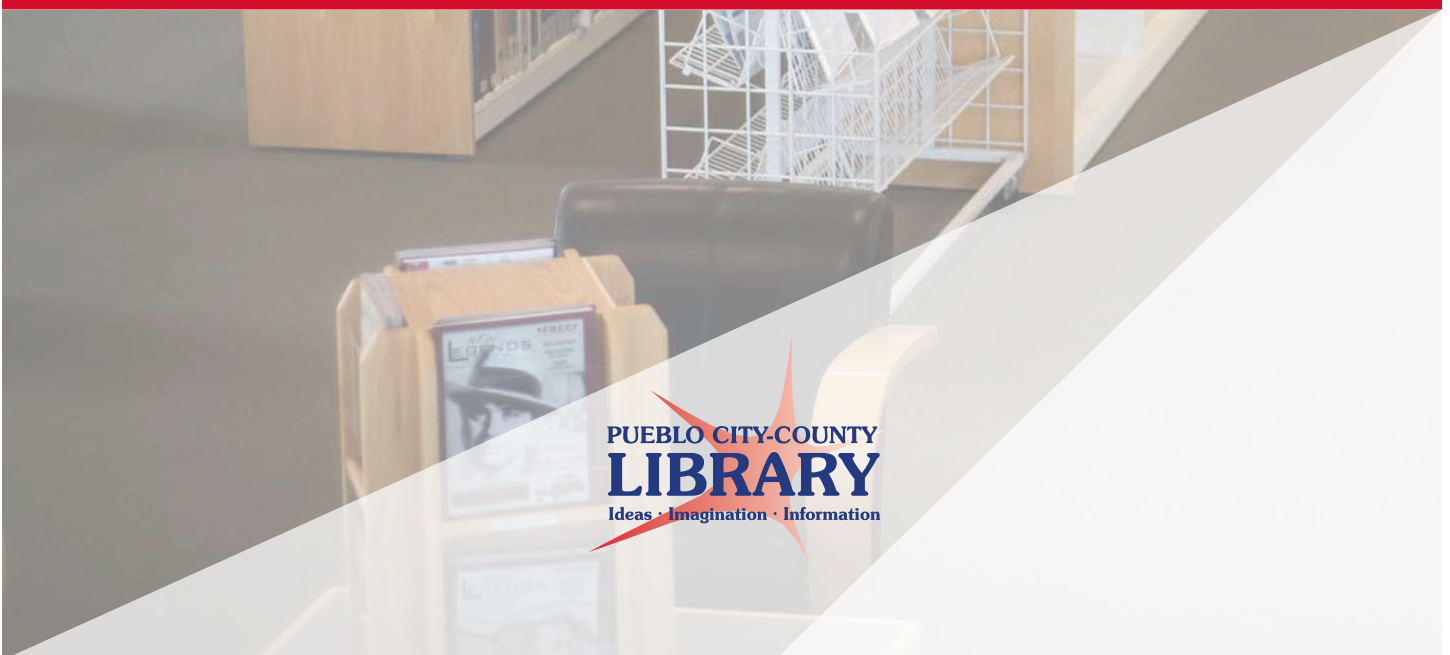




PUEBLO CITY-COUNTY LIBRARY DISTRICT

2020

# Comprehensive Annual Financial Report



PUEBLO CITY-COUNTY  
**LIBRARY**  
Ideas · Imagination · Information

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**PUEBLO CITY-COUNTY LIBRARY DISTRICT**

**Finance Office**

**100 E. Abriendo Avenue  
Pueblo, Colorado 81004**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**For the fiscal year ended December 31, 2020**

**Board of Trustees**

Fredrick Quintana, President  
Dustin Hodge, Vice President  
Doreen Martinez, Trustee  
Stephanie Garcia, Trustee  
Marlene Bregar, Trustee  
Lyndell Gairaud, Trustee  
Philip Mancha, Trustee

**Executive Director**

Jon Walker

**Prepared by:**

Alexandria Romero, CPA  
Director of Finance

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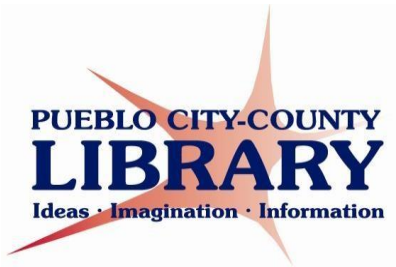
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Rawlings Library

Barkman Library

Giodone Library

Greenhorn Valley Library

Lamb Library

Library @ the Y

Lucero Library

Pueblo West Library

**Community Satellite  
Libraries:**

Avondale Elementary

Beulah School

Library at the U

PCCLD at PCC

June 8, 2021

Board of Trustees

Pueblo City-County Library District  
100 E. Abriendo Avenue

Pueblo, CO 81004

Dear Trustees:

I am pleased to submit to you the Comprehensive Annual Financial Report for the Pueblo City-County Library District for the year ended December 31, 2020.

This is the twelfth year that an annual financial report has been submitted to you in this format, in accordance with the guidelines of the Government Finance Officers Association (GFOA). The required components of a Comprehensive Annual Financial Report include all of the financial statement data as historically reported, as well as a Management Discussion and Analysis Section, a Statistical Section, which includes eighteen exhibits of information on financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information, and more expanded information in the letters of transmittal.

We submitted our 2009 – 2019 Comprehensive Annual Financial Report documents for review to the GFOA, and we were pleased and honored to receive the GFOA Award of Financial Reporting Achievement for each of these documents. It is our intent to submit the 2020 Comprehensive Annual Financial Report to the GFOA for review as well, where a panel of financial professionals will critique the document for thoroughness, accuracy, and presentation.

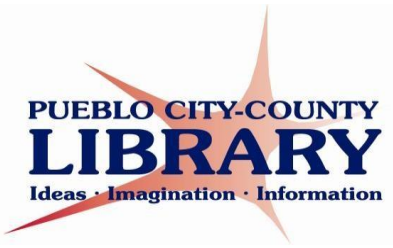
Thank you for your review of this document and for your continuing support and guidance.

Sincerely,

Jon Walker Executive Director

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Beulah School

Library at the U

PCCLD at PCC

June 8, 2021

To the Members of the Board of Trustees and the Citizens of the Pueblo City- County Library District:

I am pleased to submit to you the Comprehensive Annual Financial Report of Pueblo City-County Library District (the District) for the year ended December 31, 2020. This report was prepared by the Finance Office to provide citizens, investors, grantor agencies and other interested parties with information on the financial condition of the District. It has been prepared in accordance with generally accepted accounting principles for governmental units as defined by the Governmental Accounting Standards Board (GASB), and meets the requirements of the State of Colorado Auditor's Office.

To the best of our knowledge, the enclosed information is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the District. The accuracy of the District financial statements and completeness and fairness of their presentation is the responsibility of District management. The District maintains a system of internal accounting controls to ensure that assets are safeguarded against loss, and that financial records are properly maintained and can be relied upon to produce accurate financial statements.

Colorado State Statutes require an annual audit by independent certified public accountants. This requirement is being met through engagement of the firm of CliftonLarsonAllen LLP. to audit the 2020 financial statements of the District. The independent auditors' examination is conducted in accordance with generally accepted auditing standards and provides an independent assessment that helps assure fair presentation of the District's financial position and results of operations. The auditors' report on the basic financial statements is included in the financial section and reflects an unmodified opinion.

## **PROFILE OF THE GOVERNMENT**

### **Governmental Structure**

The District, established on July 15, 1968, by joint resolution of the Pueblo City Council and the Pueblo Board of County Commissioners, is considered to be a “Library District” which is a separate legal entity, and was created through Colorado State Statute (C.R.S. 24-90-110). The District is not considered to be a component unit of either the City of Pueblo or of Pueblo County, Colorado, and is financially, managerially and operationally independent, and meets the guidelines of GASB Statement No. 14, as amended by GASB Statement 39, The Financial Reporting Entity. The District does currently recognize one discretely presented component unit for inclusion in these financial statements, the Pueblo Library Foundation. Pueblo City-County Library District provides library service to all residents of the City and County of Pueblo, and the Foundation exists solely to provide support for those efforts.

There are seven library buildings in the District service area, which covers approximately 2,414 square miles. Six of these buildings are branch libraries: Frank & Marie Barkman Library, Frank I. Lamb Library, Greenhorn Valley Library, Tom and Anne Marie Giodone Library, Patrick A. Lucero Library, and Pueblo West Library. The main library, Robert Hoag Rawlings Library, is located downtown in a facility of approximately 109,000 square feet. The fourth floor of the Rawlings Library houses a news museum, the InfoZone, which is operated by District staff. The District also maintains two satellite libraries in local elementary schools, as well as the Library @ the Y, a small facility in the YMCA building, opened in November 2009. Administrative and support departments, including the Executive Director’s office, Human Resources, Community Relations/Development, Finance, Technical Services/Collection Development, Information Technology, Public Services, and Facilities are all housed together in the Rawlings Library. In 2018, PCCLD added two satellites, located at Colorado State University-Pueblo and Pueblo Community College.

The District’s Board of Trustees consists of seven members. The members are appointed to five- year terms of office by the Board of Pueblo County Commissioners and the City Council of Pueblo. Each term is renewable; there are no term limits. The District’s Board convenes at monthly meetings, monthly work sessions, and at any special meetings when they are necessary. Although Board members are prohibited by law from receiving compensation for their services as trustees, they may be reimbursed for necessary travel, training, or miscellaneous expenses.

## **Motto, Mission, Vision, Goals and Objectives**

### **MOTTO**

Ideas, Imagination & Information

### **MISSION**

We serve as a foundation for our community by offering 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.

### **VISION**

Books and Beyond

### **KEY RESULTS (GOALS)**

- ❖ The number of library books and other materials checked out.
- ❖ The quantity of customers visiting PCCLD libraries.
- ❖ The size of attendance at library programs and events.
- ❖ The volume of use of library digital services.

The Key Results goals have been established in support of the Mission statement. We consider them critical to sustaining the organization's health, well-being, strength, viability, growth, and success, and in keep with the overarching aim to provide the best possible public library service for the community.

The annual objectives identified to meet these goals comprise the Annual Plan, which is summarized in the Plans for the Future section of this letter.

