

2023 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 2023 for the Estes Valley Public Library District includes revenues of \$1,974,526 in general property taxes and approximately \$630,340 in additional revenues for a total of \$2,604,866. The assessed valuation for the district is down 1.85% from the prior year. 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 theme for 2023 will be ***Team Building and Community***. After 3 years of the COVID pandemic, we are rebuilding our staff and strengthening connections with our community. Notable 2023 projects include:

- **Staff and Library Safety practices:** The Library is dedicating staff time to best practices in safety and security. Training will include Narcan use, active assailant, basic and community emergency procedures, connecting patrons with local and county assistance programs, and effective community networking.
- **Planning for the Future:** The 2022 Community Needs Assessment was completed at the end of the year, and important insights into patron behaviors and preferences have been gained. Using that data, the Library District is ready to conduct a multi-year Strategic Plan. As such, the district is working with the Colorado State Library to facilitate the Planning process, free of charge. This will be a staff and stakeholder-intensive process, with results in time for the 2024 budget cycle.
- **Tend to Physical Capacity Building:** The Library's downtown building rests on Town of Estes Park property. The Town is making its own long-term plans for this valuable land, and has given the Library District some indication that the downtown land-lease may need to be rethought in the next 10 years. Several actions are now necessary: First, to update the downtown interior so that it

remains of value to our community for ten more years. This will require an RFP for architectural services. Second, to refurbish the library's aging flat roof with a low-VOC 10-year coating. And finally, to begin planning for a future facility, location TBD.

- **Tend to 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 and community meetings in both meeting rooms.

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 2023 is \$76,949. 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 \$641,248 for the year 2023.

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 2023 is projected at \$39,874.

o In addition, a minimum *Capital Replacement Reserve* has been designated for planned and unexpected facility maintenance and improvement expenditures. In 2023 the Library budgeted to spend \$190,000 from this Capital Replacement Reserve. To maintain the required \$100,000, a projected amount of \$52,400 will be transferred from Long Term Reserves.

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 13.1% of the District's total revenue in 2023.

The 2023 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 2023 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 2023 for your consideration and adoption.

Thank you.

Claudine Perrault, Library Director