

ESTES VALLEY PUBLIC LIBRARY DISTRICT

Estes Park, Colorado

Annual Financial Report

Year Ended December 31, 2009

ESTES VALLEY PUBLIC LIBRARY DISTRICT

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INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Estes Valley Public Library District
Estes Park, Colorado

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, and each major fund of Estes Valley Public Library District (the District), as of and for the year ended December 31, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, and each major fund of Estes Valley Public Library District as of December 31, 2009 and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Estes Valley Public Library District's basic financial statements. The trend data and debt service fund budget comparison information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. These data have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole for the year ended December 31, 2009.

We have also previously audited, in accordance with generally accepted auditing standards, the financial statements of Estes Valley Public Library District for the years ended December 31, 2000 – 2008 (none of which are presented herein). In our opinion, the trend data listed in the table of contents, related to the 2000 – 2008 financial statements, are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Cole and Crosier, P.C.
Certified Public Accountants

LaSalle, Colorado
July 29, 2010

ESTES VALLEY PUBLIC LIBRARY DISTRICT

Management's Discussion and Analysis

As management of Estes Valley Public Library District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2009. The District's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Overview of the Financial Statements

This Management's Discussion and Analysis document introduces the District's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The District also includes in this report additional information to supplement the basic financial statements. Comparative data are presented when available.

Government-wide Financial Statements

The District's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the District's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

- The *Statement of Net Assets*. This is the government-wide statement of financial position presenting information that includes all of the District's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of District infrastructure, in addition to the financial information provided in this report.
- The *Statement of Activities* reports how the District's net assets changed during the current calendar year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the District's distinct activities or functions on revenues provided by the District's taxpayers.

Both government-wide financial statements distinguish governmental activities of the District that are principally supported by property taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general library operations. The District has no business-type activities.

The government-wide financial statements include not only the District itself (known as the primary government), but also a legally separate entity which has a significant operational or financial relationship with the District. This entity, a discretely presented component unit, is the Estes Park Public Library Foundation, Inc. More information on the functions of this entity can be found in Note 1 to the financial statements.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's significant funds. Each major fund is separately reported.

The District has one fund type. *Governmental funds* are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financial requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the difference between these two perspectives.

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's detailed budget presentations. These statements demonstrate compliance with the District's adopted and final revised budget.

As discussed, the District reports major funds in the basic financial statements. The District reports two such funds - the General Fund and the Debt Service Fund.

The final section is an optional presentation of *trend data* for the current and prior nine years. It is intended to allow the reader to assess changes in the District's programs and operations over an extended period.

District-Wide Financial Analysis

The following represents condensed financial information taken from the government-wide (accrual basis) financial statements for the year ended December 31, 2009.

	2009	Percent of Total	2008	Percent of Total
ASSETS				
Current assets	\$ 2,206,951	55.4%	\$ 2,126,058	54.2%
Capital assets	1,778,847	44.6%	1,795,942	45.8%
Total assets	<u>3,985,798</u>	<u>100.0%</u>	<u>3,922,000</u>	<u>100.0%</u>
LIABILITIES				
Current liabilities	1,508,726	74.9%	1,557,590	74.3%
Long-term liabilities	505,000	25.1%	540,000	25.7%
Total liabilities	<u>2,013,726</u>	<u>100.0%</u>	<u>2,097,590</u>	<u>100.0%</u>
NET ASSETS				
Invested in capital assets, net of related debt	1,237,571	62.7%	1,104,364	60.5%
Restricted	262,047	13.3%	229,757	12.6%
Unrestricted	472,454	24.0%	490,289	26.9%
Total net assets	<u>\$ 1,972,072</u>	<u>100.0%</u>	<u>\$ 1,824,410</u>	<u>100.0%</u>
REVENUES				
Program revenues -				
Charges for services	\$ 7,937	0.5%	\$ 6,947	0.5%
Fines and forfeits	7,374	0.5%	7,809	0.6%
Operating grants and contributions	28,920	2.1%	32,048	2.4%
Capital grants	63,230	4.5%	82,097	6.1%
General revenues -				
Taxes	1,298,795	92.0%	1,210,486	89.7%
Other revenues	5,661	0.4%	9,411	0.7%
Total revenues	<u>1,411,917</u>	<u>100.0%</u>	<u>1,348,798</u>	<u>100.0%</u>
EXPENSES				
Library				
Personnel services	744,388	58.9%	676,526	59.8%
Supplies	33,124	2.6%	20,592	1.8%
Library materials	23,518	1.9%	19,872	1.8%
Insurance	12,950	1.0%	12,906	1.1%
Purchased services	228,875	18.1%	191,585	16.9%
Utilities	23,667	1.9%	25,252	2.2%
Other expenses	2,109	0.1%	1,904	0.2%
Interest on long-term debt	37,578	3.0%	44,253	3.9%
Depreciation	158,046	12.5%	138,728	12.3%
Total expenses	<u>1,264,255</u>	<u>100.0%</u>	<u>1,131,618</u>	<u>100.0%</u>
CHANGE IN NET ASSETS	<u>\$ 147,662</u>		<u>\$ 217,180</u>	

Financial Highlights

- For the tax collection years 2000 - 2004, the annual authorized operating mill levy was 2.39, then on November 2, 2004, the voters approved an increase to 3.28 mills for 2005 collection and each year thereafter. Since 1999, the voters allowed the District to collect, keep and expend all revenues (other than excess property tax revenue). It was also exempted from the old law 5.5% property tax revenue limitation. This has prevented the "ratchet-down" effect that the Taxpayer's Bill of Rights used to have on the District's property tax revenue.
- The District is heavily reliant on taxes to support operations. During 2009, taxes provided 92.0% of the District's total revenues. Also note that program revenues cover less than 8% of total revenues. Consequently, the general economy and the changes in both residential and commercial property values have a major impact on the District's revenue streams.
- The District maintains a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. However, to make this ratio meaningful, we have eliminated the property taxes receivable and the related deferred revenue. After this elimination, governmental current assets are \$885,913 and current liabilities are \$187,688. As a result, the current ratio for the District overall is 4.72 to 1 (2.84 to 1 for 2008).
- The District's net assets increased 8.1% or \$147,662, due primarily to an increase in capital grants and property taxes. Most of the District's net assets are reflected in the investment in capital assets – 62.7%. Accordingly, these assets are not an available source for payment of future spending. Of the remaining net assets, 3% of the governmental activities annual subject revenue (gross General Fund revenue less private grants and contributions), \$34,025 for 2009, is restricted for use in the event of an emergency.
- The District had governmental funds excess revenues for 2009 in the amount of \$11,544 with ending fund balances totaling \$764,614. Excess revenues of the General Fund were less than final budgeted amounts by \$44,457, primarily due to actual property tax revenue and investment income coming in lower than budgeted amounts and capital outlay expenditures greater than amounts budgeted.
- During 2009, in addition to the regular additions to the book inventory, the District spent \$25,936 for remodeling of the Hondius room including related furniture and equipment. In addition, a new computer was purchased for \$2,617, a new phone system for \$7,632, skylights for \$1,801, upstairs workroom design services for \$6,523, and children's furniture for \$2,642. Various equipment and furniture as surplus property was donated to other local governments or charities. The only other disposals included the normal culling of the book inventory.
- At the end of 2009, the District had general obligation bonds outstanding totaling \$540,000. During the year, the District retired \$150,000 of its general obligation bonds.
- Members of the District Board of Trustees, staff, Estes Park Public Library Foundation and Friends of Estes Park Library met in May 2006 to formulate a strategic plan that outlined seven goals: 1) building our collections, programs and services; 2) developing our staff to meet the challenges of the future; 3) expanding our use of technology; 4) marketing our message as the community's premier information resource; 5) demonstrating accountable stewardship of our resources; 6) maintaining and updating our facilities, and 7) developing a culture that values results. This strategic plan will drive future budgets. To meet the plan's objectives, the District began outsourcing materials processing, enacted personnel changes and reached out to the Estes Valley community with mailing of the annual report and ongoing programming.