### ***Major Initiatives***

In 2020, we continued our focus on achieving four key results. The key results included:

- 1,166,864 checkouts.
- 411,043 visitors.
- 603,075 program participants.
- 1,238,261 digital uses

In 2020, we were pleased to announce the District was recognized in the results of the thirteenth annual *Library Journal* Index of Public Library Service as a Five Star Library. The *LJ* Index, as it is known, rates U.S. public libraries based on key results measures and is among the most prestigious recognitions nationally for public libraries. The 2020 *LJ* Index derives from data recently released by the Institute of Museum and Library Services. 5,608 U.S. public libraries qualified to be rated in the *LJ* Index of Public Library Service. There are only 262 Star Libraries. PCCLD is one of only 85 libraries to be awarded Five Star Status. This places the Library District in the top 1.5 percent of all libraries nationally. This recognition also affirms the dedication to planning, accountability, and service of those involved with the District in recent years plus strong support from the community.

The District has been accorded other prestigious awards in the last few years, including the *National Medal for Museum and Library Service* and *America's Best Public Library*. Pueblo County voters passed ballot item 6B in the November 2019 election by a nearly 60% affirmative vote to continue 0.6 mill. This funding will be used for the purchase of new books and library materials, to refresh library locations and to continue the great work of the District. This not only affirms the high-level of confidence in the District among the voting public but, also, helps assure a solid financial footing for local libraries into the foreseeable future.

Like many libraries, PCCLD is dealing with a paradigm shift due to the coronavirus pandemic. The pandemic halted the District's in-person programming and activities, leaving many in our community without internet access and/or necessary computer hardware, and severely slowed the District's ability to provide information access via the library's collection.

When the pandemic's effects on library activities was first evident, the District developed tactics to provide needed services, materials, and offerings, creating The Library At Home. This virtual branch continues to evolve and become ever-important as we continue to develop offerings to the public during a pandemic. The Library At Home has allowed the District to resume humanities-based programming via social media channels and continues to serve as a central hub connecting patrons to digital materials.

In creating a virtual library location, we quickly needed to address the internet access issues within our community. To mitigate the impact of the pandemic while providing digital equity, we purchased more than 1,000 internet access hotspots, 350 chrome books, and 100 tablets. These devices not only connect our community to needed services, they are a means by which patrons access library programming, resources, and materials.

As with most activities in 2020, the District adapted the All Pueblo Reads program to fit the needs of public health. The library focused on developing online learning modules for students from elementary school through adult, and paired learning opportunities with virtual author visits, and library and community programming. In November, author Tim O'Brien presented to the greater Pueblo community about his book *The Things They Carried*. By transitioning to a digital format, this year's All Pueblo Reads garnered the most attendance in the history of All Pueblo Reads.

The Rawlings Library will undergo a \$11.5 million renovation to provide a reimagined public library that meets the needs of all members within the community. The scope of this project is wide and comprehensive. This renovation project will fundamentally improve how patrons access the library, gather for community meetings, collaborate, acquire life skills, and access information. The renovation plans call for a major site redesign, including a mobility plaza to be used for better access to the buildings main 12 entrance as well as the elimination of the road under the building. Eliminating this road will allow for more accessibility to the public library by creating an opportunity to add additional handicap parking and increased mobility to and from the main entrance.

The interior of the Rawlings Library will undergo needed improvements including the creation of additional meeting rooms, moving the Children Services area to allow for a safer and more imaginative space, an expanded vault to house regionally significant artifacts, and the provision of more collaborative spaces throughout the facility. These improvements to the building allow for collaboration to occur, providing the opportunity to enhance the vitality of the community, as well as enhancing a community facility that serves as a collaborative educational resource for children, youth, and families.

2020 was notorious due to the negative consequences for Pueblo County from the COVID-19 public health crisis. The District has been forced to expend much of its energy and resources in 2020 in dramatically revamping services and activities on-the-fly. The institution remains resilient with ongoing focus to provide the best possible library service to the community during an extraordinarily challenging time. The District moved forward in a judicious manner in 2020 providing services as public health conditions allowed, working on the 2021-2025 strategic plan, and the master facilities plan.

Finally, 2020 saw salary adjustments based on the market wage survey, implementation of the PCCLD master facilities plan, the District going “fine free” ceasing overdue materials fines, expanding Cloud services, increasing support for the Friends of the Library and Books Again bookstore, and implementing a texting application for employee notifications.

### ***Plans for the future***

PCCLD completed work on a new long-range strategic plan in 2020, which was officially adopted early in 2021. This new plan concentrates our attention on seven areas of focus for the district:

1. Access to services – inside and outside of the library
2. Culture and diversity – embracing opportunities
3. Education – encouraging lifelong learning
4. Employment – fostering economic and workforce development
5. Internal capacity – growing from within
6. Marketing and outreach – increasing awareness of library services
7. Technology – increasing digital access

The 2021 planning process has been different from others undertaken in recent years. Typically, PCCLD’s annual plans are the end product of engagement with a broad swath of PCCLD stakeholders, including employees, Trustees, Friends of the Library, and the Pueblo Library Foundation. This year – in large measure due to the exigencies of the pandemic – the plan largely derives more from PCCLD administrative leadership with review to ensure it supports the institution’s mission and long-range goals.

Objectives that constitute new initiatives for the year in support of the key results and strategic focus areas are listed below.

- I. Adjust library service in Beulah to improve access to PCCLD materials, services, and programs.
- II. Adopt policy aligned with recent state legislation to better protect library user personal information.

- III. Assess PCCLD's adult collection of materials to assure appropriate diversity of titles representative of different groups and cultures in order to foster equitable access.
- IV. Carryout programming activities aligning virtual events with those that are in-person.
- V. Complete an internal cybersecurity assessment to protect library district data and Information Technology assets.
- VI. Conclude implementation of the "fine free" program to gauge its impact on library district key results.
- VII. Coordinate PCCLD-sponsored cultural and educational programs with library collections of materials in order to maximize community impact.
- VIII. Deploy planned and budgeted changes to the library district's Information Technology infrastructure to include wireless access points and printing, a firewall, battery backup units, photocopiers, and primary Internet Service Provider.
- IX. Establish practices to track data pertinent to PCCLD's community economic impact.
- X. Evaluate the current credit card merchant process to ensure it is current and cost effective.
- XI. Finish library facilities' security assessments using Homeland Security standards in order to better ensure safe operations.
- XII. Examine PCCLD corporate insurance to ensure the best cost-effective solution is in place.
- XIII. Implement assistant manager role at each branch library to improve PCCLD operations.
- XIV. Increase staff support for PCCLD web services to improve patron access to library information and services.
- XV. Institute organizational curriculum goals and measures for library employee training.
- XVI. Investigate the library district's processes related to Payment Card Industry Data Security Standards (PCI DSS) to ensure compliance.
- XVII. Launch a new PCCLD Smartphone application to better engage the public with library services.
- XVIII. Modernize the library district's Information Technology policies to assure adherence to industry best practices.
- XIX. Modify the PCCLD Information Technology telecommunications network topology with consideration for improved reliability and flexibility.
- XX. Provide in-kind support to initiate the reformulated Pueblo Library Foundation Leadership Academy for young people.
- XXI. Put into place new services for the aging population.

- XXII. Renovate the Rawlings Library to improve library physical facilities.
- XXIII. Respond to the changing conditions presented by the COVID-19 pandemic to provide the best possible public library service to Pueblo County residents.
- XXIV. Restructure the Security Department to improve library district safety and protection.
- XXV. Review and update the materials use policies of the library district.
- XXVI. Revise the library district's Finance policies to align with current best practices.
- XXVII. Start a PCCLD capital fundraising campaign.
- XXVIII. Streamline management of public-use circulating information devices such as hotspots, tablets, and laptops to help bridge the digital divide in Pueblo County.
- XXIX. Update PCCLD's Information Technology Capital Replacement Plan to ensure appropriate future upgrades and support for critical systems.
- XXX. Upgrade Pueblo West Library lighting and HVAC systems.
- XXXI. Work to enhance PCCLD's work culture embracing diversity and inclusion.

## **FACTORS AFFECTING FINANCIAL CONDITION**

The District has established a 20-year Library Equipment Replacement Plan, as well as a 10-Year Financial Projection spreadsheet, to demonstrate use of available funding to provide the collections, facilities, staffing, and technology needs that have been identified. The Library Equipment Replacement Plan is budgeted in the Capital Project Fund, which is funded through annual transfers from the general fund. In 2020 a transfer of \$489,000 was made, and long range plans include ongoing transfers in subsequent years to maintain sufficient resources for future repairs and replacement.

Long-range financial planning is the focus of the 10-Year Financial Projection, which includes assumptions for revenues, expenditures and fund balances for both the General and Capital Projects funds. This projection is updated a minimum of two times a year – once following the audited financial statements, and again following the approval of the budget. This document is used extensively to project capital projects, ongoing commitments for new programs or services, impact of personnel initiatives, revenue forecasting, and the ongoing impact of those plans on the fiscal health of the District. In planning for the current capital building projects, the 10-Year Financial Projection was evaluated in depth to determine that the initial and ongoing costs of these projects could be supported by current and on-going revenues.

### **Management's Discussion and Analysis**

Specific details of the overall economy for Pueblo County are highlighted in the Management's Discussion and Analysis section of this document. A narrative of specific financial outcomes, discussion of governmental and business activities, debt and capital assessment statistics, economic conditions and information about how to contact the District's financial management can be found in this presentation.

### **Internal Controls**

The District has a number of policies and procedures which govern the operations of the District to ensure effective cash management, compliance with governmental accounting regulations, and good business practice. The objectives of these policies and procedures are commensurate with our District-wide goals to effectively manage the current assets and resources of the District. The oversight responsibilities for the financial operations of the District rest with the Board of Trustees. Each month the Board is provided detailed financial information, prepared by the Finance staff, including financial statements, balance sheets, and summary information and disbursements reports for each fund. The financial report is an agenda item, presented by the Associate Executive Director, and subject to a vote for approval. The Board is responsible for all budgetary resolutions and approvals, and for setting the mill levy annually. The Board is also responsible for approval of any real estate transactions, bonded debt, borrowing of funds, and major contracts. The Executive Director has the authority to negotiate and sign regular operational contracts, and to approve expenditure of funds.

Segregation of duties is a guiding principle in the Finance Office. For example, the staff members who count the cash and prepare the deposit slips do not take the deposits to the bank, nor are they authorized to record the deposits in the accounting system. Only the Director of Finance and the Associate Executive Director are authorized to initiate wire transfers or banking transactions.

The Director of Finance approves payment of invoices and journal entries. The accounting system is carefully set up to allow rights for certain functions to the appropriate staff members only. Bank reconciliations are processed by the Director of Finance, and the Associate Executive Director reviews and initials them to indicate agreement.

