

PRPLD Financial Report Highlights - April 2023

These numbers are not final; they may change through the 2022 year-end audit process. Fund Balances are preliminary.

General Fund Revenue

Property taxes	YTD property tax receipts are at budget.
Specific ownership taxes	YTD receipts are on budget.
Investment earnings	Represents interest income (\$24,997) offset by accounting for unrealized gains (\$113,818) due to changes in the markets that do no impact our actual impact on our cash flows. Please refer to the "Notes to the Financial Statements" for more detailed information on our cash & investments.

General Fund Expenditures

Total Expenditures	YTD total expenditures are 90% of budget.
Administration	YTD we are 82% of budget. Compensation study allocations are pending, along with savings on contract and professional and tech payments, due to timing.
Combined	YTD we are 73% of budget with savings on software support and maintenance contracts.
Community Services	YTD we are 91% of budget with savings on conference/travel and program supplies.
Communications	YTD we are 93% of budget with savings professional services and supplies.
Old Town Library	YTD we are 97% of budget with security services budget transfer pending offset by supplies savings.
Collection Services	YTD we are 93% of budget, with savings from online database (usage varies).
Harmony Library	YTD we are 97% of budget with savings on conference/travel and program supplies.
Council Tree Library	YTD we are 95% of budget, with savings on property savings and program supplies
Net Revenue over Exp.	YTD is \$1.875M with an ending fund balance of \$6,823,633.

Capital Projects Fund

Expenditures	Payments were made for EVIE, CTL security cameras and the OTL irrigation project.
Ending Fund Balance	The ending fund balance in Capital Projects Fund is \$9,009,120.

Statement of Net Position and Governmental Funds Balance Sheet

This statement shows our overall net position as of 4/30/23. Fund balance details may change as we complete our final year-end calculations and in conjunction with the year-end audit. We plan to have the first draft of the ACFR completed by 06/01/2023.

PRPLD General Fund Budget vs. Actual

	2022		2023					
	April	YTD Actual	April	YTD Actual	YTD Budget	YTD % of Budget	YTD Budget Variance \$	Adopted Annual Budget
Revenue								
Property taxes	740,120	5,047,918	873,053	4,918,602	4,950,000	99%	(31,398)	11,290,355
Library fines	3,153	12,137	1,770	9,527	-	100%	9,527	-
State grants	-	42,888	-	25,715	25,000	103%	715	54,975
Specific ownership taxes	79,337	265,670	78,475	215,038	220,000	98%	(4,962)	800,000
Copy charges	-	-	-	-	-	0%	-	-
Investment earnings	3,125	(70,252)	-	138,815	16,668	833%	122,147	10,000
Donations	254	8,674	3,614	6,216	11,250	55%	(5,034)	100,000
Miscellaneous	900	3,678	900	13,600	3,600	378%	10,000	11,000
Total Revenue	826,889	5,310,713	957,812	5,327,513	5,226,518	102%	100,995	12,266,330
Expenditures								
Administration	92,841	623,032	138,899	739,519	897,666	82%	158,146	2,617,039
Combined	84,672	289,075	78,177	287,594	391,452	73%	103,857	1,223,434
Community Services	27,146	89,377	46,473	166,058	183,044	91%	16,987	577,177
Communication	28,736	99,898	54,227	177,578	190,392	93%	12,813	546,623
Old Town Library	122,822	446,924	126,723	456,007	471,891	97%	15,883	1,538,663
Collection Services	196,934	735,184	223,407	912,884	977,717	93%	64,833	2,908,117
Harmony Library	86,702	313,859	92,563	350,460	360,744	97%	10,284	1,168,091
Council Tree Library	83,550	315,815	93,433	362,885	382,119	95%	19,234	1,187,186
Total Operating Costs	723,403	2,913,164	853,902	3,452,987	3,855,024	90%	402,037	11,766,330
Transfer to Capital Fund	-	-	-	-	-	0%	-	500,000
Total Expenditures	723,403	2,913,164	853,902	3,452,987	3,855,024	90%	402,037	12,266,330
Net Revenue over Exp.	103,486	2,397,549	103,910	1,874,526	1,371,494		503,032	-
Beginning Fund Balance				4,949,107				
Current Fund Balance				6,823,633				

PRPLD Capital Projects Fund Budget vs. Actual

	April 2023	2023 YTD Actual	Project to Date	Adopted Budget	Budget Variance \$
Revenue					
Investment earnings***	-	162,062	-	-	162,062
Miscellaneous	-	-	-	-	-
Library Trust donations	-	-	-	-	-
Transfer from General Fund	-	-	-	500,000	(500,000)
Total Revenue	-	162,062	-	500,000	(337,938)