- The strategic plan continues to drive our budget plans and expenditures. 2008 was designated as the year to enhance youth services, including the children's room, its collections and services. The Friends have gifted \$40,000 for programming and new children's furnishings, and the Foundation granted \$31,000 for a children's room remodel. All projects were completed by December 2008.
- In late 2009, Library District stakeholders convened to revisit the strategic plan and confirm or adjust objectives for the future. The end of 2009 saw the Library and its Friends group direct projects funds on the Local History Archive, while the Foundation reimbursed the Library for the remodel of the busy Hondius Community Room, heavily used by staff and patron groups for programming and community gatherings. In 2009, the Library was one of nineteen libraries in the United States awarded a "Financial Literacy @ Your Library" grant. Managed by the Foundation, the \$63,000 grant is to be implemented in 2010 and 2011.
- In 2010, the Library will invest in the people who make all the services and programs possible, making it a Year of Staff Development. This includes contracted training in-house and at off-site conferences to develop staff for the future. The staff offices will be remodeled for greater work efficiency and comfort. As the staff adapts to new methods and tools for delivering library services, they are also preparing for a significant change in operations.
- In 2001, the Library plans to implement the first of multiple stages of RFID materials-handling.

Request for information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Estes Valley Public Library District, PO Box 1687, Estes Park, Colorado 80517, or you may call the library director at (970) 586-8116.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

These basic financial statements, consisting of the *Statement of Net Assets*, and the *Statement of Activities*, provide a summary overview and broad perspective of the financial position and results of operations of the District as a whole. They are prepared using the accrual basis and include all assets, liabilities and net assets of the District.

ESTES VALLEY PUBLIC LIBRARY DISTRICT
Statement of Net Assets
December 31, 2009
(With Comparative Totals for December 31, 2008)

	2009		2008
	Primary Government Governmental Activities	Component Unit Estes Park Public Library Foundation, Inc.	Primary Government Governmental Activities
ASSETS			
Cash and cash equivalents			
Cash (Note 2)	\$ 21,062	\$ 67,148	\$ 38,577
Investment in pooled investment funds (Note 2)	771,021	0	732,355
Total cash and cash equivalents	792,083	67,148	770,932
Certificates of deposit (Note 2)	64,252	0	63,702
Endowment investments (Note 2)	0	726,624	0
Prepaid expenses	7,173	2,480	11,363
Property taxes receivable	1,321,038	0	1,249,274
Other receivables	22,405	62,203	30,787
Capital assets, net of accumulated depreciation, where applicable (Note 3)	1,778,847	0	1,795,942
Total assets	3,985,798	858,455	3,922,000
LIABILITIES			
Accounts payable	31,118	62,447	96,090
Accrued payroll	89,486	0	26,954
Accrued interest payable	1,276	0	1,578
Deferred revenue			
Property taxes	1,321,038	0	1,249,274
Library use deposits	695	0	670
Long-term liabilities (Note 9)			
Due within one year			
Compensated absences	30,113	0	33,024
General obligation bonds (Note 6)	35,000	0	150,000
Due in more than one year			
General obligation bonds (Note 6)	505,000	0	540,000
Total liabilities	2,013,726	62,447	2,097,590
NET ASSETS			
Invested in capital assets, net of related debt	1,237,571	0	1,104,364
Restricted for TABOR emergencies (Note 9)	34,025	0	32,737
Restricted for programs	0	73,003	0
Restricted for permanent endowment	15,000	859,949	15,000
Restricted for debt service	213,022	0	182,020
Unrestricted	472,454	(136,944)	490,289
TOTAL NET ASSETS	\$ 1,972,072	\$ 796,008	\$ 1,824,410

The accompanying footnotes are an integral part of this report.

ESTES VALLEY PUBLIC LIBRARY DISTRICT
Statement of Activities
For the Year Ended December 31, 2009
(With Comparative Totals for the Year Ended December 31, 2008)

	2009		2008
	Primary Government Governmental Activities	Component Unit Estes Park Public Library Foundation, Inc.	Primary Government Governmental Activities
EXPENSES			
Library services			
Personnel services	\$ 744,388	0	\$ 676,526
Supplies	33,124	0	20,592
Library materials	23,518	0	19,872
Insurance	12,950	0	12,906
Purchased services	228,875	\$ 23,074	191,585
Utilities	23,667	0	25,252
Other expenses	2,109	0	1,904
Grants to library	0	25,630	0
Interest on long-term debt	37,578	0	44,253
Depreciation (Note 3)	158,046	0	138,728
Total program expenses	<u>1,264,255</u>	<u>48,704</u>	<u>1,131,618</u>
PROGRAM REVENUES			
Charges for services	7,937	0	6,947
Fines and forfeits	7,374	0	7,809
Investment earnings restricted to programs	0	17,996	0
Unrealized gains (losses) restricted to programs	0	59,168	0
Operating grants and contributions	28,920	46,099	32,048
Capital grants	63,230	0	82,097
Total program revenues	<u>107,461</u>	<u>123,263</u>	<u>128,901</u>
Net program revenues (expenses)	<u>(1,156,794)</u>	<u>74,559</u>	<u>(1,002,717)</u>
GENERAL REVENUES AND SPECIAL ITEMS			
Property and related taxes levied for general purposes	1,114,259	0	1,073,398
Property and related taxes levied for debt service	184,536	0	137,088
Payment in lieu of taxes	161	0	162
Unrestricted investment earnings	4,887	154	9,226
Contributions to permanent funds	0	3,538	0
Miscellaneous	613	0	23
Total general revenues and special items	<u>1,304,456</u>	<u>3,692</u>	<u>1,219,897</u>
INCREASE IN NET ASSETS	<u>147,662</u>	<u>78,251</u>	<u>217,180</u>
NET ASSETS			
Beginning of year	<u>1,824,410</u>	<u>717,757</u>	<u>1,607,230</u>
End of year	<u>\$ 1,972,072</u>	<u>\$ 796,008</u>	<u>\$ 1,824,410</u>

The accompanying footnotes are an integral part of this report.

FUND FINANCIAL STATEMENTS

Governmental Funds

These financial statements are prepared using the modified accrual basis of accounting and show how the District finances general governmental services, as well as reporting balances available for future spending. There are two governmental funds, the *General Fund*, which accounts for most governmental activities, and the *Debt Service Fund*, which accounts for revenues and spending directly related to debt service.

