



2023 Annual Plan & Budget

December 13, 2022

PUEBLO CITY-COUNTY LIBRARY DISTRICT

Finance Office
100 E Abriendo Avenue
Pueblo, Colorado 81004

2023 Annual Plan & Budget

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2023 Annual Plan

This document includes the strategies and plans set forth for the Pueblo City-County Library District (PCCLD) for fiscal year 2023. The work found here is a culmination of many efforts including the planning completed by the library's senior leadership team and an annual planning retreat held for library leaders, the Employee Steering Committee, Library Trustees, and the Board of Directors of the Pueblo Library Foundation and The Friends of the Pueblo Library on October 25, 2022.

BACKGROUND

January 1, 2021, PCCLD adopted its current strategic plan ***Growing Community Partnerships—the 2021-2025 Strategic Plan*** (found on the District's website at https://www.pueblolibrary.org/sites/default/files/pdf/2021_2025Strategic%20Plan.pdf). This plan, spanning 5 years, is the product of a comprehensive strategic planning project which took place in 2020. Within the project, a number of resources were synthesized to create seven areas of strategic focus. It is the goal of PCCLD to look to these areas of strategic focus to guide the annual objectives of the District. The following Annual Plan includes a comprehensive set of objectives for 2023 for the library which are derived from the current strategic plan in their essence and focus.

[Note: Objectives are assigned to the library executive and senior leaders as denoted in brackets.]

One notable program which will define our work in 2023 is the Emergency Connectivity Fund (ECF) grant program. PCCLD has been awarded just under \$500,000 to provide tools and services our community needs for remote learning. This helps close the gap for students and library patrons who do not have the connectivity in their homes to allow them to connect to classrooms. Congress authorized the ECF program as part of the American Rescue Plan Act of 2021. You'll see here that PCCLD is dedicating a vast amount of leadership and staff bandwidth to this critical program. 2023 is to be "A Year of Connectivity."

2023 OBJECTIVES—Organized by Strategic Focus Areas

Access to Services—Inside and Outside of the Library

- Successfully administer the \$497,386 Emergency Connectivity Fund grant program to provide access to broadband and Wi-Fi-enabled devices for the community [Executive Director]
- Implement a new library account collections program [Director of Technical Services]
 - Incorporate best practices, integration with the Koha integrated library system (ILS), documented procedures, and a qualified vendor partner
- Plan and initiate the renovation and expansion of the Barkman and Lucero Libraries [Executive Director]

- Includes procuring updated equipment and systems—automated materials handling equipment, self-check machines, security camera system, and public computing devices; and adequate fundraising
 - Engage in adequate fundraising to complete the projects
- Refresh the Beulah Satellite library [Associate Director of Public Services]
- Return attention to achieving PCCLD key results—circulation, visits, digital use, and program attendance—to reinforce great local library service [Associate Director of Public Services]
- Assess future community needs for public library services and accomplish strategic objectives for long-term financial stability for PCCLD [Executive Director]
- Rededicate the Rawlings Library after the renovation project including engagement with the public with a cornerstone ceremony; promotion of new programs and services; assessment of strength and performance of newly reorganized staffing, updated collections, and new spaces [Director of Rawlings Library & Customer Experience]
- Further define the library’s digital branch to include ease of access to e-content, data collection, initiatives and goals, and marketing to the public [Director of Technical Services]
- Increase patron and library employee perception of safety and comfort in our libraries through enhanced security measures [Director of Rawlings Library & Customer Experience]
 - Includes investing in security staffing; updating the library’s emergency action plan; revising and expanding response guidelines and staff training for evacuations, lockdowns/sheltering, active threat events and severe weather conditions; and updating Person in Charge (PIC) training.

Culture and Diversity—Embracing Opportunities

- Launch a culture strengthening effort [Executive Director]
 - Encompasses engaging the marketplace to hire a consultant to lead the process, planning and implementing the effort, assessing outcomes
- Continue planning, implementing, and supporting IDEA (inclusion, diversity, equity and access) principles and practices [Executive Director]

Education—Encouraging Lifelong Learning

- Promote materials, programs and services focused on information literacy to community learning groups including homeschoolers [Director of Rawlings Library & Customer Experience]
- Educate library trustees and employees on intellectual freedom and the ideals of librarianship [Associate Director of Public Services]
- Revitalize the Adult Literacy Program’s ability to meet the needs of adult learners as they pursue their goals [Director of Rawlings Library & Customer Experience]

- Includes expanding the volunteer tutor network, recruiting adult learners, partnering with SEL Tutoring to offer in-person GED courses, and implementing new data collection measures to assess skills growth among adult learners

Employment— Fostering Economic and Workforce Development

- Provide workforce development via Rawlings Library programs and services including makerspace learning and activities, technology training, and outreach [Director of Rawlings Library & Customer Experience]
- Activate initiatives and build a set of robust reference tools for use throughout the library district to meet community needs for economic and workforce development [Director of Rawlings Library & Customer Experience]
 - Includes refreshing the Doris Kester Nonprofit Resource Center by implementing promotion and training of collections, databases and other online resources; building a reference list of resources available in the community (by reference librarian); and providing trainings in partnership with community organizations (such as Workforce Center and the Pueblo Small Business Development Center)

Internal Capacity—Growing from Within

- Assess current paid time off employee benefits, compare to benchmarks and make recommendations accordingly [Director of HR]
- Refresh the Nesbitt Employee Activities Committee [Director of HR]
- Conduct a market wage study to ensure that the library remains competitive with market salaries—make necessary salary adjustments within budgeted resources [Director of HR]
- Update or replace the existing financial accounting and reporting software with a cloud-based option [Chief Financial Officer]
- Release an RFP for audit services [Chief Financial Officer]
- Successfully support the single audit for federal funding of library programs to ensure accountability and transparency in fiscal operations [Chief Financial Officer]
- Release an RFP for custodial services and implement a contract which benefits the District [Facilities Superintendent]
- Develop a robust data reporting system regarding library collections, provide this information to library leaders on an ongoing basis, assess status of existing collections, determine gaps and measures for improvement [Director of Technical Services]
- Accomplish operational goals which include assessing and improving internal library courier services, supporting meeting room use, improving physical plant systems controls and supporting ongoing renovation projects [Facilities Superintendent]

Marketing and Outreach—Increasing Awareness of Library Services

- Fulfill a comprehensive public relations plan to reconnect with the community, strategic stakeholders and elected officials, to communicate current library initiatives and to build meaningful relationships and strategic partnerships [Executive Director]
- Successfully implement the new PCCLD logo and brand [Director of Community Relations & Development]
 - Encompasses a district-wide review of logo use, replacement of internal and external signage, update of all promotional materials, and release of brand guidelines
- Add an outreach librarian to the Lamb Library as a pilot project and evaluate outcomes [Associate Director of Public Services]
- Plan and implement strategies to expand PCCLD's information gathering, reporting and data analysis system [Director of Community Relations & Development]
 - Includes expanding the information gathering and reporting system, providing reports and a dashboard for leadership to improve performance monitoring and management, refining the use of Communico to facilitate marketing programs, and staff training
- Host grand reopening for the newly renovated Rawlings Library [Director of Community Relations & Development]
 - Engage the public, donors, and community partners through ribbon-cutting and cornerstone ceremonies and other activities with the goal of increasing awareness of the renovated facility