Expenditures

Library Trust expenditures	-	-	-	-	-
Capital Replacement Plan - 2019	-	-	208,046	125,000	(83,046)
Capital Replacement Plan - 2020	-	-	101,235	580,000	478,765
Capital Replacement Plan - 2021	-	-	877,335	138,000	(739,335)
Capital Replacement Plan - 2022	41,706	188,748	798,406	1,001,500	203,094
Capital Replacement Plan - 2023**	14,981	26,341	26,341	299,067	272,726
Total Expenditures	56,687	215,089	2,011,364	2,143,567	(343,617)

Net Revenue over Exp.	(56,687)	(53,027)
Beginning Fund Balance		9,062,147
Current Fund Balance		9,009,120

***Major budgeted capital projects for 2023 include Webster House improvements and upgrades; rebranding capital purchases, and Harmony bathroom upgrades (cost share with FRCC).

Interest income	44,881
Unrealized gain/loss	<u>117,181</u>
Investment earnings***	<u><u>162,062</u></u>

PRPLD Preliminary Statement of Net Position & Governmental Funds Balance Sheet

	As of 4/30/23				4/30/22	12/31/22	
	General Fund	Capital Projects Fund	Total	Adjust	Net Position	Net Position	
Assets							
Cash and cash equivalents	2,539,675	1,002,913	3,542,588	-	3,542,588	15,256,684	2,028,949
Interest receivable	17,910	31,046	48,956	-	48,956	20,932	49,346
Property taxes receivable	11,414,646		11,414,646	-	11,414,646	11,517,826	11,414,646
Accounts receivable	-		-	-	-	1,032	183,559
Lease Assets (GASB 87)	35,569	-	35,569	-	35,569	-	35,569
Investments	4,650,289	7,980,876	12,631,165	-	12,631,165	-	12,400,166
Land			-	2,256,000	2,256,000	2,256,000	2,256,000
Construction in Progress			-	177,624	177,624	220,878	177,624
Other capital assets, net of depreciation			-	15,353,144	15,353,144	14,498,522	15,353,144
Total Assets	18,658,089	9,014,835	27,672,924	17,786,768	45,459,692	43,771,874	43,899,003

Liabilities, Deferred Inflows & Fund Balances

Accounts payable	49,407	5,715	55,122	-	55,122	12,546	211,143
Wages payable	-	-	-	-	-	-	104,789
Accrued compensated absence	-	-	-	326,082	326,082	311,999	326,082
Sales tax payable	-	-	-	-	-	-	-
Unearned revenue	9,021	-	9,021	-	9,021	19,022	9,021
Total Liabilities	58,428	5,715	64,143	326,082	390,225	343,567	651,035
Lease liabilities (GASB 87)	361,382	-	361,382	-	361,382	-	361,382
Property taxes	11,414,646	-	11,414,646	-	11,414,646	11,517,826	11,414,646
Total Deferred Inflows	11,776,028	-	11,776,028	-	11,776,028	11,517,826	11,776,028
Restricted fund balance	360,000	-	360,000	-	360,000	334,000	360,000
Committed fund balance	2,554,000	9,062,147	11,616,147	-	11,616,147	11,325,333	11,772,081
Unassigned fund balance	2,035,107	-	2,035,107	17,460,686	19,495,793	18,288,539	19,339,859
Total Fund Balance	4,949,107	9,062,147	14,011,254	17,460,686	31,471,940	29,947,872	31,471,940
Net Change in fund balance	1,874,526	(53,027)	1,821,499		1,821,499	1,962,609	-
Total Liabilities, Deferred Inflows & Fund Balances	18,658,089	9,014,835	27,672,924	17,786,768	45,459,692	43,771,874	43,899,003

Net Position as of	4/30/23	4/30/22	12/31/22
Invested in Capital Assets	17,786,768	16,975,400	17,786,768
Restricted Emergencies	334,000	334,000	360,000
Unrestricted	15,146,671	14,601,081	13,325,172
Total Net Position	33,267,439	31,910,481	31,471,940

**Notes to the Financial Statements
As of April 30, 2023**

Assets – Cash and Investments

The District’s cash and investments are held in the name of and managed by the City of Fort Collins per our Intergovernmental Agreement (IGA). Whenever possible, cash is pooled from the District’s funds to enhance investment capabilities and maximize investment income. Investments are made taking into consideration cash flow needs, market conditions and contingency plans. On behalf of the District, the City’s investment policies prescribe eligible investments, investment diversification, and maturity and liquidity guidance, which are utilized in managing the investment portfolio.