ESTES VALLEY PUBLIC LIBRARY DISTRICT
Balance Sheet
Governmental Funds
December 31, 2009
(With Comparative Totals for December 31, 2008)

	2009		2008	
	General	Debt Service	Total	Total
<u>ASSETS</u>				
Cash on hand	\$ 185	0	\$ 185	\$ 185
Cash in checking (2009 - .05%; 2008 - .14%)	17,184	0	17,184	31,328
Investment in pooled investment funds				
ColoTrust (2009 - .28%; 2008 - 1.21%)	565,548	\$ 205,473	771,021	732,355
Cash with Larimer County Treasurer	3,693	0	3,693	7,064
Certificates of deposit (2009 - .59% - 1.99%; 2008 - 1.74% - 4.48%)	64,252	0	64,252	63,702
Property taxes receivable				
Current	1,300,368	0	1,300,368	1,227,865
Delinquent	20,670	0	20,670	21,409
Grants receivable - Friends and Foundation	22,405	0	22,405	30,726
Refunds receivable	0	0	0	61
Due from other funds (Note 8)	0	7,549	7,549	72
Prepaid expenses	7,173	0	7,173	11,363
<u>TOTAL ASSETS</u>	<u>\$2,001,478</u>	<u>\$ 213,022</u>	<u>\$2,214,500</u>	<u>\$2,126,130</u>
<u>LIABILITIES AND FUND BALANCE</u>				
<u>LIABILITIES</u>				
Accounts payable	\$ 31,118	0	\$ 31,118	\$ 96,090
Accrued payroll	89,486	0	89,486	26,954
Library use deposits	695	0	695	670
Deferred revenue				
Property taxes	1,321,038	0	1,321,038	1,249,274
Due to other funds (Note 8)	7,549	0	7,549	72
Total liabilities	<u>1,449,886</u>	<u>0</u>	<u>1,449,886</u>	<u>1,373,060</u>
<u>FUND BALANCE</u>				
Reserved for debt service	0	\$ 213,022	213,022	182,020
Reserved for TABOR emergencies (Note 9)	34,025	0	34,025	32,737
Reserved for permanent endowment	15,000	0	15,000	15,000
Unreserved				
Designated for three month reserve	252,356	0	252,356	252,012
Undesignated	250,211	0	250,211	271,301
Total fund balance	<u>551,592</u>	<u>213,022</u>	<u>764,614</u>	<u>753,070</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$2,001,478</u>	<u>\$ 213,022</u>	<u>\$2,214,500</u>	<u>\$2,126,130</u>

The accompanying footnotes are an integral part of this report.

	<u>2009</u>	<u>2008</u>
<u>RECONCILIATION TO STATEMENT OF NET ASSETS</u>		
Total Fund Balance	\$ 764,614	\$ 753,070
Amounts reported for <i>governmental activities</i> in the statement of net assets are different because		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	1,778,847	1,795,942
Long-term liabilities, including bonds payable and compensated absences are not due and payable in the current period and therefore are not reported in the funds		
Compensated absences	(30,113)	(33,024)
General obligation bonds payable	(540,000)	(690,000)
Accrued interest on the bonds	<u>(1,276)</u>	<u>(1,578)</u>
Net Assets of Governmental Activities	<u>\$ 1,972,072</u>	<u>\$ 1,824,410</u>

ESTES VALLEY PUBLIC LIBRARY DISTRICT
Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2009
(With Comparative Totals for the Year Ended December 31, 2008)

	2009			2008
	General	Debt Service	Total	Total
REVENUES				
Taxes	\$ 1,114,259	\$ 184,536	\$ 1,298,795	\$ 1,210,486
Intergovernmental revenue	168	37,600	37,768	37,769
Charges for services	7,937	0	7,937	6,947
Fines and forfeits	7,374	0	7,374	7,809
Miscellaneous	58,986	1,057	60,043	85,787
Total revenues	<u>1,188,724</u>	<u>223,193</u>	<u>1,411,917</u>	<u>1,348,798</u>
EXPENDITURES				
Current				
Library services	1,155,117	4,311	1,159,428	1,040,433
Capital outlay	53,065	0	53,065	115,805
Debt service	0	187,880	187,880	184,530
Total expenditures	<u>1,208,182</u>	<u>192,191</u>	<u>1,400,373</u>	<u>1,340,768</u>
EXCESS (DEFICIENCY) OF REVENUE				
OVER EXPENDITURES	(19,458)	31,002	11,544	8,030
<hr/>				
FUND BALANCE				
Beginning of year	<u>571,050</u>	<u>182,020</u>	<u>753,070</u>	<u>745,040</u>
End of year	<u>\$ 551,592</u>	<u>\$ 213,022</u>	<u>\$ 764,614</u>	<u>\$ 753,070</u>

The accompanying footnotes are an integral part of this report.

	<u>2009</u>	<u>2008</u>
<u>RECONCILIATION TO STATEMENT OF ACTIVITIES,</u>		
<u>INCREASE IN NET ASSETS</u>		
Excess of Revenues over Expenditures - Governmental Funds	\$ 11,544	\$ 8,030
Amounts reported for governmental activities in the statements of activities are different because		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation was less than (exceeded) capitalized capital outlay during the year.	(17,095)	72,064
Repayments of bond and capital lease principal are expenditures in the governmental funds, but the repayments reduce long-term liabilities in the statements of net assets. This is the amount of principal payments on the debt.	150,000	140,000
Some expenses reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Decrease (increase) in compensated absences	2,911	(3,191)
Decrease in accrued interest on long-term debt	<u>302</u>	<u>277</u>
Increase in Net Assets of Governmental Activities	<u>\$ 147,662</u>	<u>\$ 217,180</u>

ESTES VALLEY PUBLIC LIBRARY DISTRICT
Footnotes to Financial Statements
December 31, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Estes Valley Public Library District's ("District") financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the District are discussed below.

General

Estes Valley Public Library District was approved by the electorate for formation on November 8, 1988 (commencing operations January 1, 1989), and was established through the joint efforts of the legislative bodies of the governments served by the District - The County of Larimer, Colorado and the Town of Estes Park, Colorado. In the process the Town merged the assets and operations of the Estes Park Public Library into the District. The District is administered by a seven member board of trustees appointed by the governmental units that established the entity.

The mission of the District is to meet the cultural, informational and recreational reading, viewing, and listening needs of all people within its service area.

Financial reporting entity

The financial report of the District includes all of the integral parts of the District's operations.

Estes Park Public Library Foundation, Inc. (Foundation) and Friends of Estes Park Library (Friends), legally separate, tax-exempt component units of the District were considered as part of the financial reporting entity. They act primarily as fund-raising organizations to supplement the resources that are available to the District in support of its programs. The eight-member board of the Friends and the fourteen-member board of the Foundation are self-perpetuating and consist of supporters of the District. Although the District does not control the timing or amount of receipts from these organizations, the majority of resources, or income thereon, that they hold and invest are restricted to the activities of the District by the donors. Because these restricted resources held by the Friends and the Foundation can only be used by, or for the benefit of the District, they are both considered component units of the District, but the Friends is not required to be reported as such because its economic resources received or held by the Friends are insignificant to the District. The Foundation is discretely presented in the District's financial statements.

During the year ended December 31, 2009, the Friends distributed \$28,035 to the District for both restricted and unrestricted purposes. Complete financial statements for the Friends can be obtained by writing to P.O. Box 1687, Estes Park, CO 80517.

During the year ended December 31, 2009, the Foundation distributed \$25,630 to the District for both restricted and unrestricted purposes. Complete financial statements for the Foundation can be obtained by writing to P.O. Box 1470, Estes Park, CO 80517.

Basis of presentation

The District's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

NOTE 1 - continued

Government-wide Financial Statements – The government-wide financial statements include the statement of net assets and the statement of activities. These statements report financial information on all of the nonfiduciary activities of the District and its component units. The effect of interfund activity has been removed from these statements. The primary government and the discretely presented component unit are presented separately within these financial statements with the focus on the primary government. Individual funds are not displayed and the statements report governmental activities, generally supported by taxes and District general revenues. The District does not have any business-type activities, which rely to a significant extent on fees and charges for support.

The statement of net assets presents the financial position of the governmental activities of the District and its discretely presented component unit at year-end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a function and, therefore, clearly identifiable to that particular function. The District does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the District's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which functions the revenues are *restricted*.

Taxes and other revenue sources not properly included with program revenues are reported as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements – During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. Fund financial statements are provided for governmental funds.

Major individual governmental funds are reported in separate columns. The District has no non-major funds.

Fund Accounting – The District uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The District uses one category of funds: governmental.

Governmental Funds – Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The District reports the difference between governmental fund assets and liabilities as fund balance. The following are the District's major governmental funds:

General Fund – The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Colorado.

Debt Service Funds – These funds account for the servicing of the long-term debt not being financed by proprietary funds.

