

Poudre River Public Library District Presentation of Proposed 2014 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
- ✓ Loss of Building on Basics (BOB) sales tax revenue from the city of Fort Collins after 2015

Revenue is budgeted to increase 3.75% in 2014 due primarily to the change in property values due to the bi-annual reassessment done by the County Assessor. Revenue from property taxes is projected to increase \$290,000.

In anticipation of the loss of BOB funds after 2015, half of any additional revenue from other sources is not being committed to ongoing activities. This will enable the Library District to absorb this \$744,000 loss of revenue without major disruption of Library services.

New staff positions include the addition of a second classified position for facility maintenance and building operations, and an upgrade in a half-time position in Interlibrary Loan from an hourly position to a classified one. The Facility position is based on increasing workload and to better match the seven days a week operation of the libraries. The Interlibrary Loan position is to provide better backup for the ILL manager and implement some succession planning.

The budget for hourly Outreach personnel is being added into the general budget of the Library District and removed from the list of items being asked of the Friends of the Library to fund. This change will bring the budget for this staff into the General Fund budget which is consistent with all other ongoing District staffing positions.

Budgeted hours for the computer lab monitors are being reduced. This is to provide specific, dedicated lab monitors only during the most used hours of the lab. Also, based on workload, a vacant half-time Library Assistant position at the Harmony Library will not be filled. Hours are being added for extra time incurred by part-time classified and hourly staff when attending training sessions and conferences, and team involvement. Also, the budget for the Answer Center and Council Tree Circulation is being increased due to the need to provide replacement staff when the regular staff is unavailable.

Expenditures in most areas are being held at their current levels. However, management is recommending a 2% increase in staff wages and salaries for 2014. Most expenditure line items have been held at their current levels. A few items (janitorial, banking fees and insurance) are increasing due to the level of current activity and insurance needs. Enhancements made to our integrated library system have increased the costs of ongoing

maintenance and subscription costs for that system. Based on a reduction in need, the budget for work-study students is being eliminated and the budget for legal services is being reduced.

Amounts budgeted for capital outlay and contingencies are being budgeted at the same level as the 2013 budget.

In 2014, the lease agreement for the Webster House Administration Center will expire. The option to purchase the remaining one-third interest in this property is being budgeted in the Capital Projects Fund. This purchase will be funded using carryover funds within that fund and the annual transfer from the General Fund.

Also, using funds available from the Community Foundation of Northern Colorado, some minor remodeling of the Council Tree library is being budgeted in the Capital Projects Fund. These improvements are based on circulation and staff needs identified by the library manager.