Technology—Increasing Digital Access

- Create a critical IT incident plan [Director of IT]
 - Encompasses network functionality, cyber security, and roles of library staff and external partners
- Assess IT infrastructure and set a 3-5 year IT strategic plan [Director of IT]
 - Includes updating the IT asset replacement plan, determining critical needs for systems or components, implementing best practices, and improving cyber security
- Improve existing systems via procurement, upgrades and replacements [Director of IT]
 - Includes security camera system, telephone/fax/mobile communication system, public computing and printing and other components as needed
- Revamp library materials budget and collection development to reflect changing preferences of library users [Director of Technical Services]
 - Assess circulation since the onset of the health pandemic, forecast demand for digital materials, use data to make necessary adjustments, and assess outcomes

Functional Crosswalk

The annual plan objectives for 2023 are restated below from a functional standpoint. This enables a bird's eye view of the activities planned for each functional area of the library. These are not new objectives, but simply a restatement of those provided above.

Executive Director's Office	<ul style="list-style-type: none"> • Barkman Library & Lucero Library renovation projects • Strengthening organizational culture • IDEA best practices • Public relations • Future capacity strategies & planning • ECF grant program • <i>Responsible for the successful fulfillment of all library strategies and objectives</i>
Public Services (As managed by the Associate Director of Public Services)	<ul style="list-style-type: none"> • Beulah Satellite Library refresh • Intellectual freedom • Outreach • Key results • ECF grant program • <i>Will have a key role in the renovation of library facilities, IDEA activities, and organizational culture work</i>
Community Relations & Development	<ul style="list-style-type: none"> • Brand implementation • Focus on information gathering, reporting and analysis to achieve organizational goals • Rawlings Library grand reopening & public engagement • ECF grant program • <i>Will have a key role in single audit for federal programs, cyber critical incident planning, staff training, directed public relations fundraising for renovation projects.</i>
Facilities	<ul style="list-style-type: none"> • Custodial RFP • Operational improvements & renovation support • <i>Will have a key role in the renovation of library facilities</i>
Finance	<ul style="list-style-type: none"> • Software upgrade • Audit services RFP • Single audit • ECF grant program

	<ul style="list-style-type: none"> • <i>Will have key role in IT asset replacement plan development, patron collections program development, and the fiscal management of library renovation projects</i>
Human Resources	<ul style="list-style-type: none"> • Benefits best practices • Employee association refresh • Market wage study • <i>Will have a key role in IDEA activities and organizational culture work</i>
Information Technology	<ul style="list-style-type: none"> • Critical incident planning • Assessment of IT infrastructure • IT strategic planning • Improving IT systems & equipment • ECF grant program
Rawlings Library & Customer Experience	<ul style="list-style-type: none"> • Information literacy • Building economic & workforce development tools • Adult Literacy Program strengthening • Rawlings Library operational enhancements (materials, programs/services, facility, staff) • Safety & security enhancements • ECF grant program • <i>Will have a key role in IDEA activities, key results focus, and organizational culture work</i>
Technical Services	<ul style="list-style-type: none"> • Library collection data • Collection development budget & activities evolution • New patron collections program • Digital library branch • ECF grant program

It is the library's distinct mission to provide welcoming, well-equipped and maintained facilities, outstanding collections, and well-trained employees who provide expert service encouraging the joy of reading, supporting lifelong learning and presenting access to information from around the world. This annual plan for 2023 has been created via planning, collaborating, brainstorming and priority setting. Each of these objectives is rooted in the 2023 budget and will be monitored and measured throughout 2023. The credit for this careful planning and the impactful work that will make it a reality is given to library trustees, leaders and employees. We look forward to another successful year of providing exceptional public library materials, programs, services and facilities to the Pueblo community.

Respectfully submitted,

Sherri Baca, MSLS, MBA
Executive Director

2023 BUDGET

SUMMARY / REVENUES

The following pages include summaries of the General Fund and the Capital Project Fund, as well as a combined spreadsheet showing totals in the funds. These are the only budgeted funds of the Pueblo City-County Library District for budget year 2023. The General Fund holds all of the operating revenue and expenses, including debt service, Friends of the Library contributions and expenses, and miscellaneous gift revenue. The Capital Project Fund reflects Master Facility Plan expenses, Library Replacement Plan expenses, and other capital items. In 2023, we will begin construction on the renovation and expansion projects at either the Lucero Library or Barkman Library with the second library to follow the first. These projects are part of the Master Facility Plan. Capital items and projects include replacement of Information Technology systems and other building and facility improvements.

An annual transfer from the General Fund into the Capital Project Fund is budgeted at \$2,460,000 in 2023. Transfers are planned annually thereafter, in order to continue funding for the Master Facility, Library Replacement and Building Improvement Plans. The revenue budgeted in the Capital Project Fund reflects income from interest earnings and contributions from foundations and grantors, including our capital campaign for the Library's renovation and expansion projects.

Items accompanying the 2023 budget are, copies of the resolutions adopting the budget and the annual plan, appropriating funds for the budget, and the resolution to set the mill levy. Certification of the mill levy sent to the county is also included.

Pueblo City-County Library District receives the major amount of its funding from property tax generated in Pueblo County. The boundaries of the County and the Library District are contiguous, so no other property taxes are received. Approximately 85% of the combined funds revenues for the District are derived from property tax. The remainder is received through specific ownership tax, interest on investments, donations, contracts, grants, photocopy fees, miscellaneous revenue, and contributions from the Friends of the Library and the Pueblo Library Foundation.

The maximum mill levy for Pueblo City-County Library District is 5.85 mills. A mill levy of 5.25 was approved by voters in 1995. Also, on the 1995 ballot, the District requested exemption from the TABOR revenue limits, as well as the 5.5% revenue limit defined in Colorado State Revised Statutes. These exemptions were approved. Additionally, Pueblo County voters approved ballot measure 6B on November 5, 2019, as part of the Pueblo County General Election. 6B requested voter approval for an additional 0.6 mill levy for ongoing support for the District and exempted PCCLD from any deleterious revenue impact from a reduction in the residential and non-residential property tax assessment rates.

