

POUDRE RIVER PUBLIC LIBRARY DISTRICT AGENDA ITEM SUMMARY

Name of Requestor: Jeff Barnes
 Appearance Date: November 12, 2018
 Time Required: 30 minutes
 Date Decision Needed: November 12, 2018

Agenda Item:
**PUBLIC HEARINGS & APPROVAL OF
 Poudre River Public Library
 District Amended 2018 Budget
 and 2019 Budget**

Objective:

Public Hearings and approval of 2018 budget amendments and 2019 budget, appropriations and certification of 2018 mill levy.

Situation:

At the October 8, 2018 board meeting, the 2018 budget was submitted to the Board. The details of the estimated revenue and proposed expenditures were reviewed.

Due to the changes occurring to the State of Colorado minimum wage, changes are being proposed to some staff wages which will require changes to the Library District's pay plan. These changes are as follows:

Job Title	Range		Minimum	Maximum
Administrative Clerk	LDH09	Current	\$ 10.72	\$ 14.50
Interlibrary Loan Assistant		Proposed	\$ 11.62	\$ 15.40
Circulation Specialist	LDH08	Current	\$ 12.40	\$ 14.40
Library Aide - Computer Lab Monitor		Proposed	\$ 13.30	\$ 15.30
Circulation Aide				
Circulation Aide - Prospector	LDH07	Current	\$ 11.40	\$ 13.40
Interlibrary Loan Aide		Proposed	\$ 12.30	\$ 14.30

The current proposed budget is substantially the same as the draft presented to the Board at the October 8th meeting. The only proposed changes are some reallocation of personnel costs to align with staffing changes made in 2018. These changes have no effect on the ending fund balance of the General Fund.

Since the October 8th meeting, the notice of public hearing was published and a copy of the budget information has been available on the District's website and at each library.

During the October 8th meeting, other discussions included transferring a portion of the unreserved fund

balance of the General Fund to the Capital Projects Funds to be use for future facility needs. This is being considered at this meeting as an amendment to the 2018 budget.

Proposal:

N/A

Advantages/

N/A

Disadvantages:

N/A

Requested Action:

Hold public hearings on the 2018 budget amendments and the 2019 budget, and approve resolutions amending the 2018 budget and adopting the proposed 2019 budget, appropriating funds for the 2019 budget, certifying the property tax mill levy.

Approve a motion amending the Library District pay plan to increase pay ranges 7, 8, and 9.

Potentially Affected Interest:

General public

Level of Public Interest and Participation:

High

**POUDRE RIVER PUBLIC LIBRARY DISTRICT
RESOLUTION TO AMEND 2018 BUDGET**

The Board of Trustees of the Poudre River Public Library District held a meeting on Monday, November 12, 2018, at 4:00 p.m., at the Old Town Library, 201 Peterson Street, Fort Collins, Colorado, at which the following Resolution was adopted by affirmative vote of a majority of the Board of Trustees, to-wit:

WHEREAS, the Board of Trustees of the Poudre River Public Library District appropriated funds for the fiscal year 2018 as follows:

General Fund: **\$ 10,594,345**

and:

WHEREAS, the necessity has arisen for additional expenditures and transfers by the District due to additional costs which could not have been reasonably anticipated at the time of adoption of the budget, requiring the expenditure of funds in excess of those appropriated for the fiscal year 2018; and

WHEREAS, funds are available for such an expenditure from surplus revenue funds of the District;

NOW THEREFORE, BE IT RESOLVED that the Board of Trustees of the Poudre River Public Library District shall and hereby does amend the budget for the fiscal year 2018 as follows:

General Fund: **\$ 11,594,345**

NOW THEREFORE BE IT RESOLVED, that such sums are hereby appropriated from the surplus revenue funds of the District to the General Fund for the purposes stated, and that any ending fund balances shall be reserved for purposes of Article X, Section 20 of the Colorado Constitution.

ADOPTED THIS 12TH DAY OF NOVEMBER, 2018.

Poudre River Public Library District
Signature Page
Amended 2018 Budget Resolution

POUDRE RIVER PUBLIC LIBRARY DISTRICT

ATTEST:

By: Secretary

DRAFT

CERTIFICATION

I, _____, hereby certify that I am a Director and the duly elected and qualified Secretary of the Poudre River Public Library District, and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Trustees of said District, adopted at a meeting of the Board of Trustees of the Poudre River Public Library District held on November 12, 2018, at the Old Town Library, 201 Peterson Street, Fort Collins, Colorado, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the public hearing to amend the budget for fiscal year 2018; that said proceedings were duly had and taken and that the meeting was duly held.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 12th day of November, 2018.