Limitations of the internal controls can occur internally due to the size of the Finance Office. Segregation of duties and careful identification of roles and permissions in the accounting software system have been carefully identified and implemented, but in a small office where cross-training and covering for other tasks is often essential, sometimes the internal controls are compromised for the greater need to get the checks out, or make the deposit in a timely manner, or process the payroll expeditiously. We do have processes for checking procedures after the fact, although timeliness is often not possible due to other responsibilities.

Cash collection is accomplished through self-check terminals in all locations, reducing the amount of cash collected directly by staff throughout the District. As a result of a current systems upgrade, the finance office can remotely monitor the terminals and their cash activity. A locked bag collection process is in place to move funds to the main library for reconciliation and bank deposit preparation. The minimal amount of cash collected at each library location for the sale of items and small transactions which can't be processed through self-service is also sent to the main library. The accuracy and oversight of cash collections has been enhanced by these methods.



## **AWARDS AND ACKNOWLEDGMENTS**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Pueblo City-County Library District for its comprehensive annual financial report for the fiscal year ended December 31, 2019. This was the eleventh year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized comprehensive annual financial report. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the GFOA requirements for excellence and we are submitting it for review to determine its eligibility for another certificate.

I would like to express my appreciation to the Library District Associate Executive Director, Sherri Baca, the Director of Human Resources, Terri Daly, and the Finance Office team, Missy Mantelli, Darlene Sherwood, Patricia Sanchez, and Loretta McDaniel, who have consistently and accurately contributed to the efficient operation of the Finance Office. I would also like to extend special thanks to the dedicated professionals at CliftonLarsonAllen LLP., our external auditing firm. Finally, I wish to thank Jon Walker, Executive Director, and the members of the Board of Trustees for their leadership and support.

Respectfully submitted,

A handwritten signature in blue ink that reads "Alexandria A. Romero". The signature is written in a cursive style.

Alexandria A. Romero, CPA, Director of Finance

Pueblo City-County Library District

## **ADMINISTRATIVE TEAM**

Jon Walker..... Executive Director  
Sherri Baca..... Associate Executive Director  
Robert Childress .....Director of Information Technology  
Terri Daly.....Director of Human Resources  
Jill Kleven ..... Director of User Services  
Amy Nelson.....Director of Rawlings Library and Customer Experience  
Nick Potter..... Director of Community Relations and Development  
Alan Rocco ..... Director of Facilities  
Alexandria Romero..... Director of Finance

## **MANAGERS**

Kayci Barnett.....Giodone Library Manager  
Alicia Griebel ..... Barkman Library Manager  
Maria Kramer ..... Youth Services Manager  
Linda Lewis..... Greenhorn Valley Library Manager  
Diann Logie..... Lucero Library Manager  
Aaron Ramirez.....Special Collections and Museum Services Manager  
Jennifer Tozer ..... Lamb Library/Library @ Y Manager  
Regina Renee Ward ..... Reference/Readers Advisory Manager  
Heather Wilder .....Pueblo West Library Manager



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Pueblo City-County Library District  
Colorado**

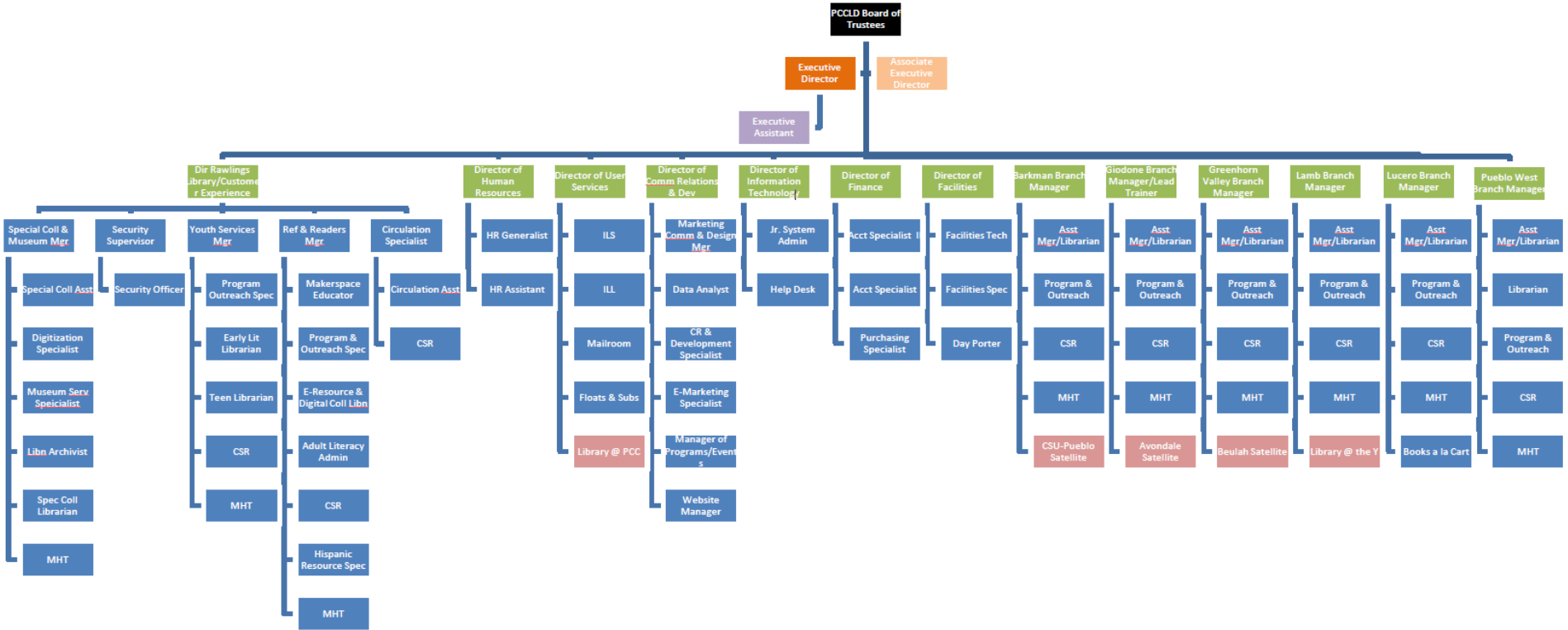
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2019**

*Christopher P. Morill*

Executive Director/CEO

# ORGANIZATIONAL CHART



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## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Pueblo City-County Library District  
Pueblo, Colorado

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, and each major fund of the Pueblo City-County Library District (District), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

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 the Pueblo City-County Library District as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, required pension information, required postemployment benefits other than pension benefits, and General Fund budgetary comparison information on pages 23-30 and 67-72 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Pueblo City-County Library District's basic financial statements. The introductory section, supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



**CliftonLarsonAllen LLP**

Broomfield, Colorado  
June 8, 2021

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the Pueblo City-County Library District (the District) annual financial report, the District's management is pleased to provide this narrative discussion and analysis of the financial activities of the District for the calendar year ended December 31, 2020. The District's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

### Financial Highlights

- The District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$23,627,829 (net position) for the calendar year reported.
- Total net position is comprised of the following:
  - (1) Net Investment in Capital Assets of \$22,566,427 includes property, materials and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
  - (2) Net position of \$7,743,556 is restricted by constraints imposed from outside the District such as debt covenants, grantors, laws, or regulations. Included in that amount is \$7,344,768 restricted for capital projects as part of the proceeds from the issuance of the 2020 Certificates of Participation.
  - (3) Unrestricted net position of (\$6,682,154) represents the portion available to maintain the District's continuing obligations to citizens and creditors. Unrestricted net position is negative primarily due to the reporting of the net pension liability and the net other postemployment benefits (OPEB) liability. As of December 31, 2020, the District's proportionate share of the Colorado Public Employees' Retirement Association (PERA) net pension liability was \$4,323,900, the District's proportionate share of the PERA net OPEB liability was \$508,593, and the District's proportionate share of the pension and OPEB deferred inflows of resources was \$2,054,582. These amounts were partially offset by the District's proportionate share of the pension and OPEB deferred outflows of resources for \$905,390.
- The District's general fund reported total ending fund balance of \$4,382,849 this year. This compares to the prior year ending fund balance of \$2,893,649 showing an increase of \$1,489,200 during the current year.
- At the end of the current calendar year, total fund balance for all governmental funds were \$14,778,352 or 140.7% of the current year's total governmental fund expenditures. \$7,344,768 of the fund balance amount relates to unspent proceeds from the issuance of the 2020 Certificates of Participation.
- Overall, the District continues to maintain a strong financial position.

These financial highlights are explained in more detail in the "financial analysis" section of this document.



## **Overview of the Financial Statements**

This Management 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.

## **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 first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the District's assets and liabilities and deferred inflows of resources and deferred outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position 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 Library District infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the District's net position changed during the current calendar year. All current year revenues and expenses are included regardless of when the District receives or pays cash. 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. Governmental activities include general library operations.

The government-wide financial statements are presented immediately following this analysis.

## **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 two major funds. Each fund is separately reported.

The District has the following 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 financing 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 funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental funds financial statements are presented on pages 34-37 of this report.

Notes To The Basic Financial Statements - The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 38 of this report.

Required Supplementary Information - On page 71, the budget to actual comparison for the general fund is presented as required supplementary information. On pages 67 – 69, the net pension liability and net OPEB liability related schedules are presented as required supplementary information.

Supplementary Information - As discussed, the District reports major funds in the basic financial statements. The budgetary comparison for the capital projects fund is presented in a supplementary information section of this report beginning on page 74.

