

2020 Budget Message Estes Valley Public Library District

Mission: *To bring people, ideas and opportunities together for the enrichment of our community, by providing access to quality information, resources and services.*

The Proposed Budget for 2020 for the Estes Valley Public Library District includes revenues of \$1,889,028 in general property taxes and approximately \$399,289 in additional revenues for a total of \$2,288,317. The assessed valuation for the district is up 14.74%. The operating mill levy is 4.52. Additionally, the district will levy .026 mills to collect taxes abated and refunded. Our final mill levy certified to the county will be 4.546. Accordingly, the special features of this proposed budget include:

- To ensure effective and sustainable funding for another decade, the library board of trustees completed a 10-year financial forecast in 2013, which is updated annually. In 2014, district voters agreed to set the annual property tax rate for the library to 4.52 mills to meet the library's 10-year strategic funding plan.
- The board of trustees' finance policy articulates parameters for district income and expenses and ensures prudent fiscal management. Staff members adhere to these financial curbs and reporting standards. This policy details the district's General Fund, which includes four distinct accounts:
 1. *Operating Account*
 2. *Short Term Operating Reserve*
 3. *Long Term Operating Reserve*
 4. *Capital Replacement Reserve*
- The Library meets community expectations by fulfilling its Strategic Plan. Notable 2020 projects include:
 - **Integrated Library System Upgrade:** Key improvements include enhanced patron interface to the catalog, digital collections and program registration, and staff database, public computer management, marketing and print systems.
 - **Library Fireside Theater:** High demand for our limited public meeting rooms coupled with the need for library program space to accommodate 50 -100 attendees. Added features to the existing 1st floor fireplace corner will include A/V equipment, black-out shades and 100 compact chairs.
 - **Staff Office Renovation:** To maximize the available staff workspace, a wall will be built to create a permanent Tech office and Break/storage room. Damaged flooring will also be replaced.
 - **Facility Audit:** The 10-year facilities maintenance plan will be updated through a formal facility audit to bring the plan up to date and to include the Friends & Foundation Cliffhanger Used Books/Apartment building.
- According to the TABOR Amendment, the district must maintain an emergency reserve of not less than 3% of fiscal year spending. That sum in 2020 is \$62,569. The district's practice has exceeded that requirement by maintaining a *Short Term Operating Reserve* to provide three months' operating expenditures, which amounts to approximately \$521,500 for year 2020.

- With the increased mill levy revenue from 2014 to the present, the district's revenue will exceed budgeted expenses and reserve needs. This surplus will be held in the *Long Term Operating Reserve* to meet forecasted operating expenses in accordance with the 10-year strategic financial plan. Excess revenue for 2020 is projected at \$202,670. This annual surplus is expected to decrease over the first few years of the planning period and accumulate to supplement the last years of the planning period.
- In addition, a minimum *Capital Replacement Reserve* has been designated for planned and unexpected facility maintenance and improvement expenditures.
- The district is fortunate to have the support of the Library Friends & Foundation, which makes generous contributions for strategic projects.
- The library can only meet its strategic funding plan with the philanthropic support of our donors, as managed by the Friends & Foundation. Their collective gifts account for 8.74% of the District's total revenue in 2020.

The 2020 budget for the Estes Valley Public Library District is prepared using the modified accrual basis of accounting as used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual [i.e. when they become both measurable and available]. Measurable means the amount of the transaction can be determined, and available means collectible within the current period. Property taxes are considered measurable in the period levied, but not available until the subsequent year. Expenditures are recorded when the related fund liability is incurred.

Those revenues susceptible to accrual are property taxes, intergovernmental grants and interest earnings. Charges for services, fines and donations are not susceptible to accruals because generally they are not measurable until received in cash.

The proposed 2020 budget for the District includes the following goals:

1. **Focus on Early Literacy**
2. **Enable Lifelong Learning**
3. **Enable a Greater Sense of Community**
4. **Deliver Materials on a Personalized Basis**
5. **Grow Internally to Succeed Externally**

With thanks to Administrative staffers Kieran Rowser and Cindy Seckman, I submit this Proposed Budget for 2020 for your consideration and adoption.

Thank you.

Claudine Perrault
Director