Secretary

**POUDRE RIVER PUBLIC LIBRARY DISTRICT
RECORD OF PROCEEDINGS**

STATE OF COLORADO
COUNTY OF LARIMER

The Board of Trustees of the Poudre River Public Library District, Larimer County, Colorado held a regular meeting at the Old Town Library, 201 Peterson Street, Fort Collins, Colorado on Monday, November 12, 2018, at the hour of 4:00 p.m.

The following members of the Board of Trustees were present:

President: Amanda Quijano
Vice President: Becki Schulz
Secretary/Treasurer: Matt Schild
Trustee: Valerie Arnold
Trustee: Fred Colby
Trustee: John Frey
Trustee: Joe Wise

Also present: Cameron J. Richards, Seter & Vander Wall, P.C.; David Slivken, Library Director; Ken Draves, Library Deputy Director; Jeff Barnes, District Finance Officer.

Counsel reported, that prior to the meeting, the Trustees were notified of the date, time and place of the meeting and the purpose for which it was called. She further reported that this meeting is a regular meeting of the Board of Trustees of the District and that a Notice of Meeting has been posted at two places within the boundaries of the District and at the office of the County Clerk of Larimer County in Fort Collins, Colorado, and to the best of her knowledge, remains posted to the date of this meeting. A copy of the Notice of Regular Meeting and a copy of the published Notice as to Amended 2018 and Proposed 2019 Budgets are incorporated into these proceedings.

NOTICE OF REGULAR MEETING
AND
NOTICE AS TO AMENDED 2018 AND PROPOSED 2019 BUDGETS

DRAFT

**NOTICE OF PUBLIC HEARING AS TO AMENDED 2018 AND
PROPOSED 2019 BUDGETS**

NOTICE IS HEREBY GIVEN that a proposed 2019 budget and, if necessary, an amended 2018 budget have been submitted to the **POUDRE RIVER PUBLIC LIBRARY DISTRICT** for the fiscal year 2019. Copies of such proposed 2019 budget and, if necessary, amended 2018 budget have been filed in the Old Town Library, Community Room, 201 Peterson Street, Fort Collins, Colorado, where same is open for public inspection. Such proposed 2019 budget and, if necessary, amended 2018 budget will be considered at the next meeting of the Poudre River Public Library District to be held at 4:00 P.M. on Monday, November 12, 2018. The meeting will be held at the Old Town Library, 201 Peterson Street, Fort Collins, Colorado. Any interested elector within the Poudre River Public Library District may inspect the proposed 2019 budget and, if necessary, the amended 2018 budget and file or register any objections at any time prior to the final adoption of the proposed 2019 budget and, if necessary, the amended 2018 budget.

BY ORDER OF THE BOARD OF TRUSTEES:
POUDRE RIVER PUBLIC LIBRARY DISTRICT

By: /s/ SETER & VANDER WALL, P.C.
Attorneys for the District

Publish in: The Fort Collins Coloradoan
Publish on: Monday, November 5, 2018

ATTACH REGULAR MEETING NOTICE

DRAFT

Trustee _____ introduced and moved the adoption of the following Resolution:

**Poudre River Public Library District
Board of Trustees Resolution 2018-_____**

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET, LEVYING PROPERTY TAXES FOR COLLECTION IN THE YEAR 2018 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE POUFRE RIVER PUBLIC LIBRARY DISTRICT, LARIMER COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2019, AND ENDING ON THE LAST DAY OF DECEMBER, 2019.

WHEREAS, the Board of Trustees of the Poudre River Public Library District has authorized its budget officer to prepare and submit a proposed budget at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Trustees of the District for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with law, the proposed budget was open for inspection by the public at a designated place, a public hearing was held on Monday, November 12, 2018 and interested electors were given the opportunity to file or register any objections to the proposed budget; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available at this time to the Board regarding the effects of Article X, Section 20 of the Colorado Constitution; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE
POUDRE RIVER PUBLIC LIBRARY DISTRICT OF LARIMER COUNTY, COLORADO:

Section 1. Summary of 2019 Revenues and 2019 Expenditures. The estimated revenues and expenditures for each fund for fiscal year 2019, as more specifically set forth in the budget attached hereto are accepted and approved.

Section 2. Adoption of Budget. The budget as submitted, amended and attached hereto and incorporated herein is approved and adopted as the budget of the Poudre River Public Library District for fiscal year 2019.

Section 3. Levy of General Property Taxes. The foregoing budget indicates that the amount of money necessary to balance the budget for the General Fund for operating expenses from property tax revenue is \$ 9,540,300. For the purposes of meeting all general operating expenses of the District during the 2019 budget year, the voters have approved a tax levy of 3.000 mills upon each dollar of the total valuation for assessment within the District for the year 2018.