In addition to the mill levy of 5.85, the District is authorized by statute to collect an additional mill levy equivalent to the amount of taxes that were abated and refunded in the previous year. In 2023, the amount of additional mill levy that is expected to be certified is 0.085 mills, generating \$176,018 in revenue, the amount of taxes abated or refunded in 2022. The amount of refunds and abatements in 2023 increased \$93,945 compared with 2022. Furthermore, in 2019 the District's elector's approved a ballot measure allowing the District to adjust its mill levy rate on an annual basis to offset property tax revenue losses resulting from changes in the percentage of actual valuation used to determine assessed valuation. For 2023 the District is estimating this mill adjustment to be 0.00956. The total mill levy anticipated to be certified to the county for collection of taxes in 2023 is 5.9446.

**MILL LEVY CALCULATION
BUDGET 2023**

2023 BUDGET			Formula	2022 BUDGET		
A	2,134,744,544	Total Gross Assessed Valuation		2,162,100,442	Total Gross Assessed Valuation	
B	68,232,534	TIF reductions		62,887,514	TIF reductions	
C	2,066,512,010	Total Net Assessed valuation	A - B	2,099,212,928	Total Net Assessed valuation	
D	5.850	Voter approved mill levy limit		6	Voter approved mill levy limit	
E	12,089,095	Total Revenue	C X D X .001	12,280,396	Total Revenue	
F	176,018	Abatements, refunds		82,073	Abatements, refunds	
G	0.085	Millage for abatements, refunds	F / C X 1000	0.039	Millage for abatements, refunds	
H	5.935	Adjusted mill levy	D + G	5.889	Adjusted mill levy	
I	0.00956	Adjustment for decreased Assessment Rate			Adjustment for decreased Assessment Rate	
J	5.9446	Assessment Rate Adjustment Mill adjusted	H + I		Assessment Rate Adjustment Mill adjusted	
K	12,284,501	Adjusted total revenue	H X C X .001	12,362,265	Adjusted total revenue	
L	12,235,363	Budgeted revenue @ 99.6%	I X 99.6%	12,312,816	Budgeted revenue @ 99.6%	
M	163,236	St Charles TIF (estimate 11/30/22)				
N	12,398,599	Total Budgeted Property Tax Revenues	L + M			
		\$ 404,960	Revenue reduction impact of TIF	B X D X .001	\$ 370,345	Revenue reduction impact of TIF

This chart shows how the mill levy is calculated based on assessed valuations for both current and prior years.

The voter approved mill levy is 5.85, but an increase to capture abatements and refunds from the prior year is allowable.

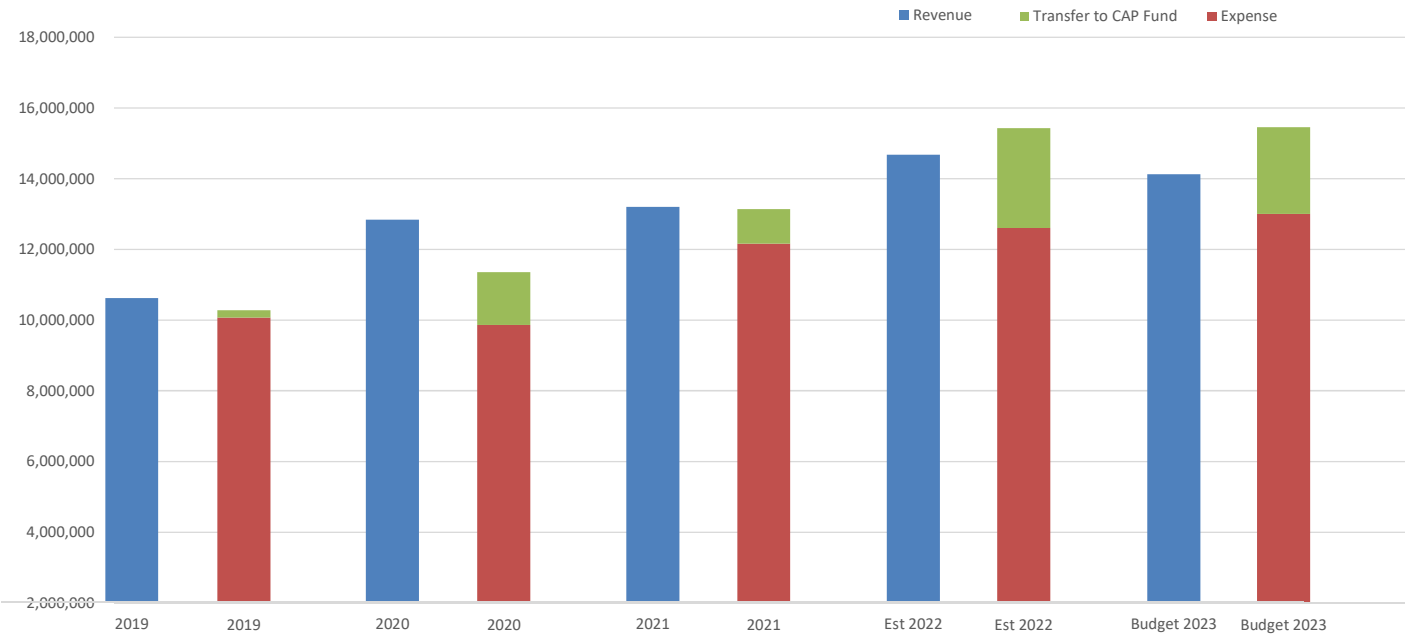
Additionally, the mill levy is adjusted for the decreased assessment rate resulting from SB293.

Those adjustments are reflected here for a total mill levy in 2023 of 5.9446.

In previous years, the actual collections have averaged around 99.6%, due to abatements and refunds as well as delinquencies.

PUEBLO CITY-COUNTY LIBRARY DISTRICT
2023 BUDGET

5-YEAR GENERAL FUND REVENUE, EXPENSE, AND CAPITAL FUND TRANSFER HISTORY



**PUEBLO CITY-COUNTY LIBRARY DISTRICT
FUND BALANCE SUMMARY**

GENERAL FUND	2021 AUDITED	2022 ESTIMATED	2022 BUDGET	2023 BUDGET
BALANCE, Beginning of Year	4,382,849	4,453,183	4,393,042	3,717,655
REVENUES	13,210,356	14,691,523	14,827,176	14,131,583
TOTAL BALANCE	17,593,205	19,144,706	19,220,218	17,849,238
EXPENDITURES	12,166,695	12,601,548	12,929,047	13,001,202
TRANSFER IN/OUT-CAPITAL PROJECT	(973,330)	(2,825,500)	(2,825,510)	(2,460,000)
BALANCE, End of Year	<u>4,453,183</u>	<u>3,717,655</u>	<u>3,465,661</u>	<u>2,388,037</u>
CAPITAL PROJECT FUND	2021 AUDITED	2022 ESTIMATED	2022 BUDGET	2023 BUDGET
BALANCE, Beginning of Year	10,395,503	9,313,563	8,006,984	3,558,043
REVENUES	964,344	1,288,628	1,288,628	365,734
TOTAL BALANCE	11,359,847	10,602,191	9,295,612	3,923,777
EXPENDITURES	3,019,614	9,869,648	9,869,648	3,424,700
SALE OF FIXED ASSETS	-	-	-	-
OTHER FINANCING SOURCES	-	-	-	-
TRANSFER IN/OUT GENERAL FUND	973,330	2,825,500	2,825,510	2,460,000
BALANCE, End of Year	<u>9,313,563</u>	<u>3,558,043</u>	<u>2,251,474</u>	<u>2,959,077</u>
COMBINED FUND BALANCE, End of Year	<u>13,766,745</u>	<u>7,275,698</u>	<u>5,717,134</u>	<u>5,347,114</u>
BALANCE, Restricted *	372,433	445,446	449,515	431,647
BALANCE, Available	13,394,312	6,830,253	5,267,619	4,915,467
NET CHANGE TO GEN FUND BALANCE	70,334	(735,528)	(927,381)	(1,329,619)
* RESTRICTED FUNDS				
Emergency reserve	362,649	440,746	444,815	423,947
Nesbitt & Chamberlain	9,784	4,700	4,700	7,700
TOTAL RESTRICTED:	372,433	445,446	449,515	431,647