NOTE 1 – Continued

Measurement focus

Government-wide Financial Statements – The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the District are included on the statement of net assets. The statement of activities reports revenues and expenses.

Fund Financial Statements – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenue and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

Basis of accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, the phrase "available for exchange transactions" means expected to be received within 90 days of year-end.

Revenues – Non-exchange Transactions – Non-exchange transactions in which the District receives value without directly giving equal value in return, include property taxes, specific ownership taxes, grants, and donations. Revenue from property taxes and specific ownership taxes is recognized in the fiscal year for which the taxes are levied (the year in which they are required to be used). Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions (other than property taxes) also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, specific ownership taxes, interest and federal and state grants.

Deferred Revenue – Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred revenue (i.e., they are measurable but not available) rather than as revenue.

Property taxes are levied in December (i.e., there is a legal claim) for the next calendar year's operations, therefore the total levy is reported as taxes receivable and deferred revenue.

NOTE 1 - Continued

Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as deferred revenue.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

Budget information and control

The annual budget of the District is prepared on the same basis as the actual recorded transactions for the same year, in conformity with generally accepted accounting principles. Encumbrances are neither recorded on the books of the District nor included in the budget.

Budgetary controls are established annually by law over all funds. Appropriations for each fund lapse at the end of the budget year. The District must appropriate monies not greater than the budgeted total expenditures of each fund, at which level actual expenditures may not exceed appropriations for the year. Generally, additional appropriations may be authorized by law during the year in cases of emergency caused by a public enemy or some contingency which could not have been reasonably foreseen at the time of adoption of the budget.

The following calendar includes various deadlines for the budget process set by state statutes.

- August 25 Larimer County Assessor certifies new total assessed valuation. Any changes may be made only once by December 10.
- October 15 Submission of proposed budget to Board of Trustees. "Notice of Budget" is published setting public hearing date.
- November 1 Request for excess levy to Division of Local Government.
- December 15 Certification of mill levy to Larimer County Board of Commissioners. Budget must be adopted prior to certification. Certified copy of budget is sent to the Division of Local Government within 30 days of adoption.
- December 22 Larimer County Board of Commissioners levies taxes and certifies levies to the Assessor.
- December 31 Board of Trustees appropriates funds for the budget year.

Cash and cash equivalents

Cash and cash equivalents are defined as deposits that can be withdrawn at any time without notice or penalty and investments with maturities of three months or less.

Capital assets

Capital assets, which include buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. Capital assets include assets with an individual cost of \$1,500 or more and an estimated useful life in excess of one year. Books, although having an individual cost of less than \$1,500, are also considered capital assets. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Furniture and equipment	5 - 10
Buildings and improvements	20 - 40
Books	6

NOTE 1 - Continued

Compensated absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

Fund equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance". Fund equity for all other reporting is classified as "net assets".

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. The District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available, spendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods. Designations are management's intent to set aside these resources for specific services.

Net Assets – Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net assets are reported as unrestricted.

The District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Property taxes

The Larimer County Treasurer acts as the billing and collection agency for the District. Property taxes are due as of January 1 and may be paid in full by April 30 or in equal installments by February 28 and June 15. The District, with authorization of the County of Larimer, Colorado, may fix a levy of the amount levied for the previous year plus 5 1/2%, subject to a maximum of 2.5 mills (4 mills with vote of the electorate) for all purposes except debt service, which is not subject to such limitations. Increases in assessed valuation due to annexations, inclusions, and new construction are exempt from this restriction. The Colorado Taxpayer's Bill of Rights, if more restrictive, will supercede these measures to increase taxes. See Note 9.

Comparative Data

Comparative total data for the prior year have been presented in the financial statements in order to provide an understanding of the changes in the financial position and operations. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation.

NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits and investments at December 31, 2009 consisted of the following:

	Primary Government	Discretely Presented Component Unit
Cash on hand	\$ 185	0
Cash with treasurer	3,693	0
Deposits		
Checking - .05%	17,184	\$ 9,473
Money market savings - .07%	0	57,675
Certificates of deposit - .59% - 1.99%	64,252	0
Investments		
Local government investment pools -.28%	771,021	0
Mutual funds		
Growth and income/balanced funds	0	192,297
Growth and income/large cap funds	0	234,457
Fixed income/intermediate-term bond funds	0	198,965
Fixed income/long-term bond funds	0	100,905
Total	<u>\$ 856,335</u>	<u>\$ 793,772</u>

Deposits and investments are displayed within this report as follows:

Cash and equivalents	\$ 792,083	\$ 67,148
Certificates of deposit	64,252	0
Endowment investments	0	726,624
Total	<u>\$ 856,335</u>	<u>\$ 793,772</u>

Cash deposits

Custodial credit risk – deposits

In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The District's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of the eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At December 31, 2009, all the District's deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

At December 31, 2009, the District's cash deposits had bank and carrying balances as follows:

	Bank Balance	Carrying Balance
<u>Primary Government</u>		
FDIC Insured	<u>\$ 105,469</u>	<u>\$ 81,436</u>

NOTE 2 – Continued

Investments

Credit risk

The District's investment policy defines allowable investment instruments including:

- U.S. Treasury obligations
- U.S. instrumentality obligations
- Certificates of deposit
- Commercial paper rated in the highest tier by a nationally recognized rating agency
- Repurchase agreements
- Investment grade obligations of state, county and local governments and public authorities
- Money market mutual funds regulated by the Securities and Exchange Commission whose portfolios consist of only dollar denominated securities
- Local government investment pools

The District manages its credit risk by limiting its investments to the types of securities listed above, by pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors, and by diversifying the investment portfolio so that the impact of potential losses from any type of security or from any one individual issuer will be minimized.

At December 31, 2009, the District had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturity in Years</u>
<u>Primary Government</u>		
Local Government Investment Pools	<u>\$ 771,021</u>	<1

During the year ended December 31, 2009, the District invested funds in ColoTrust. As an investment pool, it operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner. It invests in securities that are specified by Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA). The pool operates similar to 2a-7-like money market fund with share value equal to \$1.00 and a maximum weighted average maturity of 60 days. This fund is rated AAA/AAAm by the Standard and Poor's Corporation. Wells Fargo Bank serves as custodian for the Trust's portfolios and provides services as the depository in connection with direct investments owned by the Trust. Separate financial statements can be obtained by calling (303) 864-7474 or going to www.colotruster.com.

Concentration of credit risk

The District places no specific limit on the amount that may be invested in any one issuer. The District invested 100% of available funds in local government investment pools and certificates of deposit.

Interest rate risk

Colorado Statutes require that no investment may have a maturity in excess of five years from the date of purchase. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, other than those contained in state statutes. The District's investment portfolio does not contain investments that exceed statute limitations.

Custodial credit risk – investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's Board of Trustees approves a list of financial institutions and depositories authorized to provide investment services.

