SUMMARY OF ACCOUNTING POLICIES

The Vancouver Library Capital Facility Area (VLCFA) uses the revenue and expenditure classifications contained in the *Budgeting, Accounting, and Reporting System* (BARS) manual for Library Districts. The manual is prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW.

The VLCFA was established with a special election of the voters in November 2005. The VLCFA operates under the laws of the state of Washington applicable to Chapter 27.15 of the RCW. The governing body of the VLCFA as designated by RCW 27.15.030 is comprised of three members of the county legislative authority. The VLCFA is a special-purpose government, which was established to finance, acquire, construct and equip a replacement main library, further equip the Vancouver Mall Library and finance, acquire, construct and equip a replacement library for the Cascade Park Library.

A. Fund Accounting

The accounts of the VLCFA are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund is accounted for with a separate set of single-entry accounts that comprise cash, investments, revenues and expenditures, as appropriate. The government's resources are allocated to and accounted for in individual funds depending on their intended purpose. The following are the fund types used by the VLCFA:

GOVERNMENTAL FUND TYPES:

General Fund

This fund is the primary operating fund of the government. It accounts for all financial resources except those required or elected to be accounted for in another fund.

Debt Service

The VLCFA uses a debt service fund for the accumulation of resources to pay principal, interest and related costs on general long-term debt.

B. Basis of Accounting

The VLCFA reports financial activity using the revenue and expenditure classifications, statements and schedule contained in the Cash Basis Budgeting, Accounting and Reporting System (BARS) manual. This basis of accounting and reporting is an other comprehensive basis of accounting (OCBOA) that is prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW.

Vancouver Library Capital Facility Area

NOTES TO FINANCIAL STATEMENTS

December 31, 2008

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Revenues are recognized only when cash is received and expenditures are recognized when paid.

Purchases of capital assets are expensed during the year of acquisition. There is no capitalization of capital assets, nor allocation of depreciation expense. Inventory, including collection materials, is expensed when purchased.

C. Cash

It is the VLCFA's policy to invest all temporary cash surpluses. The amount is included on the statement of fund resources and uses as net cash and investments. Investments are not recorded at fair market value.

D. Deposits

The VLCFA's deposits are covered by the Federal Deposit Insurance Corporation and/or the Washington Public Deposit Protection Commission with the Clark County Treasurer's Office.

E. Collection Materials

Collection materials such as books, magazines, videos, audiocassettes, and so forth are recorded as operating expenditures when purchased.

F. Capital Assets

Capital assets are long-lived assets of the District and are recorded as capital expenditures when purchased.

NOTE 2 – INVESTMENTS

The VLCFA investments are held by the Clark County as its agent in the VLCFA's name. Investments by type at December 31, 2008 are as follow:

Type of Investment	Balance
Clark County Investment Pool	\$ 215,476
Money Market Account	7,305,732
Total Investments	<u>7,521,208</u>

Vancouver Library Capital Facility Area
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2008

NOTE 3 – LONG TERM DEBT

The accompanying Schedule of Long-Term Debt (09) provides a listing of the outstanding debt of the VLCFA and summarizes the VLCFA's debt transactions for the year 2008. The debt service requirement including interest for the general obligation bond is as follows:

Year	Principal	Interest	Total
2009	370,000	396,300	766,300
2010	385,000	381,500	766,500
2011	400,000	366,101	766,101
2012	420,000	350,100	770,100
2013	435,000	333,300	768,300
2014-2018	2,470,000	1,368,875	3,838,875
2019-2023	3,045,000	790,440	3,835,440
2024-2026	2,130,000	172,800	2,302,800
	\$ 9,655,000	\$ 4,159,416	\$ 13,814,416

NOTE 4 – PROPERTY TAXES

The County Treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. Collections are distributed at the end of each month.

Property tax revenues are recognized when cash is received by the District. Delinquent taxes are considered fully collectible because a lien affixes to the property after taxes are levied.