The District's net position at December 31, 2020 is \$23,627,829. The following table provides a summary of the District's net position:

	<b>Government Activities</b>			
	<b>2020</b>		<b>2019</b>	
	<b>Amount</b>	<b>Percentage of Total</b>	<b>Amount</b>	<b>Percentage of Total</b>
<b>Assets:</b>				
Current Assets	\$ 26,328,264	46.3%	\$ 16,347,531	34.4%
Capital Assets	30,553,004	53.7%	31,154,663	65.6%
<b>Total Assets</b>	<b>56,881,268</b>	<b>100.0%</b>	<b>47,502,194</b>	<b>100.0%</b>
Deferred Outflows of Resources	1,423,176	100.0%	2,069,210	100.0%
<b>Liabilities:</b>				
Current Liabilities	465,013	2.2%	422,854	2.4%
Long-term Liabilities	21,020,992	97.8%	17,197,061	97.6%
<b>Total Liabilities</b>	<b>21,486,005</b>	<b>100.0%</b>	<b>17,619,915</b>	<b>100.0%</b>
Deferred Inflows of Resources	13,190,610	100.0%	10,858,005	100.0%
<b>Net Position:</b>				
Net Investment in Capital Assets	22,566,427	95.5%	22,769,389	107.9%
Restricted	7,743,556	32.8%	1,150,201	5.5%
Unrestricted	(6,682,154)	-28.3%	(2,826,106)	-13.4%
<b>Total net position</b>	<b>\$ 23,627,829</b>	<b>100.0%</b>	<b>\$ 21,093,484</b>	<b>100.0%</b>

The District continues to maintain a high current ratio. The current ratio is a liquidity and efficiency ratio that measures ability to pay off short-term liabilities with current assets. To make the ratio more meaningful, property taxes receivable can be eliminated for governmental activities resulting in current assets of \$15,192,236. Current liabilities are \$1,621,148, including the current portion of long-term liabilities. As a result, the current ratio for the District overall is 9.37 to 1 at December 31, 2020 compared with 4.64 to 1 at December 31, 2019. As of December 31, 2020, current assets include \$7,344,768 in unspent proceeds from the issuance of the 2020 Certificates of Participation which is a significant factor in the increase of the current ratio from the previous year.

The District reported positive balances in total net position for governmental activities in the current and prior year. Net position increased by \$2,534,345 for governmental activities in the current year, including the effect of the change in the net pension liability. The District's overall financial position increased during fiscal year 2020 by 12.0%.

Approximately 53.7% of the District's total assets are comprised of capital assets at December 31, 2020 compared to 65.6% at December 31, 2019. The District uses these capital assets to provide services to its citizens.

The following table provides a summary of the District's changes in governmental activities net position:

	<b>Government Activities</b>			
	<b>2020</b>		<b>2019</b>	
	<b>Amount</b>	<b>Percentage of Total</b>	<b>Amount</b>	<b>Percentage of Total</b>
Revenues:				
Program:				
Charges for Services	\$ 54,729	0.4%	\$ 130,484	1.2%
Operating Grants	966,926	7.3%	358,190	3.3%
Capital Grants	407,500	3.1%	88,244	0.8%
General:				
Taxes	11,774,274	88.7%	10,052,880	93.1%
Other	73,587	0.6%	173,251	1.6%
<b>Total Revenues</b>	<b>13,277,016</b>	<b>100.0%</b>	<b>10,803,049</b>	<b>100.0%</b>
Program Expenses:				
Library Services	10,350,879	96.4%	9,201,373	96.8%
Interest on Long-term Debt	391,792	3.6%	302,078	3.2%
<b>Total Expenses</b>	<b>10,742,671</b>	<b>100.0%</b>	<b>9,503,451</b>	<b>100.0%</b>
Change in Net Position	2,534,345		1,299,598	
Beginning Net Position, as Restated	21,093,484		19,793,886	
Ending Net Position	<u>\$23,627,829</u>		<u>\$21,093,484</u>	

Beginning net position for 2019 was restated for implementation of GASB Statement No. 84, *Fiduciary Activities*, and to consolidate the previously reported nonmajor special revenue fund into the General Fund.

## **Revenues**

The District is heavily reliant on taxes to support governmental operations. Taxes provided 88.7% of the District's total revenues in 2020, as compared to 93.1% in 2019. Total revenues increased by \$2,473,967 in 2020 compared to 2019. The increase in tax revenue of \$1,721,394 relates primarily to a 0.6 mill increase in the voter approved mill levy for 2020 compared to 2019. The increase in operating grants is due to a Coronavirus Relief Fund grant for \$500,000 received by the District during 2020. Capital grants increased during 2020 relating to significant contributions from donors for capital construction and renovation.

Also, note that program revenues, including grants and contributions, cover only 13.3% of governmental operating expenses. This means that the District's taxpayers and the District's other general revenues fund 86.7% of the governmental activities. As a result, the general economy and the changes in both residential and commercial property values have a significant impact on the District's revenue streams.

## **Expenses**

As a single-purpose governmental entity, there is really only one function of the Pueblo City-County Library District, and all internal departments serve to support that function – library service to the public. The only functional category segregated for purposes of the Statement of Activities is interest expense, relating to the debt service of the Certificates of Participation.

The 2020 interest on long-term debt amounted to 3.6% of the total District expenses. Depreciation expense of \$1,551,881 on the District's capital assets is included in total expenses.

## **Financial Analysis of the District's Funds**

### **Governmental Funds**

Governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$14,778,352 in 2020. Of this year-end total, \$3,624,247 is unassigned, indicating availability for continuing District service requirements. The total fund balance at the end of 2019 was \$5,101,888. The increase in fund balance from 2019 to 2020 is \$9,676,464 attributable to \$7,344,768 in unspent proceeds from the issuance of the 2020 Certificates of Participation, increased property tax revenues, and increased operating and capital grants received during 2020.

Nonspendable fund balance of \$386,169 is available only for prepaid items. The restricted fund balance includes \$362,649 emergency reserve requirement pursuant to the TABOR constitutional amendment, \$26,355 contributed by the Rawlings Foundation and available only for upgrades and maintenance of the InfoZone museum, \$2,693 in distributions from the Chamberlain Fund to purchase books and equipment, \$7,091 in contributions restricted to employee activities, and \$7,344,768 restricted for capital projects as part of the proceeds from the issuance of the 2020 Certificates of Participation. Committed fund balance of \$1,647,092 holds Replacement Plan funding for future building, equipment and technology upgrades and improvements. Assigned fund balance contains the remainder of the fund balance for the Capital Projects Fund that is not committed to the Replacement Plan which is designated for future capital expenditures. The unassigned fund balance holds the remainder of funds available for operating the library. The total combined fund balance represents 140.7% of annual combined expenditures. This is a very healthy fund balance, and exceeds the Pueblo City-County Library fund balance policy requirement to maintain 20% of annual operating expenditures in unrestricted fund balance. For 2020, that percentage is 34.5%

### **General Fund**

The general fund is the District's primary operating fund and the largest source of day-to-day service delivery. The general fund balance at December 31, 2020 is \$4,382,849, an increase of \$1,489,200 from the previous year.

Expenditures show a decrease of \$209,330 or (2.1%) over the prior year. This decrease relates primarily to a decrease in debt service expenditures of \$659,037 based on the timing of the issuance of the 2020 Certificates of Participation. Library Support expenditures in the General Fund increased by \$449,707 from the previous year relating primarily to an increase in expenditures for books and audio-visual materials.

### **Capital Projects Fund**

The capital projects fund holds all expenditure activity for purchase of capital assets through the library replacement plan, including furniture, fixtures, and equipment, major building repair and improvements, and computer equipment. Purchase of land, construction of buildings and related expenses are also included in this fund, as well as renovations and upgrades to the InfoZone News Museum located on the fourth floor of the Rawlings Library.

Fund balance at December 31, 2020 is \$10,395,503, an increase of \$8,187,264. This increase primarily relates to unspent proceeds from the issuance of the 2020 Certificates of Participation.

### **Budgetary Highlights – General Fund**

Actual revenues were over budget by \$503,063 relating primarily to \$500,000 in Coronavirus Relief funding received by the District. Fees, Fines, and Sales revenue was under budget by \$60,771 as many of the District's in-person activities were closed for most of 2020 due to COVID-19. In addition, investment earnings were under budget by \$46,463 primarily due to decreased interest yields available from investments in local government investment pools. In total, revenue for 2020 came in above projections by 4.1%. In 2019, revenues exceeded the forecast by 2.5%.

Actual expenditures were \$944,442 less than appropriated expenditures, or 8.7% of the budget. Debt service expenditures were under budget by \$661,662 primarily relating to the timing of required principal and interest payments with the issuance of the 2020 Certificates of Participation and the refunding of the 2012 Certificates of Participation. Actual expenditures for library materials were \$174,742 over the budgeted amount due primarily to additional costs for digital materials. Contractual Library Services were under budget by \$131,847 due to decreased temporary staffing needs in 2020. More detailed information about budget to actual comparisons can be found in the section entitled REQUIRED SUPPLEMENTARY INFORMATION, beginning on page 67.

The District budgeted for an excess of revenues over expenditures of \$1,530,695 and had actual excess of revenues over expenditures of \$2,978,200.

## Capital Assets and Debt Administration

### Capital Assets

The District's investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2020, was \$30,553,004. See Note 6 for additional information about changes in capital assets during the calendar year and outstanding at the end of the year. The following table provides a summary of capital asset activity:

	Governmental Activities		Percentage of Total	
	2020	2019	2020	2019
Non-Depreciable Assets:				
Land	\$ 2,216,490	\$ 2,216,490	86%	95%
Construction in Progress	245,252	-	10%	0%
Artwork and Collectibles	117,276	117,276	5%	5%
Total Non-Depreciable	2,579,018	2,333,766	100%	100%
Depreciable Assets:				
Buildings	34,791,814	34,785,534	78%	78%
Furniture and Fixtures	1,311,676	1,303,937	3%	3%
Vehicles	136,823	122,398	0%	0%
Computer Equipment	2,427,310	2,348,591	5%	5%
Other Equipment	92,796	92,796	0%	0%
Library Books and Audio Visual Materials	5,932,419	5,860,128	13%	13%
Total Depreciable Assets	44,692,838	44,513,384	100%	100%
Less Accumulated Depreciation	16,718,852	15,692,487		
Book Value - Depreciable Assets	27,973,986	28,820,897		
Percentage Depreciated	37%	35%		
Book Value - All Assets	\$ 30,553,004	\$ 31,154,663		

At December 31, 2020, the depreciable capital assets for governmental activities were depreciated 37%, as compared to 35% at December 31, 2019.

### Long-Term Debt

In September of 2012, the District issued \$11,410,000 in Certificates of Participation to refund the remaining amount from the 2007 certificates of participation and secure an addition \$5,410,000 to design, build and furnish three new library buildings. In November of 2020, the District issued \$15,040,000 to refund the remaining amount from the 2012 Certificates of Participation and secure an additional \$7,500,000 to finance renovations to the Rawlings Library and other District owned facilities. The coupon rate on the 2020 Certificates of Participation ranges from 2.00% to 4.00% which translates to a savings on future interest payments of approximately \$1,257,297 from the 2012 Certificates of Participation. See Note 7 for outstanding long-term debt issues and annual requirements.

## **Economic Conditions Affecting the District**

Information included in this section was compiled from several sources, including the Bureau of Labor Statistics, the Colorado Department of Labor and Employment, the US Dept. of Commerce, the Colorado Department of Local Affairs, and the Pueblo County GIS Department.