**Poudre River Public Library District
Proposed General Fund Budget
For the year ending December 31, 2014**

	<u>2013</u> <u>Budget</u>	<u>2013</u> <u>Forecast</u>	<u>2014</u> <u>Budget</u>	<u>2015</u> <u>Estimate</u>
Revenue:				
Property Tax	\$ 6,832,500	\$ 6,857,500	\$ 7,122,500	\$ 7,172,500
Specific Ownership Tax	450,000	475,000	475,000	475,000
Copier Charges & Other	25,000	15,000	25,000	25,000
Fines	175,000	185,000	175,000	175,000
Donations - Grants	120,800	80,800	120,800	120,800
Interest earnings	50,000	20,000	50,000	50,000
Intergovernmental	744,000	744,000	744,000	744,000
	<u>8,397,300</u>	<u>8,377,300</u>	<u>8,712,300</u>	<u>8,762,300</u>
Expenditures:				
Administration	1,283,770	1,268,770	1,288,845	1,293,545
Systems Administration	611,805	611,805	635,510	639,010
Collection Services	682,855	677,855	695,100	699,800
Combined Operating Expenses	162,550	157,550	182,050	198,850
Answer Center	146,780	158,780	155,330	156,630
Outreach Services	209,860	197,360	232,150	233,850
Interlibrary Loan (1)	-	-	127,440	128,040
Collection Development	935,000	955,000	955,000	955,000
Programming	143,200	123,200	143,200	143,200
Facilities	332,210	332,210	376,940	377,540
Old Town Operations	193,955	193,955	195,575	196,375
Old Town Public Service	774,045	809,045	774,020	780,620
Old Town Circulation	427,775	412,775	424,665	428,065
Harmony Operations	114,790	114,790	116,220	116,920
Harmony Public Service	527,600	527,600	504,090	508,390
Harmony Circulation (1)	500,545	495,545	390,555	394,155
Council Tree Operations	252,540	252,540	256,090	256,890
Council Tree Public Service	296,960	296,960	301,655	303,955
Council Tree Circulation	402,740	422,740	419,595	423,195
Capital Outlay	50,000	37,500	50,000	50,000
Contingency	75,000	-	75,000	75,000
	<u>8,123,980</u>	<u>8,045,980</u>	<u>8,299,030</u>	<u>8,359,030</u>
Excess of revenue over				
Expenditures	273,320	331,320	413,270	403,270
Transfer to Capital Projects Fund	<u>(377,050)</u>	<u>(302,050)</u>	<u>(252,050)</u>	<u>(252,050)</u>
Excess of revenue over				
Expenditures and Transfers	(103,730)	29,270	161,220	151,220
Beginning Fund Balance	<u>4,450,000</u>	<u>4,602,980</u>	<u>4,632,250</u>	<u>4,793,470</u>
Ending Fund Balance	<u>\$ 4,346,270</u>	<u>\$ 4,632,250</u>	<u>\$ 4,793,470</u>	<u>\$ 4,944,690</u>
Allocation of Ending Fund Balance				
Emergency Reserve	242,200	242,200	261,400	261,400
Reserved for Funding Restrictions	847,050	847,050	917,550	960,750
Reserved for Donations	65,900	65,900	45,900	25,900
Designated for working capital/operations	1,679,500	1,679,500	1,742,500	1,742,500
Unreserved	<u>1,588,120</u>	<u>1,797,600</u>	<u>1,826,120</u>	<u>1,954,140</u>
Total	<u>\$ 4,422,770</u>	<u>\$ 4,632,250</u>	<u>\$ 4,793,470</u>	<u>\$ 4,944,690</u>

**Poudre River Public Library District
Proposed General Fund Budget
Expenditures by Object
For the year ending December 31, 2014**

Revenue:

Property Tax	\$ 7,122,500
Specific Ownership Tax	475,000
Copier Charges	25,000
Fines	175,000
Donations - Grants	120,800
Interest earnings	50,000
Intergovernmental	744,000
	8,712,300

Expenditures:

	<u>Personnel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Total</u>
Administration	\$ 545,445	\$ 734,900	\$ 8,500	1,288,845
Systems Administration	403,710	165,200	66,600	635,510
Collection Services	554,100	69,000	72,000	695,100
Combined Operating Expenses	27,500	141,350	13,200	182,050
Answer Center	152,830	-	2,500	155,330
Outreach Services	223,850	6,000	2,300	232,150
Interlibrary Loan	89,790	37,650	-	127,440
Collection Development	-	165,000	790,000	955,000
Programming	3,500	65,400	74,300	143,200
Facilities	117,390	252,050	7,500	376,940
Old Town Operations	96,575	86,500	12,500	195,575
Old Town Public Service	764,620	6,400	3,000	774,020
Old Town Circulation	393,665	22,500	8,500	424,665
Harmony Operations	87,370	15,750	13,100	116,220
Harmony Public Service	504,090	-	-	504,090
Harmony Circulation	390,555	-	-	390,555
Council Tree Operations	93,040	154,950	8,100	256,090
Council Tree Public Service	301,155	-	500	301,655
Council Tree Circulation	419,595	-	-	419,595
Capital Outlay	-	-	50,000	50,000
Contingency	-	-	75,000	75,000
	\$ 5,168,780	\$ 1,922,650	\$ 1,207,600	8,299,030
Percent of total operating expenditures	62%	23%	15%	100%
Excess of revenue over Expenditures				413,270
Transfer to Capital Projects Fund				(252,050)
Excess of revenue over Expenditures and Transfers				161,220
Beginning Fund Balance				4,632,250
Ending Fund Balance				\$ 4,793,470