GENERAL FUND

*Please note that all of the comparative percentage statistics referenced in this narrative compare the 2023 Budget to the 2022 **Estimated Actual**, except in those instances where a Budget-to-Budget comparison is clearly noted.*

REVENUES

PROPERTY TAX: The property tax revenue for 2023 reflects an increase of .7%, with a monetary increase of \$85,783. Additionally, the 2023 budget includes the St Charles TIF proceeds which will come to the District now that the TIF project costs are fulfilled. The District anticipates this property tax receipt to be approximately \$163,236. Property tax revenue is budgeted at slightly less than 100% collections, 99.6%, since delinquencies, abatements and refunds will generally reduce the amount received. Property tax revenues are 88% of the total general fund revenue budget for the District.

SPECIFIC OWNERSHIP TAX: Specific ownership tax revenue from Pueblo County is currently projected to increase slightly over 2022 actuals. This line item constitutes approximately 7% of the total revenue budget.

CONTRACTS, GRANTS: This category reflects a decrease from the prior year mainly due to a decrease of American Rescue Plan Act funding (Reading Pays) that is expected to be fully utilized in 2022. The remaining recurring grant receipts are budgeted at or slightly above 2022 levels. This budget reflects grants and contracts that will come directly to PCCLD. The Pueblo Library Foundation, a component unit of the District, was created in 2012 and receives the majority of grants and contributions.

INTEREST: The District has budgeted 13% more in interest earned based on the amount of interest collected in the last several years compared to the 2022 budget. This line also includes earnings on property tax held by Pueblo County. We receive those earnings as part of our monthly distribution of taxes.

FINES, FEES: In part due to automatic renewals and reductions in fines, budgeted fines and fees have steadily declined in comparison with previous years. In 2023, budgeted collection of fines and fees are budgeted slightly less compared to 2022 budgeted fines and fees.

PHOTOCOPIER & INTERNET COPY FEES: 2023 budgeted revenue for copier fees is slightly greater than the 2022 estimated fees and more closely aligns with actual fees earned. With completion of the Rawlings Library renovation anticipated in 2022, the Library is hoping to return to pre-renovation and pre-Covid amounts.

MISCELLANEOUS: A decrease from current year estimates is projected. Current year miscellaneous revenue is down in 2022.

MILL LEVY - TAX RATE: The current mill levy projected for 2023 is 5.9446, which includes the 2019 voter-approved mill levy rate from ballot measure 6B - 5.85. Additionally, the law allows an adjustment to the voter-approved mill levy rate in order to collect on amounts withheld in previous years for abatements and refunds of taxes - 0.085. Furthermore, the voters in Pueblo County approved a measure to allow the Library to adjust the mill for the decreased assessment rate (SB293) payable in 2023 - .00956, and these adjustments are included in the total mill levy for 2023.

The total general fund revenue for 2023 reflects a 3.8% decrease from the 2022 estimated actual.

EXPENDITURES

Expenditures in 2023 increase from the 2022 estimates by 3%. The District is forecasting a 1.3% decrease in taxable assessed valuation in 2023 due to a decrease in assessment rates in Pueblo County as a result of SB293.

PEOPLE TO PROVIDE SERVICES: This section has increased by 16% over the 2022 estimated figures. All personnel costs are included in this section—salaries, PERA, employee benefits, employee training, etc.

Salaries and wages increase from the 2022 estimated actual by 16.78% due to salary increases, vacant positions that were filled, added or upgraded positions, and a minimum wage increase. The total FTE (Full-Time Equivalent) count for the District is increasing by 0.38 for 2023 after final adjustments and other organizational changes. The 2023 Personnel budget includes additional increases of approximately \$200,000 for minimum wage adjustments, market adjustments and participation in the Colorado's Paid Family and Medical Leave Insurance Program. The budget allows for a 2.5% adjustment to salaries as determined by the salary compensation pay plan.

PERA is calculated directly from the salary line. Beginning January 1, 2023 PERA contributions will increase to 14.76% and are anticipated to remain constant in 2023. PERA legislation passed in 2018 determined the employer PERA contribution would be calculated on pretax deductions for employees hired after July 1, 2021.

Workers compensation insurance increased by 20% in comparison with prior year budget based on estimated market increase, claim history and deductible costs in recent years.

Employee insurance includes premiums paid by the District for employee health, dental and life insurance. A decrease is forecasted in 2023 from the 2022 estimates for this coverage mostly based on current incumbent FTEs and plan choices by staff.

State unemployment compensation is calculated directly from the salary line at 0.3%.

Medicare trust increases at the same rate as salaries, since the rate remains consistent with the past several years at 1.45% of covered salary.

Employee relations includes those items that are employee related, but do not really fall into the benefits or training category. This area includes recruiting expense, volunteer appreciation, tuition reimbursement funding to provide an incentive for staff pursuing a degree, and the employee assistance program. This budget increased 7% for 2023 as compared to the 2022 estimate. This increase reflects a planned increase for employee tuition reimbursement.

Employee training increased in 2023 by 45%. As a result of COVID19, many trainings were cancelled or held remotely again in 2022, which reduced the amount spent in this category considerably. In 2023, the District anticipates more training in-person opportunities to be available. We will continue to utilize training specific to libraries and special districts and to find efficiencies and reduce costs. This budget provides opportunities for staff and board members to attend educational events and workshops—although on a more defined basis. The amount of this training budget is 1.67% of the total salaries budget.

MATERIALS AND SERVICES: This section of the 2023 budget has decreased by 26% from the 2022 estimated expenditures. In 2022, the Library completed our ARPA funded “Reading Pays” program and therefore we are anticipating an 81% decrease in library programs in 2023. However, we are increasing our 2023 budget for “Books, periodicals, AV, databases” by 17%. The library continues to see more digital materials downloads with less spending on books and audio visual materials. The 2023 library materials budget is higher than the amount budgeted for 2022 to keep up with the increased demand from patrons, especially with our digital services. In 2023, materials as a percentage of budgeted operational costs is at 17%. Typically, as an operating procedure, the District seeks to spend 15% of total annual operating costs on library materials.

