

Poudre River Public Library District Presentation of Proposed 2019 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 1.1% in 2019 due to increases in property taxes and higher levels of Specific Ownership Taxes. New for 2019 is lease revenue from Verizon for a cell tower to be install shortly after the first of the year.

Expenditures are increasing 2% for 2019. 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 position 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 2019 budget for reductions in circulation hourly activity based on reduced circulation activity. The cost of health and dental premiums are estimated to increase 5%. Overall, personnel costs are increasing 3.6% in 2019.

The Collection Development budget is being increased to maintain the 12% of revenue budgeted for this activity.

Other changes to the expenditures budget include increases for software licensing fees for the collection/patron system and human resources information management, a replacement patron print management system and increased property/casualty insurance premiums. A one-time increase is included for a compensation study. In addition to the circulation hourly staff hours budget, other reductions are removal of the consulting budget for the master plan and purchased of iPads and laptops which was a one time addition to the 2018 budget.

Amount budgeted for capital outlay is being budgeted at the same level as the 2018 budget.

The Capital Projects Fund will fund the needs of the Capital Replacement Plan in 2019. This primarily includes normal computer replacements.

**Poudre River Public Library District
Proposed General Fund Budget
For the year ending December 31, 2019**

	<u>2018</u> <u>Budget</u>	<u>2018</u> <u>Forecast</u>	<u>2019</u> <u>Budget</u>	<u>2020</u> <u>Estimate</u>
Revenue:				
1 Property Tax	\$ 9,480,300	\$ 9,514,000	\$ 9,540,300	\$ 10,160,400
2 Specific Ownership Tax	725,000	860,000	800,000	800,000
3 Copier Charges & Other	20,000	25,000	20,000	20,000
4 Extended Use Fees	150,000	120,000	120,000	120,000
5 Donations - Grants	141,000	141,000	141,000	141,000
6 Investment earnings	50,000	-	50,000	50,000
Miscellaneous	-	4,000	9,600	9,600
7 Intergovernmental	78,700	78,700	78,700	78,700
8 Total revenue	<u>10,645,000</u>	<u>10,742,700</u>	<u>10,759,600</u>	<u>11,379,700</u>
Expenditures:				
9 Administration	1,796,375	1,877,975	1,798,375	1,855,300
10 Systems Administration	707,240	813,795	717,190	739,900
11 Collection Services	876,295	697,240	894,045	922,300
12 Combined Operating Expenses	261,420	229,020	263,620	271,900
13 Answer Center	204,565	203,365	212,540	219,200
14 Outreach Services	374,470	356,170	388,495	400,800
15 Interlibrary Loan	185,280	179,280	197,505	203,800
16 Collection Development	1,344,750	1,469,750	1,351,950	1,394,800
17 Programming	152,700	152,700	154,900	158,300
18 Facilities	426,670	416,670	431,695	445,400
19 Old Town Operations	258,785	241,785	261,065	269,400
20 Old Town Public Service	792,295	753,295	824,295	850,400
21 Old Town Circulation	533,605	501,005	560,475	596,400
22 Harmony Operations	129,445	123,445	131,405	135,600
23 Harmony Public Service	661,530	629,530	683,805	705,400
24 Harmony Circulation	449,365	436,765	446,880	476,200
25 Council Tree Operations	269,875	260,875	273,425	282,100
26 Council Tree Public Service	394,400	377,400	409,425	422,400
27 Council Tree Circulation	475,280	444,280	500,880	533,400
28 Capital Outlay	50,000	50,000	50,000	50,000
29 Total expenditures	<u>10,344,345</u>	<u>10,214,345</u>	<u>10,551,970</u>	<u>10,933,000</u>
30 Excess of revenue over				
31 Expenditures	300,655	528,355	207,630	446,700
32 Transfer to Capital Projects Fund	(250,000)	(250,000)	(250,000)	(275,000)
33 Excess of revenue over				
34 Expenditures and Transfers	50,655	278,355	(42,370)	171,700
35 Beginning Fund Balance	<u>3,969,355</u>	<u>4,256,773</u>	<u>4,535,128</u>	<u>4,492,758</u>
36 Ending Fund Balance	<u>\$ 4,020,010</u>	<u>\$ 4,535,128</u>	<u>\$ 4,492,758</u>	<u>\$ 4,664,458</u>
Allocation of Ending Fund Balance				
37 Emergency Reserve	\$ 322,300	\$ 322,300	\$ 322,300	\$ 341,400
38 Designated for working capital/operations	2,148,600	2,148,600	2,148,600	2,275,900
39 Unreserved	1,549,110	2,064,228	2,021,858	2,047,158
40 Total	<u>\$ 4,020,010</u>	<u>\$ 4,535,128</u>	<u>\$ 4,492,758</u>	<u>\$ 4,664,458</u>

**Poudre River Public Library District
Proposed General Fund Budget
Expenditures by Object
For the year ending December 31, 2019**

Revenue:

1	Property Tax	\$	9,540,300
2	Specific Ownership Tax		800,000
3	Copier Charges		20,000
4	Fines		120,000
5	Donations		141,000
6	Interest earnings		50,000
7	Miscellaneous		9,600
8	Intergovernmental		78,700
9	Total Revenue		<u>10,759,600</u>

Expenditures:

		<u>Personnel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Total</u>
10	Administration	\$ 915,225	\$ 874,250	\$ 8,900	1,798,375
11	Systems Administration	497,990	200,200	19,000	717,190
12	Collection Services	657,045	165,000	72,000	894,045
13	Combined Operating Expenses	54,070	176,350	33,200	263,620
14	Answer Center	210,040	-	2,500	212,540
15	Outreach Services	367,795	9,750	10,950	388,495
16	Interlibrary Loan	144,855	52,150	500	197,505
17	Collection Development	-	212,700	1,139,250	1,351,950
18	Programming	31,200	73,400	50,300	154,900
19	Facilities	152,145	269,550	10,000	431,695
20	Old Town Operations	106,565	142,000	12,500	261,065
21	Old Town Public Service	816,145	5,150	3,000	824,295
22	Old Town Circulation	526,975	25,000	8,500	560,475
23	Harmony Operations	103,555	15,750	12,100	131,405
24	Harmony Public Service	682,055	1,250	500	683,805
25	Harmony Circulation	446,630	-	250	446,880
26	Council Tree Operations	110,625	154,700	8,100	273,425
27	Council Tree Public Service	408,675	250	500	409,425
28	Council Tree Circulation	480,630	20,000	250	500,880
29	Capital Outlay	-	-	50,000	50,000
30	Total Expenditures	<u>\$ 6,712,220</u>	<u>\$ 2,397,450</u>	<u>\$ 1,442,300</u>	<u>10,551,970</u>
31	Percent of total operating expenditures	64%	23%	14%	100%
	Excess of revenue over				
32	Expenditures				207,630
33	Transfer to Capital Projects Fund				<u>(250,000)</u>
34	Change in Fund Balance				(42,370)
35	Beginning Fund Balance				<u>4,535,128</u>
36	Ending Fund Balance				<u>\$ 4,492,758</u>

Poudre River Public Library District
Summary of Proposed Budget Changes for 2019

Revenue Changes

1	Increase in property taxes	\$ 60,000
2	Increase in Specific Ownership taxes	75,000
3	Decrease in extended use fees	(30,000)
4	Verizon cell tower rental income	<u>9,600</u>
5	Change in revenue	<u>\$ 114,600</u>

Expenditure Changes

6	Classified staff salaries (3%)	\$ 114,500
7	Hourly staff wages (3%)	32,175
8	Additional increase for minimum wage change	48,250
9	Reduction in budgeted circulation hours	(30,000)
10	Health-Dental premium increase (5%)	44,600
11	Other payroll taxes and benefit changes	24,200
12	Property Casualty premium changes	7,500
13	Collection Development to 12% of revenue	7,200
14	Replacement of client print management software	8,000
15	Increase in County Treasurer fees	1,200
16	Increase in Collection/Patron Software licensing fees	16,000
17	Human Resources (HRIS) software fees	7,500
18	Additional consulting for compensation study	6,500
19	Removal of iPads and laptop computers (2018 item)	(30,000)
20	Removal of master plan consultant budget	<u>(50,000)</u>
21	Change in expenditures	<u>\$ 207,625</u>

Poudre River Public Library District
Summary of Capital Projects Fund Activity
Through December 31, 2019

	Paul Gwyn Bequest	Restricted for Design/Land	Capital Replacement			Trust Donation	Future Facilities	Unrestricted	Total
			Restricted for Design/Land	Plan	Replacement				
1 Balance December 31, 2017	\$ 145,372	\$ 40,377	\$ 561,165	\$ 10,000	\$ 2,000,000	\$ 39,925	\$ 2,796,839		
2 Estimated 2018 Revenue - Expenditures	-	-	250,000	-	1,000,000	-	1,250,000		
3 2018 General Fund Transfer	-	-	4,000	-	16,000	-	20,000		
4 Investment Earnings	-	-	(65,000)	-	-	-	(65,000)		
6 Replacement of computer equipment Bike trailer	-	-	-	(9,000)	-	-	(9,000)		
9 Old Town Library chiller replacement	-	-	(190,000)	-	-	-	(190,000)		
10 Balance December 31, 2018	145,372	40,377	560,165	1,000	3,016,000	39,925	3,802,839		
11 2018 General Fund Transfer	-	-	250,000	-	-	-	250,000		
12 2018 Capital Replacement fund budget	-	-	(125,000)	-	-	-	(125,000)		
13 Balance December 31, 2018	\$ 145,372	\$ 40,377	\$ 685,165	\$ 1,000	\$ 3,016,000	\$ 39,925	\$ 3,927,839		

** - additional transfer per budget study session