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2009 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Governmental activities</u>				
Capital assets being depreciated				
Buildings and improvements	\$ 2,172,306	\$ 27,391	0	\$ 2,199,697
Books	605,184	93,800	\$ 44,436	654,548
Furniture and equipment	263,238	19,760	7,284	275,714
Total capital assets being depreciated	<u>3,040,728</u>	<u>140,951</u>	<u>51,720</u>	<u>3,129,959</u>
Less accumulated depreciation for				
Buildings and improvements	701,537	62,483	0	764,020
Books	349,610	78,304	44,436	383,478
Furniture and equipment	193,639	17,259	7,284	203,614
Total accumulated depreciation	<u>1,244,786</u>	<u>158,046</u>	<u>51,720</u>	<u>1,351,112</u>
Net capital assets being depreciated	<u>1,795,942</u>	<u>(17,095)</u>	<u>0</u>	<u>1,778,847</u>
Net capital assets - governmental activities	<u>\$ 1,795,942</u>	<u>\$ (17,095)</u>	<u>\$ 0</u>	<u>\$ 1,778,847</u>

NOTE 4 - CHANGES IN LONG-TERM DEBT

Changes in Governmental Activities Long-Term Debt for 2009 are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Governmental activities</u>					
Bonds and notes payable					
General obligation debt	\$ 690,000	0	\$ 150,000	\$ 540,000	\$ 35,000
Other liabilities					
Compensated absences	<u>33,024</u>	<u>0</u>	<u>2,911</u>	<u>30,113</u>	<u>30,113</u>
Governmental activities long-term liabilities	<u>\$ 723,024</u>	<u>\$ 0</u>	<u>\$ 152,911</u>	<u>\$ 570,113</u>	<u>\$ 65,113</u>

NOTE 5 - DEFINED BENEFIT PENSION PLAN/POSTEMPLOYMENT HEALTHCARE BENEFITS

Pension

Plan Description. The District contributes to the Municipal Division Trust Fund (MDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employee's Retirement Association of Colorado (PERA). MDTF provides retirement and disability, annual increases, and death benefits for members or their beneficiaries. All employees of the District are members of the MDTF. Title 24, Article 51 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for MDTF. That report may be obtained by writing to PERA of Colorado, 1300 Logan Street, Denver, Colorado 80203 or by calling PERA's InfoLine at 1-800-759-PERA (7372) or Denver metro area 832-9550.

Basis of Accounting for the MDTF. The financial statements of MDTF are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. MDTF plan investments are presented at fair value except for short-term investments which are recorded at cost, which approximates fair value.

Funding Policy. Plan members and the District are required to contribute at a rate set by statute. The contribution requirements of plan members and the District are established under Title 24, Article 51, Part 4 of the CRS, as amended. The contribution rate for members is 8.0% and for the District is 12.80% of covered salary. A portion of the District's contribution (1.02% of covered salary) is allocated for the Health Care Fund. The District's contributions to MDTF for the years ended December 31, 2009, 2008, and 2007 were \$69,618, \$57,141, and \$50,351, respectively, equal to their required contributions for each year.

Healthcare

Plan Description. The District contributes to the Health Care Fund (HCF), a cost-sharing multiple-employer postemployment healthcare plan administered by the PERA. The HCF provides a health care premium subsidy to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the CRS, as amended assigns the authority to establish the HCF benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the HCF. That report may be obtained by writing to PERA of Colorado, 1300 Logan Street, Denver, Colorado 80203 or by calling PERA at 832-9550 or 1-800-759 PERA (7372).

Basis of Accounting for the HCF. The financial statements of HCF are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. HCF plan investments are presented at fair value except for short-term investments which are recorded at cost, which approximates fair value.

Funding Policy. The District is required to contribute at a rate of 1.02% of covered salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the District are established under Title 24, Article 51, Part 4 of the CRS, as amended. The apportionment of the contribution to the health care fund is established under Title 24, Article 51, Section 208 of the Colorado Revised Statutes, as amended. The District's contributions to HCF for the years ending December 31, 2009, 2008, and 2007 were \$6,028, \$5,357, and \$5,146, respectively, equal to their required contributions for each year.

NOTE 6 - GENERAL OBLIGATION BONDS

Bonds dated December 15, 2000 in the name of the County of Larimer, Colorado for the benefit of the District, were duly authorized and issued in the amount of \$805,000, in denominations of \$5,000, and mature serially on December 15, beginning in 2001. All bonds maturing December 15, 2011, and thereafter, are redeemable prior to maturity at the option of the District, in whole or in part, in any order of maturity and by lot within a maturity on December 15, 2010 or any date thereafter at par and accrued interest. The proceeds from the bonds are being used to expand the existing library and purchase related furniture and equipment. Interest on outstanding bonds is payable June 15 and December 15 of each year. The bonds had an outstanding balance of \$540,000 at December 31, 2009.

NOTE 6 - Continued

Bonds dated March 15, 1999 in the name of the County of Larimer, Colorado for the benefit of the District, were duly authorized and issued in the amount of \$945,000, in denominations of \$5,000 or any integral multiple thereof. All bonds maturing December 15, 2007, and thereafter, are redeemable prior to maturity at the option of the District, in whole or in part, in any order of maturity and by lot within a maturity on December 15, 2006 or any date thereafter at par and accrued interest. The proceeds from the bonds were used to refund and call for redemption as of May 12, 1999, the remaining bonds dated March 1, 1990. Interest on outstanding bonds is payable June 15 and December 15 of each year. The bonds were fully retired as of December 31, 2009.

The bonds bear interest and mature as of December 31, 2009 as follows:

Maturity on December 15	Library Expansion Bonds	
	Principal Amount	Interest Rate
2010	\$ 35,000	5.15%
2011	\$ 40,000	5.25%
2012	\$ 40,000	5.35%
2013	\$ 45,000	5.45%
2014	\$ 45,000	5.55%
2015	\$ 50,000	5.65%
2020 (Single term bond)	\$ 285,000	5.90%

Annual sinking fund deposits are required for the redemption of the bonds maturing on December 15, 2020, beginning on or before December 15, 2016, and on or before each December 15 thereafter through and including December 15, 2019, sums which together with other moneys available is sufficient to redeem the following principal amounts of the bonds maturing on December 15, 2020:

Year	Amount
2016	\$ 50,000
2017	\$ 55,000
2018	\$ 55,000
2019	\$ 60,000

Funds required for future debt service as of December 31, 2009, are as follows:

Year	Library Expansion Bonds		
	Principal	Interest	Total
2010	\$ 35,000	\$ 30,633	\$ 65,633
2011	40,000	28,830	68,830
2012	40,000	26,730	66,730
2013	45,000	24,590	69,590
2014	45,000	22,138	67,138
2015 - 2019	270,000	68,315	338,315
2020	65,000	3,835	68,835
	<u>\$ 540,000</u>	<u>\$ 205,071</u>	<u>\$ 745,071</u>

NOTE 7 - GROUND LEASE

The District entered into a ground lease with the Town of Estes Park, Colorado on March 1, 1990 for property on which to construct and occupy a new library. Annual lease payments of \$1 are required each March 1, beginning in 1990. The lease will terminate on March 1, 2089 and at termination any property affixed to the site will vest in the landlord. Any construction or destruction of structures on the property requires the written consent of the landlord.

NOTE 8 - INTERFUND TRANSACTIONS

During the course of normal operations, the District has numerous interfund transactions. Individual fund interfund receivable and payable balances at December 31, 2009 arising from these transactions were as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	0	\$ 7,549
Debt Service Fund	<u>\$ 7,549</u>	<u>0</u>
	<u>\$ 7,549</u>	<u>\$ 7,549</u>

NOTE 9 - COMPLIANCE WITH TAXPAYER'S BILL OF RIGHTS

On November 3, 1992, Colorado voters enacted the Taxpayer's Bill of Rights (TABOR). The net financial effect of the amendment to the state constitution relates to the limitation of the amount of revenue, after 1992, able to be spent or retained by a Colorado governmental entity subject to its provisions. Generally, subject revenue may be increased annually to the extent of the combined percentage increase in inflation and growth in actual value of real property within the government's boundaries. Also, Colorado governments are still subject to restrictions under laws existing prior to November 3, 1992, until changed by the voters. Revenue in excess of limitations must be refunded to taxpayers unless voters approve the retention of such revenue. TABOR also restricts the imposition, without prior voter approval, new or increased taxes, increasing a property tax mill levy above that of the prior year, extending expiring taxes or changing tax policies causing net revenue increases. TABOR generally forbids debt or other financial obligations (including pension) with maturities in excess of one year without prior voter approval.

