

## Poudre River Public Library District Presentation of Proposed 2018 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
- ✓ Salary and wage increase 3% plus increases required due to changes in the state minimum wage

Revenue is budgeted to increase 10.5% in 2018 due to increases in property taxes from biannual reassessment determined by the County Assessor and higher levels of Specific Ownership Taxes. Revenue from these taxes is projected to increase \$935,600.

Expenditures are increasing 4.4% for 2018. Most expenditure line items have been held at their current levels. Of the items that are changing, the following are the more significant. Management is recommending a 3% increase in staff salaries and hourly positions other and circulation staff, and an increase of \$0.90/hour for circulation hourly staff due to annual increases in the state minimum wage. By 2020, the Colorado minimum wage will be \$12/hour. There are also personnel decreases built into the 2018 budget for changes in salaries due to turnover and reductions in circulation hourly activity based on reduced circulation activity and efficiencies from the automated material handlers at Old Town Library and Council Tree. The cost of health and dental premiums is increasing 5%. Overall, personnel costs are increasing 2.5% in 2018.

The Collection Development budget is being increased to maintain the 12% of revenue budgeted for this activity. This budget has also been increased for moneys anticipated to be provided to the Library District from sources such as Front Range Community College and CSU specifically for enhancements to the collection.

Other changes to the expenditures budget includes an increase in the portion of programming funded by the Library District so that a smaller portion of the programming cost is funded by the Friends of the Library, maintenance on the automated materials handler at Council Tree Library now that this device is out of warranty, an increase in County Treasurer fees due to the increase in property taxes, inclusion of the activity of the annual FOCO Book Fest and use of Comic Con Proceeds, and a one-time addition to the Systems Administration budget for additional laptop computers and iPads for patron usage. Amount budgeted for capital outlay is being budgeted at the same level as the 2017 budget.

The Capital Projects Fund will fund the needs of the Capital Replacement Plan in 2018. This includes normal computer replacements and replacement of the cooling equipment at Old Town Library.

**Poudre River Public Library District  
Proposed General Fund Budget  
For the year ending December 31, 2018**

	<u>2017 Budget</u>	<u>2017 Forecast</u>	<u>2018 Budget</u>	<u>2019 Estimate</u>
<b>Revenue:</b>				
1 Property Tax	\$ 8,619,700	\$ 8,653,100	\$ 9,480,300	\$ 9,669,900
2 Specific Ownership Tax	600,000	720,000	675,000	675,000
3 Copier Charges & Other	20,000	23,300	20,000	20,000
4 Extended Use Fees	180,000	151,000	150,000	150,000
5 Donations - Grants	80,000	101,800	140,000	140,000
6 Investment earnings	50,000	106,200	50,000	50,000
7 Intergovernmental	32,000	64,900	73,000	73,000
8 <b>Total revenue</b>	<u>9,581,700</u>	<u>9,820,300</u>	<u>10,588,300</u>	<u>10,777,900</u>
<b>Expenditures:</b>				
9 Administration	1,779,730	1,685,940	1,779,275	1,798,200
10 Systems Administration	657,425	655,969	707,740	735,100
11 Collection Services	784,135	751,837	799,695	830,600
12 Combined Operating Expenses	256,395	219,773	269,320	279,800
13 Answer Center	179,210	174,730	181,065	188,100
14 Outreach Services	344,220	343,825	375,520	390,100
15 Interlibrary Loan	178,950	171,752	185,280	192,500
16 Collection Development	1,276,070	1,351,070	1,338,050	1,389,800
17 Programming	102,200	137,200	152,700	158,600
18 Facilities	407,895	411,243	419,820	436,100
19 Old Town Operations	255,495	230,977	258,785	268,800
20 Old Town Public Service	822,955	819,375	801,295	832,300
21 Old Town Circulation	509,880	466,529	552,105	588,000
22 Harmony Operations	126,275	116,784	129,445	134,400
23 Harmony Public Service	614,570	570,132	687,030	713,600
24 Harmony Circulation	419,525	407,300	450,365	479,700
25 Council Tree Operations	267,375	246,617	269,875	280,300
26 Council Tree Public Service	339,985	339,379	357,500	371,300
27 Council Tree Circulation	434,010	407,092	476,780	507,200
28 Capital Outlay	50,000	39,976	50,000	50,000
29 <b>Total expenditures</b>	<u>9,806,300</u>	<u>9,547,500</u>	<u>10,241,645</u>	<u>10,624,500</u>
30 Excess of revenue over				
31 Expenditures	(224,600)	272,800	346,655	153,400
32 Transfer to Capital Projects Fund	(250,000)	(250,000)	(250,000)	(250,000)
33 Excess of revenue over				
34 Expenditures and Transfers	(474,600)	22,800	96,655	(96,600)
35 Beginning Fund Balance	<u>5,880,035</u>	<u>5,946,555</u>	<u>5,969,355</u>	<u>6,066,010</u>
36 Ending Fund Balance	<u>\$ 5,405,435</u>	<u>\$ 5,969,355</u>	<u>\$ 6,066,010</u>	<u>\$ 5,969,410</u>
<b>Allocation of Ending Fund Balance</b>				
37 Emergency Reserve	\$ 316,000	\$ 316,000	\$ 322,300	\$ 304,700
38 Designated for working capital/operations	2,110,600	2,110,600	2,148,600	2,155,600
39 Unreserved	2,978,835	3,542,755	3,595,110	3,509,110
40 Total	<u>\$ 5,405,435</u>	<u>\$ 5,969,355</u>	<u>\$ 6,066,010</u>	<u>\$ 5,969,410</u>