Reconciliations are performed by the City monthly to adjust for changes to interest income and unrealized gains/losses. This process takes place after the regular three day general ledger close process. This is often after the District’s financial reports are prepared for board review at the District’s monthly meetings, sometimes resulting in a one-month lag as is the case with this month’s financial statements.

Detailed allocations between cash and investments are performed annually by the City and presented in our annual financial statement (unaudited as of 12/31/2022 are presented below). In the meantime, the City provides an overview and breakout between cash and investments quarterly going forward. The allocations shown below are estimates based on actual changes to unrealized gains/losses recorded through April 30, 2023.

	General Fund	Capital Projects	Total
Cash and cash equivalents	731,355	1,297,594	2,028,949
Investments	4,825,116	8,364,043	13,206,103
Unrealized gains (losses)	(288,645)	(500,348)	(788,993)
12/31/2022	4,536,471	7,863,695	12,400,166

	General Fund	Capital Projects	Total
Cash and cash equivalents	2,539,675	1,002,913	3,542,588
Investments	4,825,116	8,364,043	13,189,159
Unrealized gains (losses)	(174,827)	(383,167)	(557,994)
4/30/2023	4,650,289	7,980,876	12,631,165

YTD change in unrealized gains (losses)	113,818	117,181	230,999
--	---------	---------	---------

Assets – Capital Assets

The District reports capital assets at actual or estimated historical cost in the government-wide financial statements. A capital asset is an acquired or constructed asset with an initial individual cost of more than \$5,000 and an estimated useful life of greater than one year. The District capitalizes in aggregate the annual total addition of materials to the library collection and deletes it upon full depreciation in six years. Donated capital assets are recorded at estimated acquisition value at the date of donation. All capital assets other than land, construction in progress and impaired assets are depreciated.

Assets – Property Taxes Receivable

Property taxes are levied for the following year no later than December 15 and are recorded as a receivable with a corresponding offset to deferred inflows of resources. Larimer County, Colorado bills and collects all property taxes for the District. Taxes are payable in the subsequent year as two installments in March and June or as one installment in April.

Liabilities

A significant portion of the District's liabilities are compensated absences, which include earned but unused paid time off and earned but unused compensatory leave granted as a deferral of overtime pay. Compensated absences are reported as liabilities in the governmental funds only if they have matured. Unused sick pay is not reported as a liability in the governmental funds because it does not meet the criteria for accrual. The District considers compensated absences due within one year because the entire balance is available for unrestricted use or withdrawal by current employees.

There are two methods to delete or use compensated absences:

1. A current employee may use their accrued compensated absences for paid time off.
2. When an employee separates from the District, the District pays out the full value of their remaining unused accrued compensated absences upon termination.

Deferred Inflows of Resources

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds and the government-wide statements report a deferred inflow of resources for the property taxes receivable that will become an inflow in the year for which the taxes are levied.

Fund Balance – Policies and Flow Assumptions

In the fund financial statements, fund balances of the District's governmental funds are classified as non-spendable, restricted, committed, assigned or unassigned. Management has been granted the authority to make fund balance assignments by the Board of Trustees.

GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. An overview of the District's current fund balance classifications is shown below.

Adjustments for GASB Statement No. 87, Leases, will be reported as of December 31, 2022 and presented in the Board's April 2023 financial statements. More detailed information will be included in the notes to the financial statements.

Fund Balance – General Fund

In the General Fund, the restricted fund balance includes an emergency reserve that is required to be set aside by the Colorado Taxpayer Bill of Rights (TABOR). This emergency reserve equals 3% of fiscal year spending; the actual restricted amount may fluctuate each year.

The Board of Trustees has established, by resolution, a reserve for working capital equal to 20% of the subsequent year's budgeted revenue that must be maintained in the General Fund as a committed fund balance to provide for the cash flow needs of the District. This practice will continue until Board action is taken to change these amounts.

All spendable amounts that are not contained within other classifications are categorized as unassigned. The General Fund is the only fund to report an unassigned fund balance.

Fund Balance – Capital Projects Fund

In the Capital Projects Fund, the entire unrestricted fund balance is committed by the Board for capital replacement and capital expansion projects, so no other classifications are currently in use. The Board of Trustees has established, by resolution, a minimum annual transfer of \$250,000 from the General Fund to the Capital Projects Fund as a capital reserve primarily to fund the District's Capital Replacement Plan.