Books, periodicals, AV and digital material are 17% higher than estimates for 2022. This is due to a budgeted refresh of youth and adult materials and an increased investment in digital materials. The District has experienced an increased demand in digital materials since early 2020.

Library programs reflects a significant decreased budget from prior year – 81%. In 2021 and 2022, PCCLD was the recipient of a \$1 million grant from the American Rescue Plan Act and given the opportunity to provide the Reading Pays program to the community, these funds have been exhausted and will not be included in the 2023 budget.

Each location/department's programs and events budgets were adjusted to align with trends in program participation. The desire to be efficient with dollars spent on programs that are currently presented throughout PCCLD remains a goal. In 2023, The Friends of the Pueblo Library District allocated \$20,000 to provide funds to support a competitive program grant application process to supplement district activities. In addition to their program grants, The Friends were able to continue their program awards, keeping the same level of support for district wide events including: Summer Reading, \$6,500; All Pueblo Reads, \$11,500; and Read Out Loud, \$5,000. In total, the Friends are providing PCCLD with program support totaling \$43,000. The Friends have received steady sales and donations, allowing program support to remain steady from 2022 to 2023 funding levels.

Bindery/processing supplies/services is slated to decrease by 21% from 2022. The decrease is relative to the amount in the materials budgeted to be purchased in 2023. With the shift to purchase more digital materials in 2023, less of the binding services will be utilized.

FACILITIES TO PROVIDE SERVICES: The budgeted amount in 2023 in this section is a 3% increase to the estimated expenses for 2022. This is due mainly to the annual Certificate of Participation payment, which is the largest expenditure in this area being a relatively consistent amount for the duration of the debt service.

Utilities increased by 1% compared with 2022 budgeted utilities based on current expenses and projections.

Vehicle expense the 2023 budget is 56% less than 2022 estimated expenses. The 2023 budget is based on standard expenses and projections.

Building repair and maintenance holds those items that are needed to properly maintain the buildings in the District - janitorial, trash removal, carpet cleaning, supplies, etc. - as well as minor maintenance projects. The 2023 budget is 14% increase from the 2022 estimates.

Rent includes only the lease for the facility occupied primarily by the Friends of the Library, and most of this amount is offset by revenue received in Contracts & Grants. A part of this building is still occupied by PCCLD for storage, so the amount Friends reimburse to the District is not the total rent paid. The rent will increase by 3% each year under a new 5-year contractual agreement that renewed in January 2022.

Lease/Purchase of buildings reflects the annual payments for debt service on the reissuance of 2012 Certificates of Participation (COPs) and the new 2020 Certificates of Participation (COPs). The 2012 COPs were refunded in 2020, and additional funds were secured to complete the renovation of the Rawlings Library. The total amount borrowed, and the project costs, are budgeted in the Capital Project Fund. This transaction was completed in November 2020. A detailed debt service page, which determines the exact budget amount every year, can be found later in this document.

Insurance shows an estimated increase of 19%. This estimate is in line with an industry-wide average increase.

Friends of the Library expenditures is budgeted at \$20,000, consistent with the 2022 estimate. Friends' contributions are also recorded in other line items.

OPERATING: This section reflects expenses for general operations of the District. The change, a 7% increase from 2022 estimates, is due to the community relation expenditures, and contract services. Finding efficiencies whenever possible while still meeting current needs of all the libraries remains a focus for the District resulting in numerous operational changes in 2023.

Contract Services increased by 11% from the 2022 estimates. The increase is driven by the planned implementation of an accounting software upgrade, 2023 rebid of custodial contract, planned disposal costs associated with surplus FF&E, and various consulting projects.

County treasurer's fees are the charges assessed by the County Treasurer to collect our property and specific ownership taxes. Those fees are increasing in comparison with the prior year as a result in the increase in property tax collections. These fees correlate with the Property Tax revenue, representing 1.5% of the tax amount.

Community relations has increased 70% from the 2022 estimates. This increase is almost exclusively costs associated with implementing the 2022 rebranding project and external signage.

Professional memberships decrease by 28% representing the anticipated memberships maintained by the District in 2023.

Office supplies, equipment shows an increase of \$20,249 in 2023 compared to 2022 estimates. The need for office supplies and equipment purchases were significantly up in 2022 due to returning to full operations after COVID-19. Additionally for 2023, the District has planned a phased replacement of aged printers, purchases of Art Panels in the new museum and art gallery, furniture replacements at various branches, and additional signage. However, the District remains committed to focused spending plans for all libraries and departments.

Photocopiers The 2023 budget shows a slight increase compared to the 2022 budget.

Courier service is decreasing as compared to the 2022 budget based on actual need to courier ILL materials within the state borrowing system.

Postage and freight decreased slightly in comparison with the 2022 estimate. The annual budgeted amount is representative of customary postage and freight costs.

INFORMATION TECHNOLOGY: This section shows an overall increase of 7% from estimated expenditures for current year.

Telecommunications shows a 3% increase from 2022 estimate. Also, It's important to note that the E-Rate reimbursement is a significant offset to this expense.

Hardware repair & maintenance is increasing by 52% over 2022 estimates based on the amount of repairs for patron copiers and printers, and repairs to existing security cameras.

Technology supplies has decreased by 25% based on anticipated spending in 2023.

Technology maintenance, licenses, support includes all contractual services expense related to Technology—network maintenance, consulting and support agreements, licenses, etc. This line has increased by 16% over 2022 budget to reflect anticipated costs for various licenses and agreements. This increase is based almost solely on new Tier 3 Citrix Support contract for the Library's virtualized network.

The total increase in expenditures in this budget in comparison with 2022 estimated actual expenditures is 3% or \$399,654.

FUND BALANCE

The ending fund balance forecast in the 2023 general fund budget is \$2,388,036 a decrease of \$1,329,619 in comparison with the estimated 2022 General Fund balance. This includes the transfer of \$2,460,000 from the General Fund to the Capital Project fund planned in the 2023 Budget. This is an amount necessary to help maintain the Library Replacement Plan, fund the Master Facility Plan, and offset capital asset spending.