**Poudre River Public Library District  
Proposed General Fund Budget  
Expenditures by Object  
For the year ending December 31, 2018**

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**Revenue:**

1	Property Tax	\$	9,480,300
2	Specific Ownership Tax		675,000
3	Copier Charges		20,000
4	Fines		150,000
5	Donations		140,000
6	Interest earnings		50,000
7	Intergovernmental		73,000
8	<b>Total Revenue</b>		<u>10,588,300</u>

**Expenditures:**

		<u>Personnel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Total</u>
9	Administration	\$ 868,825	\$ 901,550	\$ 8,900	1,779,275
10	Systems Administration	482,540	176,200	49,000	707,740
11	Collection Services	658,695	69,000	72,000	799,695
12	Combined Operating Expenses	59,770	176,350	33,200	269,320
13	Answer Center	178,565	-	2,500	181,065
14	Outreach Services	354,820	9,750	10,950	375,520
15	Interlibrary Loan	132,630	52,150	500	185,280
16	Collection Development	-	185,000	1,153,050	1,338,050
17	Programming	3,500	73,400	75,800	152,700
18	Facilities	140,270	269,550	10,000	419,820
19	Old Town Operations	104,285	142,000	12,500	258,785
20	Old Town Public Service	793,145	5,150	3,000	801,295
21	Old Town Circulation	518,605	25,000	8,500	552,105
22	Harmony Operations	101,595	15,750	12,100	129,445
23	Harmony Public Service	685,280	1,250	500	687,030
24	Harmony Circulation	450,115	-	250	450,365
25	Council Tree Operations	107,075	154,700	8,100	269,875
26	Council Tree Public Service	356,750	250	500	357,500
27	Council Tree Circulation	456,530	20,000	250	476,780
28	Capital Outlay	-	-	50,000	50,000
29	<b>Total Expenditures</b>	<u>\$ 6,452,995</u>	<u>\$ 2,277,050</u>	<u>\$ 1,511,600</u>	<u>10,241,645</u>
30	Percent of total operating expenditures	63%	22%	15%	100%
	Excess of revenue over				
31	Expenditures				346,655
32	Transfer to Capital Projects Fund				<u>(250,000)</u>
33	Change in Fund Balance				96,655
34	Beginning Fund Balance				<u>5,969,355</u>
35	Ending Fund Balance				<u>\$ 6,066,010</u>

**Poudre River Public Library District**  
**Summary of Proposed Budget Changes for 2018**

**Revenue Changes**

1	Increase in property taxes	\$	860,600
2	Increase in Specific Ownership taxes		75,000
3	Decrease in extended use fees		(30,000)
4	Increase in governmental revenue		41,000
5	Funding from Comic Con proceeds		25,000
6	Increase in programming for Book Fest		<u>35,000</u>
7	<b>Change in revenue</b>	<b>\$</b>	<b><u>1,006,600</u></b>

**Expenditure Changes**

8	Classified staff salaries (3%)	\$	128,290
9	Hourly staff wages (3%)		24,350
10	Additional increase for minimum wage change		49,020
11	Health-Dental premium increase (5%)		41,010
12	Classified staff turnover impact		(42,555)
13	Circulation schedules impacts		(40,100)
14	Collection Development to 12% of revenue		67,580
15	Collection Development external funding		73,000
16	Collection Development and Programming Comic Con Funded		25,000
17	Decrease in copier lease agreements		(8,250)
18	Increase in Library funded program activity		10,500
19	Automatic Material Handlers maintenance		22,500
20	Increase in County Treasurer fees		20,000
21	Increase in supply of iPads and laptop computers		30,000
22	Book Fest event cost		<u>35,000</u>
23	<b>Change in expenditures</b>	<b>\$</b>	<b><u>435,345</u></b>

**Poudre River Public Library District**  
**Summary of Capital Projects Fund Activity**  
**Through December 31, 2018**

	Paul Gwyn Bequest	Restricted for Design/Land	Capital Replacement		Total
			Plan	Unrestricted	
<b>Balance December 31, 2016</b>	\$ 182,203	\$ 40,377	\$ 395,433	\$ 51,269	\$ 669,282
Estimated 2017 Revenue - Expenditures					
2017 General Fund Transfer	-	-	250,000	-	250,000
Investment Earnings	-	-	-	12,000	12,000
Intergovernmental revenue	-	-	13,181	-	13,181
Replacement of computer equipment	-	-	(34,900)	-	(34,900)
Old Town Library Elevator refurbishment	-	-	(75,000)	-	(75,000)
Old Town Library Security Cameras	(29,481)	-	-	-	(29,481)
Council Tree window blinds	(17,500)	-	-	-	(17,500)
<b>Balance December 31, 2017</b>	135,222	40,377	548,714	63,269	787,582
2018 General Fund Transfer	-	-	250,000	-	250,000
2018 Capital Replacement Plan	-	-	(275,000)	-	(275,000)
<b>Balance December 31, 2018</b>	\$ 135,222	\$ 40,377	\$ 523,714	\$ 63,269	\$ 762,582

Note - 2018 Capital Replacement Budget includes \$150,000 for Old Town Library cooling equipment.