The population of Pueblo County was 161,718 in the year 2011 and increased to 170,798 in 2020, an increase of 5.6% in that 10-year span. Pueblo County's growth rate in 2020 was 2.2% ahead 1.87% the growth rate of the state of Colorado. Pueblo County is ranked 10th among the top ten most populous counties in Colorado.

In 2019, the unemployment rate in Pueblo, Colorado Metropolitan Statistical Area was 4.1%, the average unemployment rate for 2020 increased to 11.3%, which was higher than the state of Colorado and the national rate. The average unemployment rate in for Colorado in 2020 was 8.4%, and the national average unemployment rate was 6.7%. The Western Census Region of the United States, consisting of the 13 western most states, posted an unemployment rate of 3.9% to begin 2020 and had a 4% rise in unemployment during the year. The labor force in Pueblo at the end of December 2020 totaled 79,911—2.5% of the 3,204,625 in Colorado. This was comprised of 70,881 employed and 9,030 unemployed.

The American Community Survey (ACS) conducted by the US Census Bureau shows the median household income for Colorado was \$72,331 between the years 2015-2019. The median household income in Pueblo County was \$39,873. In this same time frame, the percentage of Pueblo County residents estimated to be below the poverty level is 17.8%; Colorado is at 9.3%, and the US statistic is 10.5%. In 2019, Colorado ranked 6<sup>th</sup> in the nation for the percentage of people who had incomes below the poverty line (\$26,172 for a family of four). Pueblo remains at a lower income level than most of the counties throughout the state. However, a bright spot continues to be Pueblo County's low cost of living. Livability.com is a website that celebrates America's best cities to live and visit. Pueblo has been listed in the top 10 best cities for Historic Preservation. Although these metrics are not scientifically or quantitatively measured, they do point to the fact that Pueblo is a solid community that is vigorous and viable. The top 8 reasons to move to Pueblo include: climate, outdoor recreation, local parks, Pueblo Riverwalk, Pueblo chilies, the Sangre de Cristo Arts Center, Colorado State University-Pueblo and affordable real estate. Typically, Pueblo ranks in the top 10 least expensive urban areas in the cost of living index—\$138,700 median price of homes currently listed for sale as reported by Zillow.com.

The District is funded primarily by property tax revenues, and 2019 was a revaluation year for property taxes. Overall, property tax increased by 8.3% in 2020.

Overall, the economic health of Pueblo County is relatively stable. Perhaps the biggest indicator for Pueblo City- County Library District is the confidence and encouragement of our patrons, who continue to acknowledge and appreciate the services provided to them by our District.

## **Contacting the District's Financial Management**

This financial report is designed to provide a general overview of the District's finances, comply with finance-related laws and regulations, and demonstrate the District's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the District's Finance Office at 100 E. Abriendo Avenue, Pueblo, Colorado 81004.

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**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2020**

	<u>Primary Government</u>	<u>Component Unit</u>
	<u>Governmental Activities</u>	<u>Pueblo Library Foundation</u>
<b>Assets</b>		
Cash and Investments	\$ 7,026,455	\$ 329,297
Restricted Cash and Investments	7,344,768	-
Receivables:		
Accounts	434,844	17,790
Property Taxes	11,136,028	-
Prepaid Items	386,169	348
Capital Assets:		
Nondepreciable	2,579,018	-
Depreciable, Net	27,973,986	-
<b>Total Assets</b>	<u>56,881,268</u>	<u>347,435</u>
<b>Deferred Outflows of Resources</b>		
Loss on Debt Refunding	517,786	-
Deferred Pension Outflows	850,021	-
Deferred OPEB Outflows	55,369	-
<b>Total Deferred Outflows of Resources</b>	<u>1,423,176</u>	<u>-</u>
<b>Liabilities</b>		
Accounts Payable	235,422	3,808
Accrued Liabilities	178,462	-
Accrued Interest Payable	51,129	-
Noncurrent Liabilities:		
Due Within One Year	1,156,135	-
Due in More Than One Year	15,032,364	-
Net Pension Liability	4,323,900	-
Net OPEB Liability	508,593	-
<b>Total Liabilities</b>	<u>21,486,005</u>	<u>3,808</u>
<b>Deferred Inflows of Resources</b>		
Property Taxes	11,136,028	-
Deferred Pension Inflows	1,928,534	-
Deferred OPEB Inflows	126,048	-
<b>Total Deferred Inflows of Resources</b>	<u>13,190,610</u>	<u>-</u>
<b>Net Position</b>		
Net Investment in Capital Assets	22,566,427	-
Restricted for:		
Tabor Amendment	362,649	-
InfoZone Museum	26,355	-
Books & Equipment (Chamberlain Fund)	2,693	44,500
Employee Activities (Nesbitt)	7,091	-
Capital Projects	7,344,768	73,146
Other Foundation Programs	-	2,800
Unrestricted	(6,682,154)	223,181
<b>Total Net Position</b>	<u>\$ 23,627,829</u>	<u>\$ 343,627</u>

See accompanying notes to the financial statements

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2020**

Functions	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position	
		Charges for Services, Sales and Fines	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Unit
					Governmental Activities	Pueblo Library Foundation
<b>Primary Government</b>						
<b>Governmental Activities</b>						
Library Services	\$ 10,350,879	\$ 54,729	\$ 966,926	\$ 407,500	\$ (8,921,724)	\$ -
Interest on Long-Term Debt	391,792	-	-	-	(391,792)	-
<b>Total Governmental Activities</b>	<b>\$ 10,742,671</b>	<b>\$ 54,729</b>	<b>\$ 966,926</b>	<b>\$ 407,500</b>	<b>(9,313,516)</b>	<b>-</b>
<b>Component Unit</b>						
Pueblo Library Foundation	\$ 63,773	\$ -	\$ 133,446	\$ -	-	69,673
<b>General Revenues</b>						
Property Taxes Levied for Library Purposes					10,825,853	-
Specific Ownership Taxes					948,421	-
Investment Income					41,961	27,653
Miscellaneous					31,626	-
<b>Total General Revenues</b>					<b>11,847,861</b>	<b>27,653</b>
<b>Change in Net Position</b>					<b>2,534,345</b>	<b>97,326</b>
<b>Net Position, Beginning of Year</b>					<b>21,093,484</b>	<b>246,301</b>
<b>Net Position, End of Year</b>					<b>\$ 23,627,829</b>	<b>\$ 343,627</b>

See accompanying notes to the financial statements

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
BALANCE SHEET – GOVERNMENTAL FUNDS  
DECEMBER 31, 2020**

	<b>General</b>	<b>Capital Projects</b>	<b>Total Governmental Funds</b>
<b>Assets</b>			
Cash and Investments	\$ 4,137,170	\$ 2,889,285	\$ 7,026,455
Restricted Cash and Investments	-	7,344,768	7,344,768
Receivables:			
Accounts	214,844	220,000	434,844
Property Taxes	11,136,028	-	11,136,028
Due From Other Funds	58,550	-	58,550
Prepaid Items	386,169	-	386,169
<b>Total Assets</b>	<b>\$ 15,932,761</b>	<b>\$ 10,454,053</b>	<b>\$ 26,386,814</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 235,422	\$ -	\$ 235,422
Due to Other Funds	-	58,550	58,550
Accrued Liabilities	178,462	-	178,462
<b>Total Liabilities</b>	413,884	58,550	472,434
<b>Deferred Inflows of Resources</b>			
Property Taxes	11,136,028	-	11,136,028
<b>Fund Balances</b>			
Nonspendable - Prepaid Items	386,169	-	386,169
Restricted for:			
Tabor Amendment	362,649	-	362,649
InfoZone Museum	-	26,355	26,355
Books & Equipment (Chamberlain Fund)	2,693	-	2,693
Employee Activities (Nesbitt)	7,091	-	7,091
Capital Projects	-	7,344,768	7,344,768
Committed - Library Replacement Plan	-	1,647,092	1,647,092
Assigned - Capital Projects	-	1,377,288	1,377,288
Unassigned	3,624,247	-	3,624,247
<b>Total Fund Balances</b>	4,382,849	10,395,503	14,778,352
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 15,932,761</b>	<b>\$ 10,454,053</b>	<b>\$ 26,386,814</b>

See accompanying notes to the financial statements

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2020**

Amounts reported for governmental activities in the statement of net position are different because:

Total Governmental Fund Balances		\$ 14,778,352
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Capital assets used in governmental activities are not current financial resources and therefore are not reported at the fund financial reporting level

Total Capital Assets	\$ 47,271,856	
Less Accumulated Depreciation	<u>(16,718,852)</u>	30,553,004

Liabilities and related items are not due and payable in the current period and therefore are not reported in the funds.

Compensated Absences	\$ (393,218)	
Certificates of Participation	(15,040,000)	
Certificates of Participation Premium	(762,818)	
Certificates of Participation Discount	7,537	
Accrued Interest Payable	(51,129)	
Net Pension Liability	(4,323,900)	
Net OPEB Liability	<u>(508,593)</u>	\$ (21,072,121)

Deferred outflows of resources used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.

Loss on Debt Refunding	517,786	
Pension Deferred Outflows of Resources	850,021	
OPEB Deferred Outflows of Resources	<u>55,369</u>	1,423,176

Deferred outflows of resources used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.