**Poudre River Public Library District
Summary of Budget Changes from 2013**

Revenue Changes

Increase in property taxes	\$ 290,000
Increase in Specific Ownership taxes	<u>\$ 25,000</u>
Net change in revenue	<u>315,000</u>

Expenditure Increases

Classified staff salaries increase - 2%	71,950
Hourly staff wages increase - 2%	17,250
Increase in Facility staff - full time classified position	39,100
Interlibrary Loan classified 1/2 time position from hourly	10,450
Collection Development - use of donated funds	20,000
Additional staff time for coverage during employee absences	
Answer Center	6,000
Library Services Rep - Council Tree Circ	10,000
Additional staff time for Team meeting attendance and training	7,500
Staff Day - years of service awards	7,000
Systems maintenance/subscription fees	23,000
Outreach staffing currently funded by the Friends of the Library	16,800
General Consulting	10,000
Janitorial	7,500
Insurance	4,000
Banking	<u>4,500</u>
Total Increases	<u>255,050</u>

Expenditure Decreases

Reduction of Library Assistant Staff - Harmony	31,000
Reduction of Computer lab hours	15,000
Legal fees	15,000
Work-study	10,000
Finance officer	<u>9,000</u>
Total Decreases	<u>80,000</u>

Net Increase 175,050

Net Additional Revenue over Additional Expenditures \$ 139,950

Poudre River Public Library District
Summary of Budget Changes by Object
Year ending 12-31-14

	<u>Personnel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Capital Reserve</u>	<u>Total</u>
2013 budget	\$ 5,054,730	\$ 1,888,650	\$ 1,180,600	\$ 252,050	\$ 8,376,030
1 Increases					
2 Salary/wage increases	89,200	-	-	-	89,200
3 Position changes	40,550	-	-	-	40,550
Additional hours for training, teams and staff					
4 absences	23,500	-	-	-	23,500
Removal of Outreach staff from Friends					
5 funding	16,800	-	-	-	16,800
6 Increased cost of IT maintenance	-	23,000	-	-	23,000
7 Additional Consulting budget	-	10,000	-	-	10,000
8 Staff recognition, Staff Day training	-	-	7,000	-	7,000
9 Other expenses	-	16,000	-	-	16,000
Collection Development use of Donated					
10 Funds	-	-	20,000	-	20,000
11 Decreases					
12 Reduction in Harmony Library assistant staff	(31,000)	-	-	-	(31,000)
13 Reduced staffing of computer lab	(15,000)	-	-	-	(15,000)
14 Reduction in legal fee budget	-	(15,000)	-	-	(15,000)
15 Discontinuance of Workstudy staffing	(10,000)	-	-	-	(10,000)
16 2014 Budget	<u>\$ 5,168,780</u>	<u>\$ 1,922,650</u>	<u>\$ 1,207,600</u>	<u>\$ 252,050</u>	<u>\$ 8,551,080</u>

Poudre River Public Library District
Five Year Budget Projection to accommodate loss of BOB funding

