

## Poudre River Public Library District Presentation of Proposed 2012 Budget

The operating budget of the Poudre River Public Library District was drafted using the following requirements and assumptions –

- ✓ State required emergencies reserves would be maintained
- ✓ Board approved operating reserves would be maintained
- ✓ Board approved capital reserves would continue to be funded
- ✓ An answer center is being established to centralize patron calls
- ✓ An increased emphasis on serving patron needs outside of the actual libraries is addressed by establishing Outreach Services as a separate department in the staff organization structure.

Revenue is anticipated to be substantially the same as that of 2011 with the reduction of budgeted Specific Ownership (SO) Taxes and interest income based on current economic circumstances. SO taxes are included in licensing fees for vehicles and have been decreasing the last couple of years. Based on historically low interest rates and constraints on the types of investments available based on state statutes which govern the investment of public funds, earnings on investments have been declining and, therefore, a decrease in the budget for the revenue source is being decreased.

Expenditures in most areas are being held at their current levels. However, management is recommending a 2% increase in staff wages and salaries for 2012. Classified staff received a 1% increase in 2010 and no increase in 2011. Hourly wages were increased \$0.25/hour in 2011 after receiving no increase in 2010. There is no change in the premiums being charged to the employees for health and dental coverage for 2012. Employer contributions for these benefits are decreasing 8% compared to 2011.

Where appropriate, other operating expenses are being reduced based on the current budget and the actual costs incurred. This includes utilities, supplies, and Council Tree Library facility/condo costs. Amounts budgeted for capital outlay and contingencies are being reduced based on the historical need for those items.

**Poudre River Public Library District**  
**General Fund**  
**Budget Draft Year Ending December 31, 2012**

<u>Revenue</u>	<u>2011 Budget</u>	<u>Net change</u>	<u>2012 Budget</u>	<u>2013 Estimate</u>
1 Property taxes	\$ 6,832,500	-	6,832,500	6,832,500
2 Specific ownership taxes	475,000	(25,000)	450,000	450,000
3 Investment earnings	75,000	(25,000)	50,000	50,000
4 Copier charges	25,000	-	25,000	25,000
5 Fines	175,000	-	175,000	175,000
6 Donations/Grants	94,800	9,800	104,600	96,600
<b>7 Total Operating Revenue</b>	<b>7,677,300</b>	<b>(40,200)</b>	<b>7,637,100</b>	<b>7,629,100</b>
8 Intergovernmental	744,000	-	744,000	744,000
<b>9 Total Revenue</b>	<b>8,421,300</b>	<b>(40,200)</b>	<b>8,381,100</b>	<b>8,373,100</b>
 <b>Expenditures</b>				
10 Library Administration	1,294,950	30,670	1,325,620	1,335,620
11 Collection Services	605,650	26,620	632,270	641,270
12 Systems Administration	560,000	67,080	627,080	634,080
13 Facilities	376,700	(9,710)	366,990	368,490
14 Combined Expenses	84,100	(5,000)	79,100	80,000
15 Answer Center	-	141,670	141,670	144,670
16 Outreach Services	-	172,440	172,440	174,940
17 Main Operations	191,950	(7,250)	184,700	186,700
18 Main Public Services	1,045,470	(231,910)	813,560	833,560
19 Main Circulation	738,900	(128,720)	610,180	622,680
20 Collection Development	935,000	-	935,000	935,000
21 Programming	134,900	(15,000)	119,900	119,900
22 Harmony Operations	115,100	230	115,330	116,830
23 Harmony Public Services	484,080	42,180	526,260	535,260
24 Harmony Circulation	375,600	73,320	448,920	455,920
25 Council Tree Operations	253,740	(16,250)	237,490	238,990
26 Council Tree Public Services	413,420	(94,630)	318,790	326,290
27 Council Tree Circulation	210,990	98,700	309,690	314,190
<b>28 Total operating costs</b>	<b>7,820,550</b>	<b>144,440</b>	<b>7,964,990</b>	<b>8,064,390</b>
29 Capital Outlay	75,000	(25,000)	50,000	50,000
30 Transfer to Capital Project Fund	252,800	(750)	252,050	251,700
31 Contingency	100,000	(25,000)	75,000	75,000
<b>32 Total Expenditures</b>	<b>8,248,350</b>	<b>93,690</b>	<b>8,342,040</b>	<b>8,441,090</b>
 <b>33 Net Revenue over Expenditures</b>	 <b>172,950</b>		 <b>39,060</b>	 <b>(67,990)</b>
 <b>34 Beginning Fund Balance</b>	 <b>4,018,000</b>		 <b>3,800,000</b>	 <b>3,839,060</b>
35 Transfer for Olive Purchase	(400,000)		-	-
<b>36 Adjusted Beginning Fund Balance</b>	<b>3,618,000</b>		<b>3,800,000</b>	<b>3,839,060</b>
 <b>37 Ending Fund Balance</b>	 <b>\$ 3,790,950</b>		 <b>\$ 3,839,060</b>	 <b>\$ 3,771,070</b>
 <b>Breakdown of ending fund balance</b>				
38 TABOR Emergency Reserve 3%	239,870		240,464	251,700
39 Reserved for Funding Restrictions - BOB \$	675,200		709,500	809,500
40 Reserved for Donations	100,000		100,000	100,000
41 Boared designated for working capital/operations (20%)	1,684,300		1,676,260	1,674,660
42 Unreserved	1,091,580		1,112,836	935,210
	<b>\$ 3,790,950</b>		<b>\$ 3,839,060</b>	<b>\$ 3,771,070</b>

