

2022 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 2022 for the Estes Valley Public Library District includes revenues of \$2,011,706 in general property taxes and approximately \$487,857 in additional revenues for a total of \$2,499,563. The assessed valuation for the district is up 6.61%. The operating mill levy is 4.52. Additionally, the district will levy .024 mills to collect taxes abated and refunded. Our final mill levy certified to the county will be 4.544. 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 2022 projects include:

- **Conduct a Community Needs Assessment:** To support an upcoming strategic planning process, the Library will conduct a community needs assessment to better understand how the Library can best meet the needs of residents of, and guests to our Valley. The process will include online surveys, focus groups and individual interviews to determine how to increase value and engagement.
- **Early Literacy & EDI:** Children's Outreach has expanded to include mailing books to preschool households, software for family literacy, and other promotions. These efforts include Equity, Diversity and Inclusion training to incorporate EDI practices into library operations that better serve our increasingly diverse community.
- **Tend to Physical and Technical Capacity Building:** Staff will upgrade the building's WiFi hardware and presentation systems to improve bandwidth for programs and patron use, and to bring modern wireless streaming for personal devices in all meeting spaces; refurbish the library's roof with a low-VOC, 20-year coating; and migrate to paperless record management and process automation.

- o According to the TABOR Amendment, the district must maintain an emergency reserve of not less than 3% of fiscal year spending. That sum in 2022 is \$72,296. 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 \$602,465 for the year 2022.
- o 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 2022 is projected at \$89,704.
- o In addition, a minimum *Capital Replacement Reserve* has been designated for planned and unexpected facility maintenance and improvement expenditures.
- o 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 13.2% of the District's total revenue in 2022.

The 2022 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, fees and donations are not susceptible to accruals because generally they are not measurable until received in cash.

The proposed 2022 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 Library Accountant Cindy Seckman, I submit this Proposed Budget for 2022 for your consideration and adoption.

Thank you.

Claudine Perrault, Library Director