The District uses the basis of accounting used in preparing the annual budget (GAAP basis) in determining compliance with TABOR. The required emergency reserve (for emergencies other than economic conditions, revenue shortfalls, or salary or fringe benefit increases) is treated as a reservation of the General Fund fund balance. The amount represents 3% of "fiscal year spending" (revenue subject to TABOR.)

TABOR is complex and subject to judicial interpretation. However, voters of the District approved a referendum on November 2, 1999 allowing the District to collect, keep and expend all revenues (other than excess property tax revenues) received in 1999 and each year thereafter. Voters also approved on November 2, 2004 to allow the District to increase its operating mill levy from 2.39 to 3.28 mills in 2004 (for 2005 collection) and each year thereafter, qualifying as a TABOR voter-approved revenue change and, if applicable, an authorized exception to the statutory 5.5% tax revenue growth limitation. Considering the above interpretation of TABOR, the governing board believes that it is in compliance with its fiscal requirements for the year ended December 31, 2009.

NOTE 10 - RISK MANAGEMENT

The District is exposed to losses related to torts; theft of, damage to or destruction of assets; errors and omissions; job-related illnesses or injuries to employees, and natural disasters. The District purchases sufficient commercial insurance to cover losses from these events, and does not self-insure or participate in a public entity risk pool. All risk management activities are accounted for in the General Fund. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 11 – DEFERRED COMPENSATION PLANS

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all permanent District employees at their option, permits them to defer a portion of their salary until future years, without contribution by the District. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

The MDTF members of the District may voluntarily contribute to the Voluntary Investment Program (401(k) Plan), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Plan participation is voluntary, and contributions are separate from others made to PERA. Title 24, Article 51, Part 14 of the CRS, as amended, assigns the authority to establish the 401(k) Plan provisions to the State Legislature.

REQUIRED AND OTHER SUPPLEMENTARY INFORMATION

INDIVIDUAL FUND BUDGETARY COMPARISON

These statements provide required supplementary information to the basic financial statements and contain information on the District's budget as compared to actual operating results for the current period.

TREND DATA

Presented as optional supplementary information, trend data provide readers with a broader understanding of the government and the trends in its financial affairs than is possible from the financial statements.

ESTES VALLEY PUBLIC LIBRARY DISTRICT
General Fund
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Totals for the Year Ended December 31, 2008)

	2009			Variance with Final Budget Favorable (Unfavorable)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
REVENUES					
Taxes	\$ 1,130,877	\$ 1,130,877	\$ 1,114,259	\$ (16,618)	\$ 1,073,398
Intergovernmental revenue	141	141	168	27	169
Charges for services	8,000	8,000	7,937	(63)	6,947
Fines and forfeits	5,000	5,000	7,374	2,374	7,809
Miscellaneous	57,259	75,759	58,986	(16,773)	79,454
Total revenues	<u>1,201,277</u>	<u>1,219,777</u>	<u>1,188,724</u>	<u>(31,053)</u>	<u>1,167,777</u>
EXPENDITURES					
Current					
Library	1,152,278	1,152,278	1,155,117	(2,839)	1,036,924
Capital outlay	24,000	42,500	53,065	(10,565)	115,805
Total expenditures	<u>1,176,278</u>	<u>1,194,778</u>	<u>1,208,182</u>	<u>(13,404)</u>	<u>1,152,729</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
	24,999	24,999	(19,458)	(44,457)	15,048
FUND BALANCE					
Beginning of year	<u>624,014</u>	<u>624,014</u>	<u>571,050</u>	<u>(52,964)</u>	<u>556,002</u>
End of year	<u>\$ 649,013</u>	<u>\$ 649,013</u>	<u>\$ 551,592</u>	<u>\$ (97,421)</u>	<u>\$ 571,050</u>

See the accompanying independent auditor's report.

ESTES VALLEY PUBLIC LIBRARY DISTRICT
General Fund
Statement of Revenues - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Totals for the Year Ended December 31, 2008)

	2009			Variance with Final Budget Favorable (Unfavorable)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
<u>TAXES</u>					
General property taxes	\$1,053,462	\$1,053,462	\$1,033,852	\$ (19,610)	\$ 983,637
Specific ownership taxes	75,915	75,915	76,658	743	86,341
Interest on delinquent taxes	1,500	1,500	3,749	2,249	3,420
Total taxes	<u>1,130,877</u>	<u>1,130,877</u>	<u>1,114,259</u>	<u>(16,618)</u>	<u>1,073,398</u>
<u>INTERGOVERNMENTAL REVENUE</u>					
Payment in lieu of taxes	135	135	161	26	162
State impact assistance distribution	6	6	7	1	7
Total intergovernmental revenue	<u>141</u>	<u>141</u>	<u>168</u>	<u>27</u>	<u>169</u>
<u>CHARGES FOR SERVICES</u>					
Audio/visual fees	290	290	166	(124)	236
Pay phone/other	290	290	373	83	302
Computer/typewriter	4,000	4,000	4,324	324	3,445
Copier fees	3,420	3,420	3,074	(346)	2,964
Total charges for services	<u>8,000</u>	<u>8,000</u>	<u>7,937</u>	<u>(63)</u>	<u>6,947</u>
<u>FINES AND FORFEITS</u>					
Overdue charges	3,500	3,500	5,333	1,833	5,104
Replacement fees	1,500	1,500	2,041	541	2,705
Total fines and forfeits	<u>5,000</u>	<u>5,000</u>	<u>7,374</u>	<u>2,374</u>	<u>7,809</u>
<u>MISCELLANEOUS REVENUES</u>					
Earnings on investments (2008 - net of realized CDT losses of \$15,302)	17,000	17,000	3,830	(13,170)	2,893
Contributions/private grants	40,000	58,500	54,550	(3,950)	76,545
Other miscellaneous revenues	259	259	606	347	16
Total miscellaneous revenues	<u>57,259</u>	<u>75,759</u>	<u>58,986</u>	<u>(16,773)</u>	<u>79,454</u>
<u>TOTAL REVENUES</u>	<u>\$1,201,277</u>	<u>\$1,219,777</u>	<u>\$1,188,724</u>	<u>\$ (31,053)</u>	<u>\$1,167,777</u>

See the accompanying independent auditor's report.

ESTES VALLEY PUBLIC LIBRARY DISTRICT
General Fund
Statement of Expenditures
For the Year Ended December 31, 2009
(With Comparative Totals for the Year Ended December 31, 2008)

	2009			Variance with Final Budget Favorable (Unfavorable)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
ADMINISTRATION					
Salaries					
Director	\$ 73,600	\$ 73,600	\$ 81,161	\$ (7,561)	\$ 77,001
Administrative specialist	34,000	34,000	41,994	(7,994)	38,911
PERA and payroll taxes	14,364	14,364	17,294	(2,930)	15,128
Health, life and vision insurance	15,440	15,440	13,744	1,696	12,887
Dental insurance	1,375	1,375	1,132	243	1,538
Benefit plan administration fees	2,102	2,102	2,273	(171)	2,390
Worker's compensation	566	566	304	262	494
Operating supplies	18,300	18,300	25,767	(7,467)	17,727
Publicity/advertising	5,000	5,000	1,881	3,119	3,586
Liability insurance	2,500	2,500	2,329	171	2,329
Catering/special circumstances	2,331	2,331	1,553	778	1,171
Staff development	7,025	7,025	4,153	2,872	2,446
Travel and meals	4,368	4,368	3,816	552	3,025
Accounting	21,145	21,145	21,145	0	20,529
Legal	1,500	1,500	446	1,054	0
Auditing	6,500	6,500	6,500	0	6,500
Dues and subscriptions	1,250	1,250	1,256	(6)	1,432
Telephone	3,146	3,146	3,238	(92)	3,181
Postage	2,200	2,200	2,352	(152)	2,085
Equipment repairs	400	400	0	400	142
Computer/software/copier maintenance	1,350	1,350	1,724	(374)	1,120
Computer management system	1,349	1,349	1,189	160	1,189
Internet service fees	12,360	12,360	12,390	(30)	12,360
Computer fees/supplies	25,700	25,700	15,685	10,015	14,543
Archives special project	40,000	40,000	30,086	9,914	0
Bank charges	35	35	15	20	12
Land and storage rent	1,450	1,450	1,793	(343)	1,501
County treasurer's fees	23,680	23,680	20,754	2,926	20,629
Total administration	323,036	323,036	315,974	7,062	263,856