Pension Deferred Inflows of Resources	(1,928,534)	
OPEB Deferred Inflows of Resources	<u>(126,048)</u>	<u>(2,054,582)</u>

Total Net Position of Governmental Activities		<u>\$ 23,627,829</u>
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**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2020**

	<u>General</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>			
Property Taxes	\$ 10,825,853	\$ -	\$ 10,825,853
Specific Ownership Taxes	948,421	-	948,421
Grants and Contributions	966,926	407,500	1,374,426
Fees, Fines and Sales	54,729	-	54,729
Investment Earnings	24,612	17,349	41,961
Miscellaneous	25,626	-	25,626
<b>Total Revenues</b>	<u>12,846,167</u>	<u>424,849</u>	<u>13,271,016</u>
<b>Expenditures</b>			
<b>Current:</b>			
Library Support	9,716,304	-	9,716,304
<b>Capital Outlay</b>	-	410,529	410,529
<b>Debt Service:</b>			
Issuance Costs and Fiscal Charges	-	222,665	222,665
Interest	151,663	-	151,663
<b>Total Expenditures</b>	<u>9,867,967</u>	<u>633,194</u>	<u>10,501,161</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>2,978,200</u>	<u>(208,345)</u>	<u>2,769,855</u>
<b>Other Financing Sources (Uses)</b>			
Insurance Proceeds	-	1,000	1,000
Sale of Capital Assets	-	5,000	5,000
Certificates of Participation Proceeds	-	15,040,000	15,040,000
Certificates of Participation Premium	-	771,378	771,378
Certificates of Participation Discount	-	(7,709)	(7,709)
Payment to Escrow Agent	-	(8,903,060)	(8,903,060)
Transfers In	-	1,489,000	1,489,000
Transfers Out	(1,489,000)	-	(1,489,000)
<b>Total Other Financing Sources (Uses)</b>	<u>(1,489,000)</u>	<u>8,395,609</u>	<u>6,906,609</u>
<b>Net Change in Fund Balances</b>	1,489,200	8,187,264	9,676,464
<b>Fund Balances, Beginning of Year</b>	<u>2,893,649</u>	<u>2,208,239</u>	<u>5,101,888</u>
<b>Fund Balances, End of Year</b>	<u>\$ 4,382,849</u>	<u>\$ 10,395,503</u>	<u>\$ 14,778,352</u>

See accompanying notes to the financial statements

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2020**

A reconciliation reflecting the differences between the governmental funds net change in fund balance and change in net position reported for governmental activities in the statement of activities is as follows:

Net Change in Fund Balances - Total Governmental Funds		\$ 9,676,464
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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 and reported as depreciation expense.

Capital Outlay	\$ 950,222		
Depreciation Expense	<u>(1,551,881)</u>		(601,659)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities. Repayments of long-term debt are reported as expenditures or other financing uses in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and do not affect the statement of activities. Governmental funds report the effect of premiums and similar items when debt is issued, whereas the amounts are deferred and amortized in the statement of activities.

Proceeds from Issuance of Long-Term Debt	(15,803,669)		
Payment to Escrow Agent	8,903,060		
Amortization of Discount and Premium	<u>8,388</u>		(6,892,221)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. The decrease (increase) in these activities consist of the following:

Change in Accrued Interest Payable	(25,852)		
Accrued Compensated Absences	(94,289)		
Pension Expense	455,522		
OPEB Expense	<u>16,380</u>		<u>351,761</u>

Change in Net Position of Governmental Activities		<u>\$ 2,534,345</u>
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**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

The Pueblo City-County Library District (the District) was established July 15, 1968, through a joint resolution of the City of Pueblo and Pueblo County, Colorado. Prior to this time, the City of Pueblo was maintaining and operating a public library. On January 27, 1969, a resolution was passed ratifying the original resolution, and setting forth an agreement, which transferred use of the land, building, plants, equipment, facilities, books, periodicals, and other library materials to the District. Members of the Board of Trustees of the District are appointed by the City Council and the Board of County Commissioners. The Board of Trustees is comprised of seven members. Each year, the Board of Trustees certifies the mill levy to the Board of County Commissioners, who then levy taxes upon the area encompassed by the District.

The primary government of the District consists of all funds, departments, boards, and agencies that are not legally separate from the District. Although the Pueblo County Commissioners and the Pueblo City Council appoint the District Board of Trustees, neither entity is financially accountable for the District; therefore, the District is not a component unit of either the City or the County. Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the District in that the District approves the budget, levies their taxes or issues their debt.

The Pueblo Library Foundation (the Foundation) was established to operate exclusively for charitable, scientific, literary or educational purposes for the benefit of the District, including providing resources for the development, maintenance and operation of the District to the extent not normally met by public funding. The Foundation's nine-member Board of Directors is appointed by the District's Board of Trustees. The Foundation is included in the District's financial statements as a discretely presented component unit. Separate financial statements for the Foundation may be obtained by contacting the District.

The mission of the District is to serve as a foundation for our community by offering 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.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to government entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The most significant of the District's accounting policies are described below.

**Basis of Presentation**

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

**Government-wide Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the District as a whole. Individual funds are not displayed.

The statement of net position presents the financial position of the governmental activities of the District 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 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; 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 a 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.

The major individual governmental funds are reported in separate columns.

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 only reports governmental funds.



**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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, liabilities, and deferred inflows of resources as fund balance. The following are the District's major governmental funds:

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

*Capital Projects Fund* - The capital projects fund is used to account for financial resources to be used for the acquisition, renovation or construction of major capital facilities, as well as the acquisition of capital assets. Funding for the capital projects fund is primarily through transfers from the general fund and debt proceeds.

**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 position. 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., revenues 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, which utilize the economic resources measurement focus. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

**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 certain deferred inflows of resources, and in the presentation of expenses versus expenditures.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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, “available” means expected to be received within 60 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 is recognized in the fiscal year for which the taxes are levied. Property taxes are assessed in one year for the subsequent years’ budget. Recognition for the levy made in 2020 is revenue for the 2021 budget year. Therefore, a property tax receivable and deferred inflows of resources of an equal amount are reported in the financial statements at year-end.

Revenue from grants and contributions is recognized in the 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 also must be available (i.e., collected within 60 days of year-end) 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, investment earnings and federal and state grants.

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

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

**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.

**Receivables**

All receivables are reported net of an allowance for uncollectibles, where applicable.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2020**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Prepaid Items**

Payments made to vendors for services that will benefit periods (e.g., insurance, rents, library services from other libraries) beyond year-end, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is nonspendable, as this amount is not available for general appropriation.

**Capital Assets**

General capital assets are those assets that result from expenditures in governmental funds. The District reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the governmental fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at the acquisition value on the date received. The District maintains a capitalization threshold of one thousand dollars except for library books and audio-visual materials, which are all capitalized regardless of cost. Effective January 1, 2018, the capitalization threshold increased to \$5,000. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All reported capital assets are depreciated except for land, construction in progress, and art and collectibles. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method except for library books and audio-visual materials that use the group method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	40 years
Furniture and Fixtures	10 years
Vehicles	4 years
Computer Equipment	4 years
Other Equipment	5 years
Computer Software	3 years
Library Books and Audio Visual Materials	5 years

The District capitalizes library books and audio-visual materials. Annually, purchased additions are capitalized at cost and damaged and lost materials are deleted from the inventory, using average cost.

**Compensated Absences**

It is the District's policy to permit all employees to accumulate a limited amount of earned but unused sick leave, which can be carried over up to a maximum of 120 days. Pay-out of accrued sick leave upon termination was eliminated through a change to the policy effective on January 2, 2011. Vacation leave benefits are earned during the current year and up to 336 hours can be carried over. Any accumulation over this amount is lost. Sick and vacation leaves are earned based on years of service and job classification.

The vacation leave liability is reported in the government-wide financial statements. Governmental funds report this liability at the fund reporting level only "when due."

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported as liabilities in the government-wide financial statements. In the governmental funds, the face amount of debt is reported as other financing sources when issued.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are “due for payment” during the current year. Certificates of participation are recognized as a liability in the governmental fund financial statements “when due.”

**Debt Premium**

In the government-wide statement of net position, debt premium is netted against debt payable. In the government-wide statement of activities, debt premium is amortized over the life of the debt using the straight-line method. At the governmental fund reporting level, debt premiums and discounts are reported as other financing sources and uses, separately from the face amount of the debt issued. Debt issuance costs are reported as current expenses or expenditures.

**Pensions**

The District participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees’ Retirement Association of Colorado (“PERA”). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Contributions to the LGDTF are made from the general fund.

**Postemployment Benefits Other Than Pensions (OPEB)**

The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees’ Retirement Association of Colorado (“PERA”). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Equity**

Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Equity for the government-wide financial statements is classified as “net position.”

Fund balance represents the difference between the current assets and current liabilities. There are four categories of Fund Balance, which are categorized for specific purposes. Nonspendable fund balances hold net resources that cannot be spent because of their form. Prepaid items fall into this category. Restricted fund balances have externally enforceable limitations on use. The Tabor Amendment for emergency reserves is categorized as restricted fund balance in the General Fund; contributions from the Rawlings Foundation, which are earmarked for upgrades to the InfoZone Museum, are restricted in the Capital Projects Fund; contributions to the Nesbitt Fund, and, distributions from the Chamberlain Fund are restricted in the General Fund.

The required reserve for the Certificates of Participation is restricted in the Capital Projects Fund. Committed fund balances are internally designated by the District’s Board of Trustees for a specific purpose. Commitments may be established, modified, or rescinded only through resolutions approved by the Board. The Library Replacement Plan, shown as committed, represents the amount designated by the District’s Board to replace or update capital assets. Assigned fund balances are internally designated by the District for a specific purpose. Under the District’s Financial Management policies and procedures, amounts may be assigned by the Executive Director. The remaining fund balance of the Capital Projects Fund is internally designated for future capital acquisitions. Unassigned fund balance represents the net resources in excess of the other spendable classifications.

In 2011, the Board of Trustees passed a fund balance policy which requires 20% of operating expenditures be maintained in the total fund balance at the end of the year. The District has not established a formal policy for its use of restricted and unrestricted (committed, assigned, and unassigned) fund balance. It is the District's practice that, if expenditures are incurred, the District uses restricted fund balance first if the expenditure meets the restricted purpose, followed by committed, then assigned amounts then unassigned amounts.

**Net Position**

Net position represents the difference between assets and liabilities and deferred inflows and outflows of resources. The net investment in capital assets consists 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 position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

**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.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 3 CASH AND INVESTMENTS**

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution 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 State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2020, the District’s cash deposits had a carrying balance of \$225,240. The Foundation has cash deposits with a carrying balance of \$65,475.

Investments of the District are limited by State statutes, commensurate with the District’s investment policy, and may include:

- U.S. Treasury Obligations (bills, notes, and bonds)
- U.S. Government Agency Securities
- SEC Registered Money Market Mutual Funds
- Bankers’ Acceptances of certain banks
- Commercial Paper limited to securities with highest rating category by at least two nationally recognized rating agencies at time of purchase
- Written Repurchase Agreements collateralized by certain authorized securities
- Local Government Investment Pools regulated under CRS 24-75-701

The District’s investments at December 31, 2020, were as follows:

Investment Type	Rating	Investment Maturities (in Years)	Total
		Less Than 1	
Local Government Investment Pools	AAAm	\$ 14,145,983	\$ 14,145,983
Total		\$ 14,145,983	\$ 14,145,983

**Fair Value Measurements**

The District reports its investments using the fair value measurements established by generally accepted accounting principles. As such, a fair value hierarchy categorizes the inputs used to measure the fair value of the investments into three levels. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs include quoted prices in active markets for similar investments, or other observable inputs; and Level 3 inputs are unobservable inputs. The District’s investments in external investment pools are measured as net asset value (NAV). The Foundation had \$263,822 invested in various mutual funds as of December 31, 2020, which were valued using quoted market prices for identical assets in active markets and are classified within Level 1.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Interest Rate Risk**

State statutes generally limit the maturity of investment securities to five years from the date of purchase, unless the governing board authorizes the investment for a period in excess of five years.

