

Poudre River Public Library District Presentation of Proposed 2016 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
- ✓ A portion of the unreserved fund balance will be reduced and used in future years

Revenue is budgeted to increase 4% in 2016 due primarily to increases in property taxes from the biannual real estate reassessment and higher levels of Specific Ownership Taxes. Revenue from these taxes is projected to increase \$1,099,500. 2015 was the last year to receive sales tax revenue (BOB funds) from the City of Fort Collins. The revenue budget was reduced by \$744,000 due to this revenue source loss.

New staff positions and additional hours for existing staff include another classified position for Outreach Services, additional librarian hours and the addition of a recent librarian graduate as an intern, additional Collection Services staffing hours to assist in patron requested additions to the materials collection, additional staffing for communications and marketing, and the expansion of operating hours at all three libraries.

Expenditures are increasing 8.6% for 2016. 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 funds to implement the results of a compensation study to be conducted in 2016. The cost of Health and Dental premiums are increasing 11%. The Collection Development budget is being increased to maintain the 12% of revenue budgeted for this activity. The budget for security services is being increased to provide coverage during all operating hours and a second security guard at peak times. The budget anticipates using consultant services for Strategic Plan implementation and a Facilities Master Plan.

The Capital Projects Fund will fund the needs of the Capital Replacement Plan in 2016 and make use of part of the remaining Paul Gwyn bequest for security cameras at Old Town Library.

Both grant revenue and expenditure budgets are being adjusted to match anticipated grant activity in 2016.

Amounts budgeted for capital outlay and contingencies are being budgeted at the same level as the 2016 budget.

**Poudre River Public Library District
Proposed General Fund Budget
For the year ending December 31, 2016**

	<u>2015</u> <u>Budget</u>	<u>2015</u> <u>Forecast</u>	<u>2016</u> <u>Budget</u>	<u>2017</u> <u>Estimate</u>
Revenue:				
Property Tax	\$ 7,285,000	\$ 7,325,000	\$ 8,359,500	\$ 8,526,700
Specific Ownership Tax	525,000	600,000	550,000	550,000
Copier Charges & Other	20,000	20,000	20,000	20,000
Fines	180,000	180,000	180,000	180,000
Donations - Grants	77,800	77,800	91,500	91,500
Interest earnings	50,000	50,000	50,000	50,000
Intergovernmental	806,800	806,800	32,000	32,000
Total revenue	<u>8,944,600</u>	<u>9,059,600</u>	<u>9,283,000</u>	<u>9,450,200</u>
Expenditures:				
Administration	1,440,585	1,375,000	1,619,715	1,668,300
Systems Administration	607,680	607,680	648,455	667,800
Collection Services	717,860	710,000	747,580	769,900
Combined Operating Expenses	200,375	180,000	301,875	310,900
Answer Center	165,470	163,000	171,840	177,000
Outreach Services	281,995	281,995	312,635	322,000
Interlibrary Loan	176,290	176,290	179,080	184,400
Collection Development	1,244,600	1,244,600	1,140,220	1,174,200
Programming	95,200	95,200	102,200	105,200
Facilities	382,280	360,000	387,645	399,200
Old Town Operations	194,565	211,000	258,145	265,800
Old Town Public Service	742,530	727,500	836,970	861,900
Old Town Circulation	457,195	425,000	469,645	483,600
Harmony Operations	120,135	120,135	122,005	125,600
Harmony Public Service	551,855	545,000	606,785	624,900
Harmony Circulation	355,435	355,435	359,005	369,700
Council Tree Operations	255,465	242,500	258,930	266,600
Council Tree Public Service	314,680	290,000	335,015	345,000
Council Tree Circulation	431,510	410,000	448,030	461,400
Capital Outlay	50,000	30,000	50,000	50,000
Contingency	37,500	-	37,500	37,500
Total expenditures	<u>8,823,205</u>	<u>8,550,335</u>	<u>9,393,275</u>	<u>9,670,900</u>
Excess of revenue over Expenditures	121,395	509,265	(110,275)	(220,700)
Transfer to Capital Projects Fund	(250,000)	(250,000)	(250,000)	(250,000)
Excess of revenue over Expenditures and Transfers	(128,605)	259,265	(360,275)	(470,700)
Beginning Fund Balance	<u>4,987,270</u>	<u>5,529,560</u>	<u>5,788,825</u>	<u>5,428,550</u>
Ending Fund Balance	<u>\$ 4,858,665</u>	<u>\$ 5,788,825</u>	<u>\$ 5,428,550</u>	<u>\$ 4,957,850</u>
Allocation of Ending Fund Balance				
Emergency Reserve	\$ 262,600	\$ 262,600	\$ 283,500	\$ 304,700
Reserved for Funding Restrictions	953,100	948,750	610,475	150,275
Reserved for Donations	25,900	25,900	5,900	-
Designated for working capital/operations	1,783,100	1,783,100	1,856,600	1,890,000
Unreserved	1,833,965	2,768,475	2,672,075	2,612,875
Total	<u>\$ 4,858,665</u>	<u>\$ 5,788,825</u>	<u>\$ 5,428,550</u>	<u>\$ 4,957,850</u>