	2009			Variance with Final Budget Favorable (Unfavorable)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
CIRCULATION					
Salaries					
Supervisor	42,000	42,000	46,524	(4,524)	42,943
Assistants	43,149	43,149	24,484	18,665	20,348
Seasonal	17,000	17,000	16,758	242	21,486
Substitutes	5,000	5,000	2,307	2,693	1,990
PERA and payroll taxes	14,305	14,305	12,911	1,394	11,600
Health, life and vision insurance	5,339	5,339	5,328	11	4,986
Dental insurance	415	415	357	58	522
Worker's compensation	543	543	234	309	374
Operating supplies	3,100	3,100	4,980	(1,880)	437
Printed materials	1,000	1,000	0	1,000	0
Interlibrary loan fees	400	400	316	84	403
Courier service	650	650	430	220	573
Total circulation	<u>132,901</u>	<u>132,901</u>	<u>114,629</u>	<u>18,272</u>	<u>105,662</u>
YOUTH					
Salaries					
Children's supervisor	46,150	46,150	50,432	(4,282)	50,113
Children's librarian	40,000	40,000	44,259	(4,259)	43,237
PERA and payroll taxes	11,501	11,501	13,055	(1,554)	11,974
Health, life and vision insurance	20,734	20,734	14,203	6,531	13,332
Dental insurance	1,921	1,921	1,133	788	1,539
Worker's compensation	496	496	243	253	396
Programs	15,000	15,000	20,166	(5,166)	27,585
Materials processing	2,285	2,285	4,648	(2,363)	4,806
Print materials	20,400	20,400	16,618	3,782	15,907
Nonprint materials	10,153	10,153	6,842	3,311	7,470
Toybrary	1,400	1,400	1,254	146	1,019
Total youth	<u>170,040</u>	<u>170,040</u>	<u>172,853</u>	<u>(2,813)</u>	<u>177,378</u>
ADULT SERVICES					
Salaries					
Adult services supervisor	46,150	46,150	53,918	(7,768)	49,854
Reference librarians	52,000	52,000	52,374	(374)	48,157
Resource-sharing assistant	8,600	8,600	12,446	(3,846)	9,084
PERA and payroll taxes	14,251	14,251	17,091	(2,840)	14,311
Health, life and vision insurance	10,675	10,675	10,647	28	9,973
Dental insurance	830	830	713	117	1,044
Worker's compensation	651	651	283	368	463
Programs	5,000	5,000	4,476	524	3,923
Print materials	13,604	13,604	13,288	316	13,857
Database subscriptions	15,000	15,000	14,919	81	11,419
Microforms	200	200	0	200	0
Materials processing	75	75	46	29	72
Total adult services	<u>167,036</u>	<u>167,036</u>	<u>180,201</u>	<u>(13,165)</u>	<u>162,157</u>

	2009			Variance with Final Budget Favorable (Unfavorable)	2008
	Budgeted Amounts		Actual		Actual
	Original	Final			
TECHNICAL SERVICES					
Salaries					
Technical services supervisor	42,000	42,000	49,012	(7,012)	38,271
Acquisitions	40,000	40,000	44,668	(4,668)	44,430
Archivist	19,000	19,000	14,811	4,189	8,190
Technology specialist	39,140	39,140	45,424	(6,284)	35,562
Technical services assistant	10,712	10,712	12,745	(2,033)	4,372
PERA and payroll taxes	20,138	20,138	23,787	(3,649)	17,088
Health, life and vision insurance	19,472	19,472	17,225	2,247	17,301
Dental insurance	1,599	1,599	1,630	(31)	1,720
Worker's compensation	815	815	395	420	326
Supplies	1,500	1,500	42	1,458	146
Print materials	33,300	33,300	32,479	821	29,666
Nonprint materials	25,000	25,000	23,322	1,678	27,377
Periodicals	10,000	10,000	8,596	1,404	8,144
Materials processing	5,500	5,500	12,612	(7,112)	11,620
Total technical services	268,176	268,176	286,748	(18,572)	244,213
BUILDING					
Maintenance contracts/alarm	6,500	6,500	6,809	(309)	6,812
Custodial services	26,500	26,500	27,618	(1,118)	28,027
Supplies	3,100	3,100	1,888	1,212	2,282
Repairs	18,000	18,000	17,347	653	13,889
Electric	14,000	14,000	13,179	821	12,837
Sanitation	1,557	1,557	955	602	1,965
Water	1,350	1,350	810	540	1,473
Gas	7,000	7,000	4,051	2,949	4,387
Trash	1,905	1,905	1,434	471	1,409
Property insurance	11,177	11,177	10,621	556	10,577
Total building	91,089	91,089	84,712	6,377	83,658
CAPITAL OUTLAY					
Furniture and equipment	14,000	14,000	20,207	(6,207)	32,722
Building improvements	10,000	28,500	27,391	1,109	83,083
Communication presentation/design	0	0	5,467	(5,467)	0
Total capital outlay	24,000	42,500	53,065	(10,565)	115,805
TOTAL EXPENDITURES	\$ 1,176,278	\$ 1,194,778	\$ 1,208,182	\$ (13,404)	\$ 1,152,729

See the accompanying independent auditor's report.

ESTES VALLEY PUBLIC LIBRARY DISTRICT

**Footnotes to Required Supplementary Information
December 31, 2009**

NOTE 1 – COMPLIANCE AND ACCOUNTABILITY

Expenditures in excess of appropriations

Expenditures of the General Fund exceeded appropriations by \$13,404, and may be in violation of Local Government Budget Law. The excess expenditures are largely attributable to excess capital outlay expenditures.

ESTES VALLEY PUBLIC LIBRARY DISTRICT
Debt Service Fund
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Totals for the Year Ended December 31, 2008)

	2009			2008
	Budget Original and Final	Actual	Variance Favorable (Unfavorable)	Actual
<u>REVENUES</u>				
Taxes				
General property taxes	\$ 174,404	\$ 171,224	\$ (3,180)	\$ 125,625
Specific ownership taxes	10,000	12,691	2,691	11,026
Interest on delinquent taxes	120	621	501	437
Total taxes	<u>184,524</u>	<u>184,536</u>	12	<u>137,088</u>
Town of Estes Park/Estes Park URA grants	37,600	37,600	0	37,600
Earnings on investments	6,000	1,057	(4,943)	6,333
Total revenues	<u>228,124</u>	<u>223,193</u>	<u>(4,931)</u>	<u>181,021</u>
<u>EXPENDITURES</u>				
Treasurer's fees	3,631	3,436	195	2,634
Paying agent fees	900	875	25	875
Debt service				
Principal retirement	150,000	150,000	0	140,000
Interest charges	72,066	37,880	34,186	44,530
Total expenditures	<u>226,597</u>	<u>192,191</u>	<u>34,406</u>	<u>188,039</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>OVER EXPENDITURES</u>				
	1,527	31,002	29,475	(7,018)
<hr/>				
<u>FUND BALANCE</u>				
Beginning of year	<u>182,158</u>	<u>182,020</u>	<u>(138)</u>	<u>189,038</u>
End of year	<u>\$ 183,685</u>	<u>\$ 213,022</u>	<u>\$ 29,337</u>	<u>\$ 182,020</u>

See the accompanying independent auditor's report.