The VLCFA's regular levy for the year 2008 was \$.05000 per \$1,000 on an assessed valuation of \$16,328,960,209 for a total regular levy of \$816,448.

NOTE 5 – OTHER DISCLOSURES

Interlocal Agreements

The Fort Vancouver Regional Library District, in collaboration with the VLCFA, has entered into an Interlocal Agreement to finance, acquire, construct and equip a replacement main library, near downtown Vancouver, further equip the Vancouver Mall Library and finance, acquire, construct and equip a replacement library for the Cascade Park Library. The VLCFA has the responsibility to oversee the construction of the building in conjunction with the Fort Vancouver Regional Library District. The Library District will maintain the daily operations and staffing of the New Libraries. Based on this agreement, the VLCFA has directed the Fort Vancouver Regional Library District to manage and administer the finances of the VLCFA with the participation of the Clark County Treasurer's Office as the ex-officio treasurer for the VLCFA. The VLCFA will reimburse the Fort Vancouver Regional Library District for project management and administrative costs related to the development of the projects.

Vancouver Library Capital Facility Area
NOTES TO FINANCIAL STATEMENTS
December 31, 2008

As designated in the interlocal agreement with the Fort Vancouver Regional Library District, any books, materials, periodicals, and electronic databases become the property of the Fort Vancouver Regional Library District upon full payment of the debt by the VLCFA.

Vancouver Library Capital Facility Area

DETAIL OF EXPENDITURES AND OTHER USES

For the Year Ended December 31, 2008

General Fund

BARS Account Number	Description	Object Code	Object Description	Actual Amount
594.10	Capital Outlay	30	Capital Supplies	\$ 143,040
594.10	Capital Outlay	40	Capital Prof Svcs	\$ 2,304,835
594.10	Capital Outlay	60	Capital Outlay	41,871
594	Total Capital Outlay			2,489,746
508	Ending Net Cash & Investments			7,502,471
	TOTAL			\$ 9,992,217

Debt Service Fund

BARS Account Number	Description	Object Code	Object Description	Actual Amount
592.10	Debt Service Principal	70	Debt Service	\$ 170,000
	Debt Issuance Admin	10	Debt Service	\$ (298)
	Debt Service Interest	80	Debt Service	600,171
591	Total Debt Service			769,873
508	Ending Net Cash & Investments			18,737
	TOTAL			\$ 788,610

Vancouver Library Capital Facility Area

SCHEDULE OF LONG-TERM DEBT
For the Year Ended December 31, 2008

ID Number	Date of Original Issue	Date of Maturity	Beginning Outstanding Debt	Amount Issued in Current Year	Amount Redeemed This Year	BARS code for Redemption	Ending Outstanding Debt 12/31/2008
251.12	Jun-07	Dec-26	\$ 9,825,000	-	\$ 170,000	591.22	\$ 9,655,000
Total GO Debt			\$ 9,825,000	-	\$ 170,000		\$ 9,655,000

Vancouver Library Capital Facility Area
SCHEDULE OF LIMITATION OF INDEBTEDNESS
 As Of December 31, 2008

Total Taxable Property Value (2008 Assessment for 2009 Revenue)		\$ <u>16,576,315,982</u>
		Remaining Debt Capacity
(1.) .5% general purposes limit is allocated between:	\$ 82,881,580	
(2.) <i>Up to 0.1% debt with and/or without a vote for general purposes</i>	\$ 16,576,316	
(3.) Less: outstanding debt		0
(4.) Less: debt for capital purposes over 0.4%		0
(5.) Add: available assets		-
(6.) Equals: remaining debt capacity with and/or without a vote for general purposes		\$ 16,576,316
(7.) Up to 0.5% debt with a vote for capital purposes	\$ 82,881,580	
(8.) Less: outstanding debt		9,655,000
(9.) Add: assets available		18,737
(10.) Equals: remaining debt capacity with a vote for capital purposes		\$ 73,245,317