The Pueblo City-County Library District established the annual budget with a goal of maintaining a healthy end-of-year fund balance. It is not our policy to spend all of the budget so as not to “lose” funds, as is the case with many governmental entities. As a Library District, any funds remaining at the end of the budget year, calculated by subtracting the expenditures from the revenues, go back to the District’s fund balance. Restrictions against the General Fund Balance include an emergency reserve of 3% for the TABOR amendment reserve requirement which equals \$423,947 and \$7,700 restricted for Nesbitt employee activities and the Chamberlain account. The unrestricted fund balance in Combined Funds is \$4,915,466.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
GENERAL FUND**

	Actual 2021	Estimated 2022	Budget 2022	Budget 2023	Increase (Decrease)	%
REVENUES						
Property tax	11,099,695	12,312,816	12,312,816	12,235,363	(77,453)	-0.63%
St Charles TIF	-	-	-	163,236	163,236	
Specific ownership tax	1,091,590	989,915	989,915	999,814	9,899	1%
Contracts, Grants, Gifts	939,056	1,243,260	1,381,400	598,125	(645,135)	-52%
Interest	2,875	77,375	40,000	45,000	(32,375)	-42%
Fines, Fees	26,070	10,216	36,000	34,500	24,284	238%
Photocopier & Internet Copy Fees	37,013	40,898	50,000	40,000	(898)	-2%
Nesbitt	4,546	3,545	3,545	3,545	-	0%
Chamberlain	7,472	10,000	10,000	10,000	-	0%
Miscellaneous	2,039	3,498	3,500	2,000	(1,498)	-43%
TOTAL REVENUES	13,210,355	14,691,523	14,827,176	14,131,583	(559,940)	-3.81%
EXPENDITURES						
PERSONNEL						
Salaries	4,782,581	4,633,181	5,020,824	5,472,474	839,293	18%
PERA	651,567	636,794	688,013	764,384	127,590	20%
Workers compensation	28,223	14,869	17,630	17,847	2,978	20%
Employee insurance	594,358	553,224	602,896	541,273	(11,951)	-2%
Unemployment compensation	13,774	8,770	15,062	16,417	7,647	87%
Medicare trust	66,817	64,813	72,802	79,351	14,538	22%
Employee relations	27,500	57,321	46,650	61,150	3,829	7%
Employee training	28,459	62,871	90,950	91,000	28,129	45%
TOTAL PERSONNEL	6,193,279	6,031,843	6,554,827	7,043,896	1,012,053	17%
MATERIALS & SERVICES						
Books, periodicals, AV, databases	1,407,217	1,526,000	1,459,000	1,786,498	260,498	17%
Bindery/processing supplies/services	123,086	190,519	190,519	150,500	(40,019)	-21%
Library programs	1,056,930	1,220,056	1,204,018	232,446	(987,610)	-81%
TOTAL MATERIALS	2,587,233	2,936,575	2,853,537	2,169,444	(767,131)	-26%
FACILITIES						
Utilities	473,785	494,594	486,650	499,304	4,710	1%
Vehicle maintenance	17,653	36,038	13,000	16,000	(20,038)	-56%
Building repair & maintenance	453,124	407,825	446,157	464,541	56,716	14%
Rent	29,045	30,924	30,000	31,058	134	0%
Lease/purchase of buildings	1,249,030	1,247,713	1,247,713	1,250,013	2,300	0%
Insurance	100,355	86,525	86,524	102,957	16,432	19%
Friends expenditures	15,260	15,709	20,000	20,000	4,291	27%
TOTAL FACILITIES	2,338,252	2,319,328	2,330,044	2,383,873	64,545	3%
OPERATING						
Contract Services	369,135	514,465	415,346	571,535	57,070	11%
County Treasurer's fees	166,139	200,088	184,692	185,979	(14,109)	-7%
Community relations	4,319	19,489	30,412	33,200	13,711	70%
Professional memberships	13,399	18,550	13,670	13,275	(5,275)	-28%
Office supplies, equipment	37,906	34,970	45,643	55,219	20,249	58%
Photocopiers	13,968	17,969	21,224	21,224	3,255	18%
Courier service	887	1,199	2,200	1,300	101	8%
Postage & freight	37,142	54,574	38,000	40,000	(14,574)	-27%
Nesbitt	3,935	2,127	3,545	3,545	1,418	0%
Chamberlain	9,000	14,000	10,000	10,000	(4,000)	0%
TOTAL OPERATING	655,830	877,431	764,732	935,277	57,846	7%
INFORMATION TECHNOLOGY						
Telecommunications	165,354	192,367	198,992	198,992	6,625	3%
Hardware repair & maintenance	14,401	11,182	15,000	17,000	5,818	52%
Technology Supplies	28,951	40,937	37,577	30,500	(10,437)	-26%
Technology mtce, licenses, support	183,395	191,885	174,338	222,220	30,335	16%
TOTAL INFORMATION TECHNOLOGY	392,101	436,371	425,907	468,712	32,341	7%
TOTAL EXPENDITURES	12,166,696	12,601,548	12,929,047	13,001,202	399,654	3%

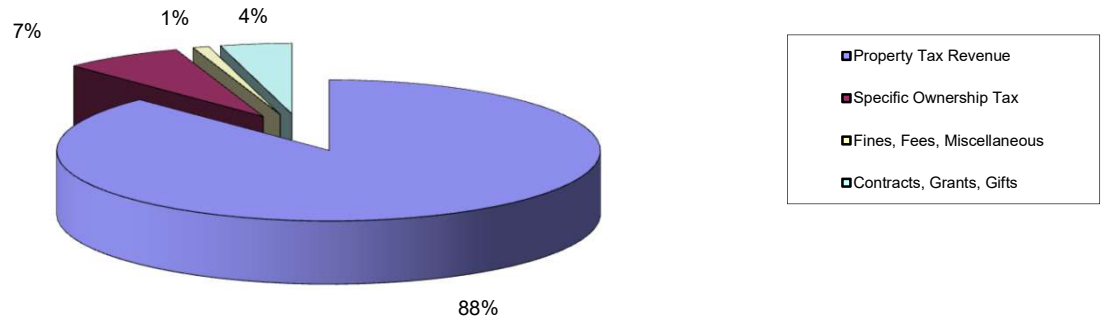
**PUEBLO CITY-COUNTY LIBRARY DISTRICT
GENERAL FUND**

	Actual Prev.year 2021	Estimated Curr.year 2022	Budget 2022	Budget 2023	Increase (Decrease)	%
SUMMARY						
REVENUES						
Property tax revenue	11,099,695	12,312,816	12,312,816	12,235,363	(77,453)	-1%
All other sources	2,110,660	2,378,707	2,514,360	1,896,220	(482,487)	-20%
TOTAL REVENUES	13,210,355	14,691,523	14,827,176	14,131,583	(559,940)	-4%
EXPENDITURES						
PERSONNEL	6,193,279	6,031,843	6,554,827	7,043,896	1,012,053	17%
MATERIALS & SERVICES	2,587,233	2,936,575	2,853,537	2,169,444	(767,131)	-26%
FACILITIES	2,338,252	2,319,328	2,330,044	2,383,873	64,545	3%
OPERATIONS	655,830	877,431	764,732	935,277	57,846	7%
INFORMATION TECHNOLOGY	392,101	436,371	425,907	468,712	32,341	7%
TOTAL EXPENDITURES	12,166,696	12,601,548	12,929,047	13,001,202	399,654	3%
Beginning fund balance	4,382,849	4,453,178	4,393,042	3,717,655	(735,523)	-17%
Transfer in/out Capital Project Fund	(973,330)	(2,825,500)	(2,825,510)	(2,460,000)	365,510	
Transfer in/out Special Revenue Fund	-	-	-	-	-	
EXCESS Revenues - Expenditures (Reserve increase)	1,043,659	2,089,975	1,898,129	1,130,381	(959,594)	-46%
NET (ending fund balance)	4,453,178	3,717,655	3,465,661	2,388,036	(1,329,620)	-36%
NET ASSESSED VALUATION -	\$	2,066,512,010				