ESTES VALLEY PUBLIC LIBRARY DISTRICT

Trend Data

Last Ten Fiscal Years

	2009	2008	2007	2006
Estimated value of taxable real property(1)	<u>\$2,890,073,619</u>	<u>\$2,853,418,665</u>	<u>\$2,583,278,517</u>	<u>\$2,525,402,530</u>
Assessed valuation (1)	\$ 320,298,770	\$ 319,010,360	\$ 289,401,380	\$ 286,573,450
Estes Park Urban Renewal Authority increment assessed valuation	292,100	13,884,853	12,218,349	11,715,449
Assessed valuation - net	<u>\$ 320,006,670</u>	<u>\$ 305,125,507</u>	<u>\$ 277,183,031</u>	<u>\$ 274,858,001</u>
Mill levy by fund (1)				
General fund	3.292	3.289	3.280	3.280
Debt service fund	.545	.420	.370	.220
Total district mill levy	<u>3.837</u>	<u>3.709</u>	<u>3.650</u>	<u>3.500</u>
Mill levy including overlapping governments - by population center (1)				
Town of Estes Park	70.082	69.569	70.291	64.673
Average outside incorporated municipality	68.364	67.816	68.469	62.851
General property tax revenue				
General fund	\$ 1,033,852	\$ 983,637	\$ 892,811	\$ 883,760
Debt service fund	171,224	125,625	100,709	59,267
Total general property tax revenue	<u>\$ 1,205,076</u>	<u>\$ 1,109,262</u>	<u>\$ 993,520</u>	<u>\$ 943,027</u>
General bonded indebtedness - end of year	<u>\$ 540,000</u>	<u>\$ 690,000</u>	<u>\$ 830,000</u>	<u>\$ 960,000</u>
Ratio of general bonded debt to assessed valuation - net	<u>0.17%</u>	<u>0.23%</u>	<u>0.30%</u>	<u>0.35%</u>
Governmental fund type expenditures by function - Library				
Administration	\$ 320,285	\$ 267,365	\$ 218,636	\$ 196,611
Circulation	114,629	105,662	143,056	141,450
Youth	172,853	177,378	150,816	151,007
Reference/Adult Services (2)	180,201	162,157	165,046	147,525
Acquisitions/Technical Services (2)	286,748	244,213	219,986	97,919
Periodicals (2)	0	0	0	66,087
Outreach (2)	0	0	0	43,896
Building	84,712	83,658	90,367	80,691
Capital outlay	53,065	115,805	136,625	21,132
Debt service				
Principal retirement	150,000	140,000	130,000	131,569
Interest charges	37,880	44,530	50,565	56,845
Total expenditures	<u>\$ 1,400,373</u>	<u>\$ 1,340,768</u>	<u>\$ 1,305,097</u>	<u>\$ 1,134,732</u>
Governmental fund type revenues by source -				
Taxes	\$ 1,298,795	\$ 1,210,486	\$ 1,097,320	\$ 1,041,424
Intergovernmental revenue	37,768	37,769	38,037	40,512
Charges for services	7,937	6,947	9,148	8,880
Fines and forfeits	7,374	7,809	5,102	4,704
Miscellaneous revenues	60,043	85,787	182,313	70,957
Total revenues	<u>\$ 1,411,917</u>	<u>\$ 1,348,798</u>	<u>\$ 1,331,920</u>	<u>\$ 1,166,477</u>

(1) For year of property tax collection.

(2) Expenditures reallocated after 2006.

See the accompanying independent auditor's report.

2005	2004	2003	2002	2001	2000
<u>\$2,363,349,598</u>	<u>\$2,317,217,200</u>	<u>\$1,964,626,840</u>	<u>\$1,914,223,730</u>	<u>\$1,445,390,362</u>	<u>\$1,373,572,731</u>
\$ 274,470,660	\$ 273,252,530	\$ 254,280,030	\$ 251,974,930	\$ 199,665,240	\$ 193,632,820
10,132,738	9,288,080	8,688,470	8,317,870	6,860,780	6,758,680
<u>\$ 264,337,922</u>	<u>\$ 263,964,450</u>	<u>\$ 245,591,560</u>	<u>\$ 243,657,060</u>	<u>\$ 192,804,460</u>	<u>\$ 186,874,140</u>
3.280	2.390	2.390	2.343	2.390	2.390
.500	.750	.190	.900	1.198	.426
<u>3.780</u>	<u>3.140</u>	<u>2.580</u>	<u>3.243</u>	<u>3.588</u>	<u>2.816</u>
66.266	65.670	67.762	68.061	74.294	69.969
64.444	63.848	65.870	66.169	72.072	67.747
\$ 854,969	\$ 624,986	\$ 584,116	\$ 576,932	\$ 461,117	\$ 446,638
130,045	196,673	46,433	217,295	231,137	79,616
<u>\$ 985,014</u>	<u>\$ 821,659</u>	<u>\$ 630,549</u>	<u>\$ 794,227</u>	<u>\$ 692,254</u>	<u>\$ 526,254</u>
\$ 1,085,000	\$ 1,210,000	\$ 1,330,000	\$ 1,445,000	\$ 1,550,000	\$ 1,655,000
<u>0.41%</u>	<u>0.46%</u>	<u>0.54%</u>	<u>0.59%</u>	<u>0.80%</u>	<u>0.89%</u>
\$ 232,910	\$ 207,068	\$ 159,571	\$ 155,311	\$ 149,418	\$ 171,167
125,084	101,344	99,373	96,403	83,222	74,803
141,310	92,837	90,036	85,923	68,419	71,128
99,835	128,353	119,823	116,277	103,738	97,415
94,753	82,691	95,923	98,465	86,900	87,085
56,683	28,378	28,297	28,067	23,654	21,594
43,370	20,653	17,605	15,667	14,376	14,532
67,309	62,749	55,898	51,362	43,713	38,583
36,957	0	15,439	643,704	308,660	20,706
126,396	120,000	115,000	135,478	124,009	80,000
64,325	67,100	72,039	78,438	80,445	40,055
<u>\$ 1,088,932</u>	<u>\$ 911,173</u>	<u>\$ 869,004</u>	<u>\$ 1,505,095</u>	<u>\$ 1,086,554</u>	<u>\$ 717,068</u>
\$ 1,097,935	\$ 913,508	\$ 703,832	\$ 886,927	\$ 783,222	\$ 594,550
37,769	38,167	37,658	40,847	43,178	37,610
9,483	9,299	9,008	9,121	6,066	42,310
3,969	4,789	5,613	4,622	4,022	2,982
105,485	38,095	72,946	74,957	62,899	51,317
<u>\$ 1,254,641</u>	<u>\$ 1,003,858</u>	<u>\$ 829,057</u>	<u>\$ 1,016,474</u>	<u>\$ 899,387</u>	<u>\$ 728,769</u>

Date: September 18, 2010

To: Claudine Perrault, Director

Re: Estes Valley Public Library District

Enclosed are the following:

1. Sixteen copies of the audit report for the year ended December 31, 2009. Two copies should be mailed to the Office of the State Auditor, 225 E. 16th Avenue, Suite 555, Denver, CO 80203 as required by law.
2. Twelve copies of our management letter.
3. A copy of the adjusting journal entries at December 31, 2009.

September 20, 2010

Office of the State Auditor
Local Government Audit Division
225 E 16th Avenue, Suite 555
Denver, Colorado 80203

Re: Estes Valley Public Library District

Dear Sirs:

Enclosed are two copies of the audited financial statements for Estes Valley Public Library District for the year ended December 31, 2009.

Very truly yours,

Cole and Crosier, P.C.
Certified Public Accountants

BDC:ke
xc: Claudine Perrault, Director
Estes Valley Public Library District

2 enclosures