Section 4. Certification to County Commissioners. The Secretary of the District, or its designee, is hereby authorized and directed to certify to the County Commissioners of Larimer County the mill levy for the District hereinabove determined and set forth on the Certification of Tax Levies for Non-School Governments attached hereto.

Section 5. Appropriations. The amounts set forth as expenditures and balances remaining, as specifically allocated in the budget are hereby appropriated from the revenue to each fund for the purposes stated and no other.

Section 6. Budget Certification. The budget shall be certified by the Secretary of the District, and made a part of the public records of the Poudre River Public Library District.

The foregoing Resolution was seconded by Trustee _____.

RESOLUTION APPROVED AND ADOPTED THIS 12TH DAY OF NOVEMBER, 2018.

Poudre River Public Library District
2019 Budget Resolution
Signature Page

POUDRE RIVER PUBLIC LIBRARY DISTRICT

By: _____

ATTEST:

By: _____
Secretary

DRAFT

STATE OF COLORADO
COUNTY OF LARIMER
POUDRE RIVER PUBLIC LIBRARY DISTRICT

I, _____, hereby certify that I am a Trustee and the duly elected and qualified Secretary of the Poudre River Public Library District, and that the foregoing constitute a true and correct copy of the record of proceedings of the Board of Trustees of said District, adopted at a meeting of the Board of Trustees of the Poudre River Public Library District held on November 12, 2018, at Larimer County, Colorado, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2019; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 12th day of November, 2018.

Secretary

**ACKNOWLEDGEMENT OF NOTICE AND
APPROVAL OF RECORD OF PROCEEDINGS**

We, the undersigned members of the Board of Trustees of the Poudre River Public Library District, Larimer County, Colorado, do hereby acknowledge receipt of proper notice of the meeting of the Board held Monday, November 12, 2018, at 4:00 p.m., at the Main Branch Library, 201 Peterson Street, Fort Collins, Colorado, informing of the date, time and place of the meeting and the purpose for which it was called, and we do hereby approve said record of proceedings and the actions taken by the Board as stated therein.

DRAFT

EXHIBIT A

**BUDGET DOCUMENT
AND
BUDGET MESSAGE**

DRAFT

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	258,750	267,000
13 Answer Center	204,565	203,365	212,540	219,200
14 Outreach Services	374,470	356,170	395,365	407,900
15 Interlibrary Loan	185,280	179,280	199,505	205,800
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	642,355	662,700
24 Harmony Circulation	449,365	436,765	455,280	484,900
25 Council Tree Operations	269,875	260,875	273,425	282,100
26 Council Tree Public Service	394,400	377,400	444,475	458,600
27 Council Tree Circulation	475,280	444,280	494,880	527,200
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>10,933,200</u>
30 Excess of revenue over				
31 Expenditures	300,655	528,355	207,630	446,500
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)	171,500
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>\$ 4,664,258</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	2,046,958
40 Total	<u>\$ 4,020,010</u>	<u>\$ 4,535,128</u>	<u>\$ 4,492,758</u>	<u>\$ 4,664,258</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	49,200	176,350	33,200	258,750
14 Answer Center	210,040	-	2,500	212,540
15 Outreach Services	374,665	9,750	10,950	395,365
16 Interlibrary Loan	146,855	52,150	500	199,505
17 Collection Development	-	198,850	1,153,100	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	640,605	1,250	500	642,355
25 Harmony Circulation	455,030	-	250	455,280
26 Council Tree Operations	110,625	154,700	8,100	273,425
27 Council Tree Public Service	443,725	250	500	444,475
28 Council Tree Circulation	474,630	20,000	250	494,880
29 Capital Outlay	-	-	50,000	50,000
30 Total Expenditures	<u>\$ 6,712,220</u>	<u>\$ 2,383,600</u>	<u>\$ 1,456,150</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				Unrestrict ed	Total
			Replacement Plan	Trust Donation	Future Facilities			
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								
3 2018 General Fund Transfer	-	-	250,000	-	1,000,000	-	1,250,000	
4 Investment Earnings	-	-	4,000	-	16,000	-	20,000	
5 Replacement of computer equipment	-	-	(65,000)	-	-	-	(65,000)	
6 Bike trailer	-	-	-	(9,000)	-	-	(9,000)	
7 Old Town Library chiller replacement	-	-	(190,000)	-	-	-	(190,000)	
8 Balance December 31, 2018	145,372	40,377	560,165	1,000	3,016,000	39,925	3,802,839	
9 2019 General Fund Transfer	-	-	250,000	-	-	-	250,000	
10 2019 Capital Replacement fund budget	-	-	(125,000)	-	-	-	(125,000)	
11 Balance December 31, 2019	\$ 145,372	\$ 40,377	\$ 685,165	\$ 1,000	\$ 3,016,000	\$ 39,925	\$ 3,927,839	