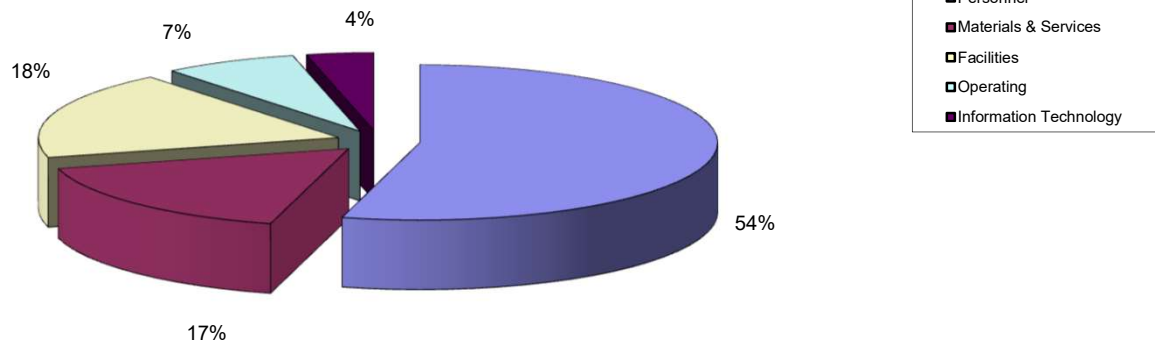
THE BUDGETARY BASIS OF ACCOUNTING USED IN THIS BUDGET IS MODIFIED ACCRUAL.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
2023 BUDGET**

GENERAL FUND BUDGET - REVENUES



GENERAL FUND BUDGET - EXPENDITURES



CAPITAL PROJECT FUND

The Capital Project fund encompasses four primary functions:

- Library Replacement Plan, established to provide funding for the planned replacement of library infrastructure and capital assets,
- Acquisition of Capital Assets, to reflect capital assets purchased or improved during a fiscal year which are not accounted for in the Library Replacement Plan,
- Master Facility Plan, to record revenues (including donations and outside financing sources) and expenditures for renovation and refurbishment for all Libraries within the District, and,
- InfoZone account, to record contributions (primarily from the Rawlings Foundation) and expenses to maintain the InfoZone Museum.

REVENUES

CONTRIBUTIONS, GIFTS, GRANTS: Contributions, gifts and grants totaling \$317,700 are anticipated for the Barkman-Lucero renovation and expansion.

MISCELLANEOUS REVENUE: No revenue is expected.

INTEREST EARNINGS: This category is budgeted at \$48,034 for interest earned on cash holdings.

EXPENDITURES

Master Facility Plan projects: Design, renovation and expansion of the Barkman-Lucero Libraries is budgeted for \$2,800,000. Additionally in 2023, the District will purchase Jamex Machines as part of the Rawlings Renovation - \$15,000.

Capital Asset Repair & Maintenance: Non-depreciable asset expenditures and contingency funds totaling \$29,000 are budgeted for 2023.

Capital Asset Acquisitions. Several Library Replacement Plan items are budgeted for here including maker space equipment, a replacement vehicle, and IT purchases and upgrades. Capital asset acquisitions are budgeted for \$580,700 in 2023.

Total capital fund spending in 2023 is projected at \$3,424,700.

OTHER FINANCING SOURCES/USES

TRANSFER IN FROM THE GENERAL FUND: In 2023, there is a budgeted transfer of \$2,460,000 to the Capital Fund, for ongoing funding of capital asset acquisitions, the Master Facility Plan, and the Library Replacement Plan. Additionally, the District is projecting revenues (contributions, donations, grants, interest) of \$365,734.

FUND BALANCE

The fund balance forecast in the 2023 Capital Project fund budget is \$2,959,077. This ending fund balance is the combination of the budgeted income and additional funds transferred from the General Fund to the Capital Fund for the Library Replacement Plan, the Master Facility Plan as well as the planned Capital Fund expenditures.

The total combined fund balance, comprised of both the General Fund and the Capital Project Fund, is projected to be \$5,347,114 at the end of 2023. Of this total fund balance, \$423,947 is restricted for emergency reserves at the 3% TABOR amendment reserve requirement, and \$7,700 for the Nesbitt employee group and

the Chamberlain account, leaving a remaining combined fund balance of \$4,915,466, which is unreserved/unrestricted.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
CAPITAL PROJECT FUND**

	Actual Prev.year 2021	Estimated Curr.year 2022	Budget 2022	Budget 2023	Increase (Decrease)
REVENUES					
Contributions, gifts, grants	961,167	1,172,500	1,172,500	317,700	(854,800)
Miscellaneous revenue	-	101,128	101,128	-	(101,128)
Interest earnings	3,177	15,000	15,000	48,034	33,034
TOTAL REVENUES	964,344	1,288,628	1,288,628	365,734	(922,894)
EXPENDITURES					
Capital Asset Repair & Maintenance	54,987	27,905	10,000	29,000	1,095
Capital Asset Acquisitions					
Information Technology	218,807	119,033	233,137	587,700	468,667
Furniture, Fixtures, Equipment	48,935	101,199	44,000	8,000	(93,199)
Master Facility Plan Projects	<u>2,696,885</u>	<u>9,621,511</u>	<u>9,582,511</u>	<u>2,800,000</u>	<u>(6,821,511)</u>
TOTAL CAPITAL ASSET EXPENSE	3,019,614	9,869,648	9,869,648	3,424,700	(6,444,948)
TOTAL EXPENDITURES	<u>3,019,614</u>	<u>9,869,648</u>	<u>9,869,648</u>	<u>3,424,700</u>	<u>(6,444,948)</u>