**Credit Risk**

State statutes limit certain investments to those with specified ratings from nationally recognized statistical rating organizations, depending on the type of investment.

**Concentration of Credit Risk**

State statutes do not limit the amount the District may invest in one issuer of investment securities, except for corporate securities.

**Local Government Investment Pools**

At December 31, 2020, the District had \$13,124,519 invested in the Colorado Local Government Liquid Asset Trust (Colotrust) Plus+ Fund, which is an external investment pool established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the pool. The external investment pool is measured at the net asset value (NAV) per share, with each share valued at \$1.00. The pool is rated AAAM by Standard and Poor's. Investments of the pools are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

At December 31, 2020, the District had \$325,947 invested in the Colorado Surplus Asset Fund Trust (CSAFE) Core Fund, which is an external investment pool established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the pool. The external investment pool is measured at the net asset value (NAV) per share, with each share valued at \$2.00. The pool is rated AAAs by Fitch Ratings. Investments of the pools are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

At December 31, 2020, the District had \$695,517 invested in the Colorado Statewide Investment Pool (CSIP), which is an external investment pool established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the pool. The external investment pool is measured at the net asset value (NAV) per share, with each share valued at \$1.00. The pool is rated AAAM by Standard and Poor's. Investments of the pools are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Cash and Investment Reconciliation**

Reporting Level:	
Cash and Investments	\$ 7,026,455
Restricted Cash and Investments	7,344,768
Total	<u>\$ 14,371,223</u>
Per Note Disclosure Above:	
Deposits	\$ 225,240
Investments	14,145,983
Total	<u>\$ 14,371,223</u>

At December 31, 2020, the Capital Projects Fund held debt proceeds of \$7,344,768 which is restricted for capital related expenditures as part of the 2020 Certificates of Participation agreement.

**NOTE 4 PROPERTY TAXES**

Annual property taxes are levied by the Pueblo County Assessor's offices on assessed valuation as of January 1, and attach as an enforceable lien on the property at that time. Generally, property taxes are levied on December 15 for the subsequent year's operations. Taxpayers may pay property taxes in two equal installments. One-half of the taxes due will become delinquent March 1, after which date interest will be added as provided by law. The remaining half will become delinquent June 16. If the entire annual tax is paid on or before April 30, no interest is added.



**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 5 CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2020, is summarized below.

	Balance 12/31/2019	Additions	Deletions	Balance 12/31/2020
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 2,216,490	\$ -	\$ -	\$ 2,216,490
Construction in Progress	-	245,252	-	245,252
Art and Collectibles	117,276	-	-	117,276
Total Capital Assets, Not Being Depreciated	<u>\$ 2,333,766</u>	<u>\$ 245,252</u>	<u>\$ -</u>	<u>\$ 2,579,018</u>
Capital Assets, Being Depreciated:				
Buildings	\$ 34,785,534	\$ 6,280	\$ -	\$ 34,791,814
Furniture and Fixtures	1,303,937	7,739	-	1,311,676
Vehicles	122,398	37,346	22,921	136,823
Computer Equipment	2,348,591	78,719	-	2,427,310
Other Equipment	92,796	-	-	92,796
Library Books and Audio Visual Materials	5,860,128	574,886	502,595	5,932,419
Total Capital Assets, Being Depreciated	<u>\$ 44,513,384</u>	<u>\$ 704,970</u>	<u>\$ 525,516</u>	<u>\$ 44,692,838</u>
Total Capital Assets	<u>\$ 46,847,150</u>	<u>\$ 950,222</u>	<u>\$ 525,516</u>	<u>\$ 47,271,856</u>
Accumulated Depreciation:				
Buildings	\$ 10,444,473	\$ 754,214	\$ -	\$ 11,198,687
Furniture and Fixtures	1,126,913	33,717	-	1,160,630
Vehicles	102,899	9,301	22,921	89,279
Computer Equipment	2,184,508	97,518	-	2,282,026
Other Equipment	36,916	10,875	-	47,791
Library Books and Audio Visual Materials	1,796,778	646,256	502,595	1,940,439
Total Accumulated Depreciation	<u>\$ 15,692,487</u>	<u>\$ 1,551,881</u>	<u>\$ 525,516</u>	<u>\$ 16,718,852</u>
Book Value of Depreciable Capital Assets	<u>\$ 28,820,897</u>	<u>\$ (846,911)</u>	<u>\$ -</u>	<u>\$ 27,973,986</u>
Governmental Activities Capital Assets, Net	<u>\$ 31,154,663</u>	<u>\$ (601,659)</u>	<u>\$ -</u>	<u>\$ 30,553,004</u>

Depreciation expense was charged to the Library Services function.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 6 LONG-TERM DEBT**

**Certificates of Participation** - The following is a summary of the outstanding long-term debt issue at December 31, 2020:

Year Issued	Purpose	Interest Rate %	Interest Due Dates	Issued Date	Maturity Date	Authorized and Issued
2020	Certificates of Participation	2.00 - 4.00	6/1, 12/1	11/1/2020	12/1/2035	\$ 15,040,000

On September 27, 2012, the District issued \$11,410,000 Certificates of Participation, Series 2012, to finance the acquisition and construction of three new library facilities and to refund the outstanding Certificates of Participation, Series 2007, originally issued to finance a portion of the construction of an addition to the Pueblo West Library.

On November 1, 2020, the District issued \$15,040,000 in Certificates of Participation, Series 2020A&B, to finance improvements to the Rawlings Library and other District-owned facilities, to pay the costs of issuance of the 2020A&B Certificates of Participation, and to refund the outstanding Certificates of Participation, Series 2012, originally issued to finance the acquisition and construction of three new library facilities. Interest payments are due semi-annually in June and December. Principal payments are due annually in December, through 2035. The economic gain resulting from the refunding transaction is \$231,227

Annual debt service requirements as of December 31, 2020, follow:

Year	Principal	Interest	Total
2021	\$ 840,000	\$ 409,030	\$ 1,249,030
2022	885,000	362,712	1,247,712
2023	905,000	345,013	1,250,013
2024	920,000	326,912	1,246,912
2025	935,000	315,413	1,250,413
2026-2030	4,905,000	1,335,475	6,240,475
2031-2035	5,650,000	586,350	6,236,350
Total	<u>\$ 15,040,000</u>	<u>\$ 3,680,905</u>	<u>\$ 18,720,905</u>

**Changes in Long-term Debt** - Changes in the District's long-term obligations consisted of the following for the year ended December 31, 2020:

	Balance 12/31/2019	Additions	Reductions	Balance 12/31/2020	Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 298,929	\$ 291,739	\$ 197,450	\$ 393,218	\$ 249,581
2012 Certificates of Participation	8,215,000	-	8,215,000	-	-
2012 Premium	246,502	-	246,502	-	-
2020A&B Certificates of Participation	-	15,040,000	-	15,040,000	840,000
2020A Premium	-	771,378	8,560	762,818	67,912
2020B Discount	-	(7,709)	(172)	(7,537)	(1,358)
Total	<u>\$ 8,760,431</u>	<u>\$ 16,095,408</u>	<u>\$ 8,667,340</u>	<u>\$ 16,188,499</u>	<u>\$ 1,156,135</u>

The compensated absences liability will be paid from the General Fund.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 7 OPERATING LEASES**

The District has a lease for the Barkman Branch site for a term of ninety-nine years from April 1, 1990 to March 31, 2089, with a full rental of \$99, which was paid in 1990.

The District leases storage space under an agreement, which is classified as an operating lease. This lease had an initial period of ten years from November 1, 2001 to October 31, 2011, and has been renewed through December 31, 2021. Rent expense for the year ended December 31, 2020 was \$29,100, which included a reduction equal to the amount of real estate tax for the portion of the building occupied by the District. Future minimum lease payments under this agreement are as follows:

Year Ended December 31,	
2021	33,144
Total	\$ 33,144

**NOTE 8 NET INVESTMENT IN CAPITAL ASSETS**

The “net investment in capital assets” amount reported on the government-wide statement of net position as of December 31, 2020, consists of the following:

Net Investment in Capital Assets:	
Cost of Capital Assets	\$ 47,271,856
Less: Accumulated Depreciation	(16,718,852)
Book Value	30,553,004
Capital Related Debt	(15,040,000)
Capital Related Payables	(53,850)
Unspent Debt Proceeds	7,344,768
Debt Premium	(762,818)
Debt Discount	7,537
Loss on Debt Refunding	517,786
Net Investment in Capital Assets	\$ 22,566,427

**NOTE 9 INTERFUND TRANSACTIONS**

During the year ended December 31, 2020, the General Fund provided \$1,489,000 to the Capital Projects Fund to fund a portion of the renovations at the Rawlings library location and to replenish the library replacement plan reserve.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 10 DEFINED BENEFIT PENSION PLAN**

The District participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: Concerning Modifications To the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to certain benefit provisions. Some, but not all, of these changes were in effect as of December 31, 2020.

**General Information about the Pension Plan**

*Plan Description:* Eligible employees of the District are provided with pensions through the LGDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Benefits provided as of December 31, 2019:* PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

As of December 31, 2019, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S., once certain criteria are met. Pursuant to SB 18-200, the annual increase for 2019 is 0.00 percent for all benefit recipients. Thereafter, benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007, and all benefit recipients of the DPS benefit structure will receive an annual increase of 1.25 percent unless adjusted by the automatic adjustment provision (AAP) pursuant to C.R.S. § 24-51-413. Benefit recipients under the PERA benefit structure who began eligible employment on or after January 1, 2007 will receive the lessor of an annual increase of 1.25 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned annual increase by up to 0.25 percent based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled. Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

*Contributions provisions as of December 31, 2020:* Eligible employees and the District are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, et seq. and § 24-51-413. Employee contribution rates for the period of January 1, 2020 through June 30, 2020 were 8%, which increased to 8.5% for the period of July 1, 2020 through December 31, 2020.