**Poudre River Public Library District  
Summary of Draft Budget Changes for 2012**

<b>Revenue change</b>				
1	Donations/grants	\$ 9,800	Revenue budget	
2	Specific Ownership tax	(25,000)	2011	8,421,300
3	Interest income	<u>(25,000)</u>	Change	<u>(40,200)</u>
4	<b>Net revenue decrease</b>	<u>(40,200)</u>	2012	<u>8,381,100</u>
5				
6	<b>Cost changes</b>		<b>Expenditure Budget</b>	
7	<b>Increases</b>		2011	8,248,350
8	Classified staff salary increase	71,000	Change	<u>93,690</u>
9	Hourly staff increase	17,260		
10	Program marketing	5,000	2012	<u>8,342,040</u>
11	Outreach services	17,300		
12	Reorganization/staff changes	26,630	Net	39,060
13	Technology upgrades	70,000		
14	City Services	41,250		
15	Prospector increase	<u>6,000</u>		
16		<u>254,440</u>		
17	<b>Decreases</b>			
18	Liability/property insurance	(15,500)		
19	Health/dental insurance	(57,000)		
20	Other operating expenses	(37,500)		
21	Capital outlay	(25,000)		
22	Contingency	(25,000)		
23	Capital reserve decrease	<u>(750)</u>		
24		<u>(160,750)</u>		
25				
26	Net cost increase	<u>93,690</u>		

**Poudre River Public Library District**  
**Summary of Budget Changes by Object**  
Year ending 12-31-12

	<u>Personnel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Capital Reserve</u>	<u>Total</u>
<b>2011 budget</b>	4,975,800	1,658,450	1,361,300	252,800	8,248,350
<b>Increases</b>					-
1 Salary/wage increases	71,000		-	-	71,000
2 Program marketing	-	5,000	-	-	5,000
3 Outreach services	-	3,300	14,000	-	17,300
4 Technology upgrades	-	55,000	15,000	-	70,000
5 City Services	-	41,250	-	-	41,250
6 Prospector increase	-	6,000	-	-	6,000
7 Reorganization/staff changes	26,630	-	-	-	26,630
12					
<b>13 Decreases</b>					
14 Liability/property insurance	-	(15,500)	-	-	(15,500)
15 Health/dental insurance	(57,000)	-	-	-	(57,000)
17 Other operating expenses	-	(27,500)	(10,000)	-	(37,500)
18 Capital outlay	-	-	(25,000)	-	(25,000)
19 Contingency	-	(25,000)	-	-	(25,000)
20 Capital reserve decrease	-	-	-	(750)	(750)
<b>34 2012 Budget</b>	<u>5,016,430</u>	<u>1,701,000</u>	<u>1,355,300</u>	<u>252,050</u>	<u>8,324,780</u>

**Poudre River Public Library District  
Capital Projects Fund  
Summary of Project Activities**

<b>Revenue</b>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Total</u>
Capital Reserve Transfers	\$ 608,000	\$ 1,725,500	\$ 821,000	\$ 252,050	\$ 3,406,550
City Impact Fee Transfers	982,100	168,916	-	-	1,151,016
City Sales Tax - land/design	905,900	-	-	-	905,900
Interest income	27,936	57,100	50,000	15,000	150,036
Donations	-	1,667	-	-	1,667
<b>Total Revenue</b>	<u>2,523,936</u>	<u>1,953,183</u>	<u>871,000</u>	<u>267,050</u>	<u>5,615,169</u>
 <b>Project Expenditures</b>					
Main remodel/expansion	-	97,139	300,000	3,802,861	4,200,000
Webster House Admin. Center	-	-	800,000	-	800,000
<b>Total Expenditures</b>	<u>-</u>	<u>97,139</u>	<u>1,100,000</u>	<u>3,802,861</u>	<u>5,000,000</u>
 <b>Net - Revenue less Exp.</b>	<u>2,523,936</u>	<u>1,856,044</u>	<u>(229,000)</u>	<u>(3,535,811)</u>	<u>615,169</u>
 <b>Beginning Fund Balance</b>	<u>-</u>	<u>2,523,936</u>	<u>4,379,980</u>	<u>4,150,980</u>	<u>-</u>
<b>Ending Fund Balance</b>	<u>\$ 2,523,936</u>	<u>\$ 4,379,980</u>	<u>\$ 4,150,980</u>	<u>\$ 615,169</u>	<u>\$ 615,169</u>