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
CAPITAL PROJECT FUND**

	Actual Prev.year 2021	Estimated Curr.year 2022	Budget 2022	Budget 2023	Increase (Decrease)
SUMMARY					
REVENUES					
Contributions, grants, gifts	961,167	1,172,500	1,172,500	317,700	(854,800)
Miscellaneous revenue	-	101,128	101,128	-	(101,128)
Interest earnings	3,177	15,000	15,000	48,034	33,034
TOTAL REVENUES	964,344	1,288,628	1,288,628	365,734	(922,894)
EXPENDITURES					
Capital Asset Expenditures	<u>3,019,614</u>	<u>9,869,648</u>	<u>9,869,648</u>	<u>3,424,700</u>	<u>(6,444,948)</u>
TOTAL EXPENDITURES	3,019,614	9,869,648	9,869,648	3,424,700	(6,444,948)
Beginning fund balance	10,395,503	9,313,563	8,006,984	3,558,043	(5,755,520)
Other Financing Sources (Uses)					
Insurance Proceeds		-	-	-	-
Sale of Capital Asset		-	-	-	-
Proceeds from COP issuance		-	-	-	-
Premium		-	-	-	-
Discount		-	-	-	-
Payments to escrow 2012 COPs		-	-	-	-
Cost of Issuance		-	-	-	-
Underwriter's Discount		-	-	-	-
Transfer in from General Fund	973,330	2,825,500	2,825,510	2,460,000	(365,500)
Transfer out to General Fund	-	-	-	-	-
EXCESS Revenues - Expenditures (Reserve increase)	(2,055,270)	(8,581,020)	(8,581,020)	(3,058,966)	5,522,054
NET (ending fund balance)	<u>9,313,563</u>	<u>3,558,043</u>	<u>2,251,474</u>	<u>2,959,077</u>	<u>(598,966)</u>

THE BUDGETARY BASIS OF ACCOUNTING USED IN THIS BUDGET IS MODIFIED ACCRUAL.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
PERCENTAGE COMPARISON ANALYSIS
GENERAL FUND/CAPITAL PROJECT
2023 BUDGET**

	General Fund	General Fund Budget Percentages	Capital Project Fund	Total Combined Funds	% of Total PCCLD budget
REVENUES					
Property tax	12,398,599	88%	-	12,398,599	85.52%
All other	1,732,984	12%	365,734	2,098,718	14.48%
TOTAL REVENUES	14,131,583	100%	365,734	14,497,317	100.00%

EXPENDITURES					
Personnel	7,043,896	54%	-	7,043,896	42.88%
Materials & Services	2,169,444	17%	-	2,169,444	13.21%
Facilities	2,383,873	18%	3,424,700	5,808,573	35.36%
Operations	935,277	7%	-	935,277	5.69%
Information Technology	468,712	4%	-	468,712	2.85%
TOTAL EXPENDITURES	13,001,202	100%	3,424,700	16,425,902	100.00%

Beginning Fund Balance	3,717,655		3,558,043	7,275,698
Excess: Revenues over Expenditures	1,130,381		(3,058,966)	(1,928,585)
Transfers In/Out	(2,460,000)		2,460,000	-
Ending Fund Balance	2,388,036		2,959,077	5,347,113
Combined Fund balance as a % of operating expense				41%

BREAKDOWN OF ENDING FUND BALANCE ***

*** Reserves and unrestricted funds

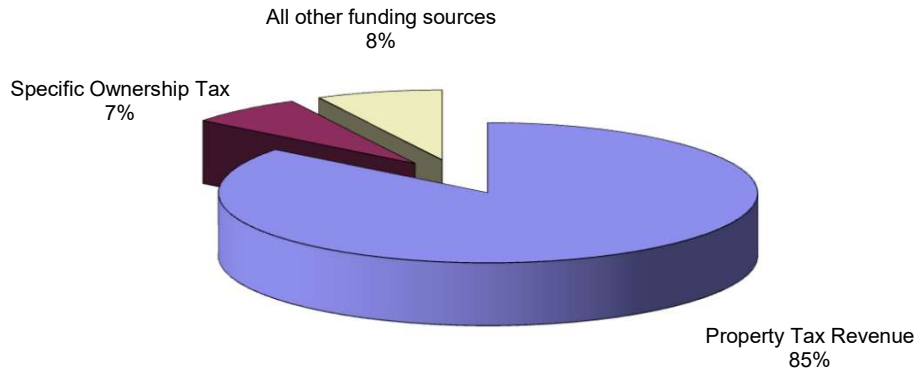
3% emergency reserve	423,947
Nesbitt & Chamberlain	7,700
Unrestricted fund balance	4,915,466

This sheet shows the two funds - General Fund & Capital Project

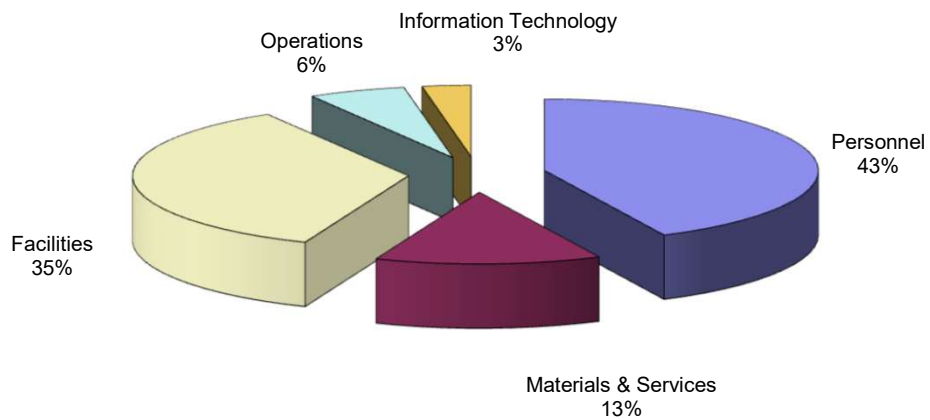
Fund - combined for revenues, expenditures and fund balance.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
2023 BUDGET**

COMBINED FUND BUDGET - REVENUES



COMBINED FUND BUDGET - EXPENDITURES



**BOND DEBT SERVICE
[LEASE PURCHASE PAYMENTS]**

**Pueblo City-County Library District
Certificates of Participation, Series 2020A & Taxable Series 2020B**

Date	Principal	Rate	Interest	Debt Service
12/1/2021	840,000	2.000%	409,030.14	1,249,030.14
12/1/2022	885,000	2.000%	362,712.50	1,247,712.50
12/1/2023	905,000	1.000%	345,012.50	1,250,012.50
12/1/2024	920,000	0.625%	326,912.50	1,246,912.50
12/1/2025	935,000	0.625%	315,412.50	1,250,412.50
12/1/2026	945,000	0.875%	303,725.00	1,248,725.00
12/1/2027	960,000	0.875%	287,187.50	1,247,187.50
12/1/2028	980,000	1.125%	270,387.50	1,250,387.50
12/1/2029	1,000,000	1.125%	248,337.50	1,248,337.50
12/1/2030	1,020,000	3.125%	225,837.50	1,245,837.50
12/1/2031	1,050,000	2.000%	194,400.00	1,244,400.00
12/1/2032	1,095,000	2.000%	152,400.00	1,247,400.00
12/1/2033	1,140,000	1.125%	108,600.00	1,248,600.00
12/1/2034	1,165,000	1.500%	82,950.00	1,247,950.00
12/1/2035	1,200,000	2.000%	48,000.00	1,248,000.00
Total	15,040,000.00		3,680,905.14	18,720,905.14

Average Coupon 1.467%