**Poudre River Public Library District
Proposed General Fund Budget
Expenditures by Object
For the year ending December 31, 2016**

Revenue:

Property Tax	\$ 8,359,500
Specific Ownership Tax	550,000
Copier Charges	20,000
Fines	180,000
Donations	91,500
Interest earnings	50,000
Intergovernmental	32,000
Total Revenue	9,283,000

Expenditures:

	<u>Personnel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Total</u>
Administration	\$ 793,765	\$ 817,450	\$ 8,500	1,619,715
Systems Administration	428,255	176,200	44,000	648,455
Collection Services	606,580	69,000	72,000	747,580
Combined Operating Expenses	120,825	157,850	23,200	301,875
Answer Center	169,340	-	2,500	171,840
Outreach Services	294,435	9,750	8,450	312,635
Interlibrary Loan	128,930	50,150	-	179,080
Collection Development	-	165,000	975,220	1,140,220
Programming	3,500	48,400	50,300	102,200
Facilities	128,095	252,050	7,500	387,645
Old Town Operations	99,145	146,500	12,500	258,145
Old Town Public Service	827,570	6,400	3,000	836,970
Old Town Circulation	438,645	22,500	8,500	469,645
Harmony Operations	93,655	15,750	12,600	122,005
Harmony Public Service	606,785	-	-	606,785
Harmony Circulation	359,005	-	-	359,005
Council Tree Operations	95,880	154,950	8,100	258,930
Council Tree Public Service	334,515	-	500	335,015
Council Tree Circulation	448,030	-	-	448,030
Capital Outlay	-	-	50,000	50,000
Contingency	-	-	37,500	37,500
Total Expenditures	\$ 5,976,955	\$ 2,091,950	\$ 1,324,370	9,393,275
Percent of total operating expenditures	64%	22%	14%	100%
Excess of revenue over Expenditures				(110,275)
Transfer to Capital Projects Fund				(250,000)
Change in Fund Balance				(360,275)
Beginning Fund Balance				5,788,825
Ending Fund Balance				\$ 5,428,550

Poudre River Public Library District
Summary of Proposed Budget Changes for 2016

Revenue Changes

1	Increase in property taxes	\$ 1,074,500
2	Increase in Specific Ownership taxes	25,000
3	Increase in Grant funding	12,100
4	Expiration of City Sales Tax (BOB fund)	<u>(744,000)</u>
5	Change in revenue	<u>\$ 367,600</u>

Expenditure Changes

6	Classified staff salaries (3%)	\$ 115,560
7	Hourly staff wages (3%)	20,610
8	Additional Security Old Town Library	55,000
9	Additional Outreach Services staff	45,950
10	Increase in County Treasurer fees	25,000
11	Health-Dental premium increase	65,325
12	Collection Development to 12% of revenue	67,120
13	LSTA Grant discontinuation	(7,950)
14	Staffing for Patron Driven collection purchases	8,200
15	Intern Librarian - 1/2 funded by Library Trust and Community Foundation	35,365
16	Increase in staff training budget	15,000
17	Additional hours for part-time librarian positions (OTL & Harmony)	44,890
18	Enhance patron email system	3,000
19	Consultant/staffing for Strategic Plan implementation - Communications & Marketing	75,000
20	Technology improvements and data storage capacity	15,000
21	Additional operating hours/staffing *	20,000
22	Service evaluation team	10,000
23	Children and Teen iPads/apps	7,500
24	Expanded school liaison program	3,000
25	Increase in Outreach supplies	6,000
26	Creative lab space rental - Carnegie building	2,000
27	Additional Programming funds to replace Fort Fund grant	5,000
28	Facilities Master Plan consultant	30,000
29	Partial funding of compensation plan	<u>75,000</u>
30	Change in expenditures	<u>\$ 741,570</u>

**Summary of Capital Projects Fund Activity
Through December 31, 2016**

	Paul Gwyn Bequest	Restricted for Design/Land	Capital Replacement Plan	Unrestricted	Total
Balance August 31, 2015	\$ 371,648	\$ 40,377	\$ 227,487	\$ 53,457	\$ 692,969
Estimated Remaining 2015 Expenditures					
AMH purchase/installation	(200,000)	-	-	-	(200,000)
Replacement of computer equipment	-	-	(12,500)	-	(12,500)
Final Council Tree Improvement expenditures	-	-	-	(27,500)	(27,500)
Balance December 31, 2015	171,648	40,377	214,987	25,957	452,969
2016 General Fund Transfer	-	-	250,000	-	250,000
Old Town Library Security Cameras (1)	-	-	-	-	-
2016 Capital Replacement fund budget	-	-	(125,000)	-	(125,000)
Balance December 31, 2016	\$ 171,648	\$ 40,377	\$ 339,987	\$ 25,957	\$ 577,969

(1) - Projects costs determination in process