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues						
1 Prior year total	\$ 8,397,300	\$ 8,712,300	\$ 8,712,300	\$ 8,762,300	\$ 8,443,300	\$ 8,493,300
Increased property taxes - 4.2% 2014, 6%- 7% other reassessment years, \$50,000		290,000	50,000	400,000	50,000	475,000
2 from growth in other years		25,000	-	25,000	-	-
3 Increased specific ownership taxes		-	-	(744,000)	-	-
4 Loss of BOB \$		-	-	-	-	-
Total Revenue	<u>8,397,300</u>	<u>8,712,300</u>	<u>8,762,300</u>	<u>8,443,300</u>	<u>8,493,300</u>	<u>8,968,300</u>
Expenditures						
5 Prior year total	8,123,980	8,123,980	8,278,980	8,338,980	8,538,980	8,593,980
Salary/wage increase - 2% in reassessment		86,250	43,125	86,250	43,125	86,250
7 years, 1% in others		68,750	16,875	113,750	11,875	8,750
8 Other exp budget increases						
Total Expenditures	<u>8,123,980</u>	<u>8,278,980</u>	<u>8,338,980</u>	<u>8,538,980</u>	<u>8,593,980</u>	<u>8,688,980</u>
9 Net	273,320	433,320	423,320	(95,680)	(100,680)	279,320
10 Capital transfer - board policy	252,020	252,020	262,900	253,300	254,800	269,000
11 OTL completion	50,000	-	-	-	-	-
12 Change in Fund Balance	<u>\$ (28,700)</u>	<u>\$ 181,300</u>	<u>\$ 160,420</u>	<u>\$ (348,980)</u>	<u>\$ (355,480)</u>	<u>\$ 10,320</u>
13						
14 Fund balance breakdown						
15 Emergency Reserve	\$ 242,200	\$ 261,400	\$ 262,900	\$ 253,300	\$ 254,800	\$ 269,000
16 Reserved for Funding Restrictions (BOB)	847,050	917,550	960,750	581,250	181,650	-
17 Reserved for Donations	65,900	45,900	25,900	5,900	-	-
18 Designated for working capital/operations	1,679,500	1,742,500	1,752,500	1,688,700	1,698,700	1,793,700
19 Unreserved	1,739,630	1,788,230	1,913,950	2,037,870	2,076,390	2,159,160
20	<u>\$ 4,574,280</u>	<u>\$ 4,755,580</u>	<u>\$ 4,916,000</u>	<u>\$ 4,567,020</u>	<u>\$ 4,211,540</u>	<u>\$ 4,221,860</u>

**Capital Projects Fund
Summary of Project Activities**

	<u>OTL Expansion Remodel</u>	<u>Streetscape Entrance Plaza</u>	<u>Diagonal Walk Stage</u>	<u>2014 WHAC Buyout</u>	<u>Council Tree revamp</u>	<u>Land/Design (Unspent)</u>	<u>Total</u>
Capital Fund Reserves 12-31-12	\$ 37,746	\$ 176,500	\$ -	-	-	\$ 95,225	\$ 309,471
Revenue - 2013							
General Fund budgeted transfer	-	83,203	(17,393)	186,240	-	-	252,050
General Fund transfer to OTL wrap up	125,000	-	-	-	-	-	125,000
City for Park Improvements	-	-	269,840	-	-	-	269,840
Library Trust	-	30,000	115,000	-	-	-	145,000
Bohemian Foundation	-	-	30,000	-	-	-	30,000
DDA/EIKs	-	11,797	23,203	-	-	-	35,000
Use of Land/Design funds	-	5,000	62,000	-	-	(67,000)	-
Total Revenue - 2013	125,000	130,000	482,650	186,240	-	(67,000)	856,890
Hold for WHAC buy out	(37,746)	-	-	37,746	-	-	-
Total Available	125,000	306,500	482,650	223,986	-	28,225	1,166,361
Expenditures - 2013							
OTL wrap up	125,000	-	-	-	-	-	125,000
Streetscape - Entrance Plaza	-	291,500	-	-	-	-	291,500
Diagonal Walk - Stage	-	-	482,650	-	-	-	482,650
Balance - 12-31-13	\$ -	\$ 15,000	\$ -	223,986	-	\$ 28,225	\$ 267,211
Revenue - 2014							
Community foundation fund	-	-	-	-	25,000	-	25,000
General Fund budgeted transfer	-	-	-	252,050	-	-	252,050
Total Revenue - 2014	-	-	-	252,050	25,000	-	277,050
Expenditures - 2014							
Council Tree Revamp	-	-	-	-	25,000	-	25,000
WHAC Buyout	-	-	-	460,000	-	-	460,000
Total Expenditures	-	-	-	460,000	25,000	-	485,000
Fund Balance 12-31-14	\$ -	\$ 15,000	\$ -	\$ 16,036	\$ -	\$ 28,225	\$ 59,261