The employer contribution requirements for all employees are summarized in the table below:

	January 1, 2020 Through June 30, 2020	July 1, 2020 Through December 31, 2020
Employer Contribution Rate <sup>1</sup>	10.00 %	10.50 %
Amount of Employer Contribution Apportioned to the health Care Trust Fund as Specified in C.R.S. § 24-51-208(1)(f) <sup>1</sup>	(1.02)%	(1.02)%
Amount Apportioned to the LGDTF <sup>1</sup>	8.98 %	9.48 %
Amortization Equalization Disbursement (AED) as Specified in C.R.S. § 24-51-411 <sup>1</sup>	2.20 %	2.20 %
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. § 24-51-411 <sup>1</sup>	1.50 %	1.50 %
Total Employer Contribution Rate to the LGDTF <sup>1</sup>	12.68 %	13.18 %

<sup>1</sup> Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the District were \$547,695 for the year ended December 31, 2020.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

At December 31, 2020, the District reported a liability of \$4,323,900 for its proportionate share of the net pension liability. The net pension liability for the LGDTF was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. Standard update procedures were used to roll-forward the total pension liability to December 31, 2019. The District's proportion of the net pension liability was based on the District's contributions to the LGDTF for the calendar year 2019 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2019, the District's proportion was 0.591188632 percent, which was a decrease of 0.027692081 percent from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the District recognized pension expense of (\$92,173). At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 282,949	\$ -
Changes of Assumptions or Other Inputs	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	1,768,966
Changes in Proportion and Differences Between Contributions Recognized and Proportionate Share of Contributions	19,377	159,568
Contributions Subsequent to the Measurement Date	547,695	-
Total	\$ 850,021	\$ 1,928,534

\$547,695 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2021	\$ (408,490)
2022	(538,928)
2023	(75,217)
2024	(603,573)

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

*Actuarial Assumptions:* The December 31, 2018 actuarial valuation used the following actuarial cost method, actuarial assumptions, and other inputs:

Actuarial Cost Method	Entry Age
Price Inflation	2.40%
Real Wage Growth	1.10%
Wage Inflation	3.50%
Salary Increases, Including Wage Inflation	3.50 - 10.45%
Long-Term Investment Rate of Return, Net of Pension Plan Investment Expenses, Including Price Inflation	7.25%
Discount rate	7.25%
Future Post Retirement Benefit Increases:	
PERA Benefit Structure Hired Prior to January 1, 2007; and DPS Benefit Structure (Automatic) <sup>1</sup>	1.25% Compounded Annually
PERA Benefit Structure hired after December 31, 2006 (Ad Hoc, Substantively Automatic) <sup>1</sup>	Financed by the Annual Increase Reserve

<sup>1</sup> For 2019, the annual increase was 0.00 percent.

Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Post-retirement non-disabled mortality assumptions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2018, valuation were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

Several factors were considered in evaluating the long-term rate of return assumption for the LGDTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>30 Year Expected Geometric Real Rate of Return</u>
U.S. Equity - Large Cap	21.20 %	4.30 %
U.S. Equity - Small Cap	7.42	4.80
Non U.S. Equity - Developed	18.55	5.20
Non U.S. Equity - Emerging	5.83	5.40
Core Fixed Income	19.32	1.20
High Yield	1.38	4.30
Non U.S. Fixed Income - Developed	1.84	0.60
Emerging Market Debt	0.46	3.90
Core Real Estate	8.50	4.90
Opportunity Fund	6.00	3.80
Private Equity	8.50	6.60
Cash	1.00	0.20
<b>Total</b>	<u>100.00</u>	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25 percent.

*Discount Rate:* The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50 percent.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the additional 0.50 percent resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.



**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the additional 0.50 percent, resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020, Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point, the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- The projected benefit payments reflect the lowered annual increase cap, from 1.50 percent to 1.25 percent resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, LGDTF’s fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

*Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:* The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net Pension Liability	\$ 7,942,684	\$ 4,323,900	\$ 1,280,538

*Pension Plan Fiduciary Net Position:* Detailed information about the LGDTF’s fiduciary net position is available in PERA’s comprehensive annual financial report, which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 11 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

**General Information about the OPEB Plan**

*Plan Description*

Eligible employees of the District are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Benefits Provided*

The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

*PERA Benefit Structure*

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

*Contributions*

Pursuant to Title 24, Article 51, Section 208(1) (f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02% of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$43,180 for the year ended December 31, 2020.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At December 31, 2020, the District reported a liability of \$508,593 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2019. The District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2019 relative to the total contributions of participating employers to the HCTF.

At December 31, 2019, the District's proportion was 0.045248529%, which was a decrease of 0.0027459717% from its proportion measured as of December 31, 2018. For the year ended 2020, the District recognized OPEB expense of \$26,800.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 11 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,688	\$ 85,462
Changes of Assumptions or Other Inputs	4,219	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	8,489
Changes in Proportion and Differences Between Contributions Recognized and Proportionate Share of Contributions	6,282	32,097
Contributions Subsequent to the Measurement Date	43,180	-
Total	\$ 55,369	\$ 126,048

\$43,180 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended December 31,</u>	<u>Amount</u>
2021	\$ (23,005)
2022	(23,004)
2023	(20,546)
2024	(23,371)
2025	(22,575)
Thereafter	(1,358)

*Actuarial Assumptions*

The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial Cost Method	Entry Age
Price Inflation	2.40%
Real Wage Growth	1.10%
Wage Inflation	3.50%
Salary Increases, Including Wage Inflation	3.50 % in the aggregate
Long-Term Investment Rate of Return, Net of OPEB Plan Investment Expenses, Including Price Inflation	7.25%
Discount rate	7.25%
Health Care Cost Trend Rates	
Service-based Premium Subsidy	0.00%
PERACare Medicare Plans	5.60% in 2019, gradually decreasing to 4.50% in 2029
Medicare Part A Premiums	3.50% for 2019, gradually increasing to 4.50% in 2029

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 11 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

The actuarial assumptions used in the December 31, 2018, valuation were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting. In addition, certain actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and reviewed by PERA's actuary, as discussed below.

In determining the additional liability for PERACare enrollees who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following monthly costs/premiums are assumed for 2019 for the PERA Benefit Structure:

<b>Medicare Plan</b>	<b>Cost for Members Without Medicare Part A</b>	<b>Premiums for Members Without Medicare Part A</b>
Medicare Advantage/Self-Insured Prescription	\$ 601	\$ 240
Kaiser Permanente Medicare Advantage HMO	605	237

The 2019 Medicare Part A premium is \$437 per month.

In determining the additional liability for PERACare enrollees in the PERA Benefit Structure who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following chart details the initial expected value of Medicare Part A benefits, age adjusted to age 65 for the year following the valuation date:

<b>Medicare Plan</b>	<b>Cost for Members Without Medicare Part A</b>
Medicare Advantage/Self-Insured Prescription	\$ 562
Kaiser Permanente Medicare Advantage HMO	571

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2018, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 11 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

<u>Year</u>	<u>PERACare Medicare</u>	<u>Medicare Part A</u>
2019	5.60%	3.50%
2020	8.60%	3.50%
2021	7.30%	3.50%
2022	6.00%	3.75%
2023	5.70%	3.75%
2024	5.50%	3.75%
2025	5.30%	4.00%
2026	5.10%	4.00%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 11 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

Post-retirement non-disabled mortality assumptions for the School and Judicial Divisions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93 percent factor applied to rates for ages less than 80, a 113 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68 percent factor applied to rates for ages less than 80, a 106 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was based on 90% of the RP-2014 Disabled Retiree Mortality Table.

The following health care costs assumptions were updated and used in the measurement of the obligations for the HCTF:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2019 plan year.
- The morbidity assumptions were updated to reflect the assumed standard aging factors.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for the HCTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 11 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
U.S. Equity - Large Cap	21.20 %	4.30 %
U.S. Equity - Small Cap	7.42	4.80
Non U.S. Equity - Developed	18.55	5.20
Non U.S. Equity - Emerging	5.83	5.40
Core Fixed Income	19.32	1.20
High Yield	1.38	4.30
Non U.S. Fixed Income - Developed	1.84	0.60
Emerging Market Debt	0.46	3.90
Core Real Estate	8.50	4.90
Opportunity Fund	6.00	3.80
Private Equity	8.50	6.60
Cash	1.00	0.20
<b>Total</b>	<u>100.00</u>	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

*Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates*

The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare Trend Rate	4.60%	5.60%	6.60%
Ultimate PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A Trend Rate	3.50%	4.50%	5.50%
Proportionate Share of the Net OPEB Liability	\$ 496,511	\$ 508,593	\$ 522,554



**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 11 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

*Discount Rate*

The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2019, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the projection test indicates the HCTF’s fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%.

*Sensitivity of the District’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate*

The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net OPEB Liability	\$ 575,066	\$ 508,593	\$ 451,744

*OPEB plan fiduciary net position*

Detailed information about the HCTF plan’s fiduciary net position is available in PERA’s comprehensive annual financial report, which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 12 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District carries commercial insurance for the risks of loss, including worker's compensation and employee accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 13 TABOR AMENDMENT**

In 1992, a constitutional amendment (commonly referred to as TABOR) was passed in the State of Colorado, limiting powers of public entities to borrow, tax and spend without a public vote. In November 1995, the voters in the District approved a mill levy increase for the District, effective in the 1996 budget year. The mill levy was increased from 3.5 mills to 5.25 mills. As part of the tax and revenue ballot question, public approval also was given to remove the revenues of the District from the spending and growth provisions set forth in the TABOR amendment.

It is the opinion of the District that the spending revenue limitations of the TABOR amendment do not apply to the District as a result of the passage of the ballot issue listed above.

TABOR requires local governments to establish emergency reserves. These reserves must be at least 3% of Fiscal Year Spending, excluding bonded debt service. Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

**NOTE 14 TAX-EXEMPT STATUS**

The Internal Revenue Service has determined the District to be a not-for-profit organization exempt from income taxes under Code Section 501(c)(3).

## REQUIRED SUPPLEMENTARY INFORMATION

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
LAST 10 FISCAL YEARS**

Fiscal Year	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Plan Measurement Date	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013
District's Proportion of the Net Pension Liability	0.591188632%	0.618880713%	0.608459576%	0.618627475%	0.659046464%	0.623946893%	0.618414314%
District's Proportionate Share of the Net Pension Liability	\$ 4,323,900	\$ 7,780,649	\$ 6,774,771	\$ 8,353,580	\$ 7,259,931	\$ 5,592,492	\$ 5,089,061
District's Covered Payroll	4,073,446	4,059,200	3,868,757	3,745,767	3,601,482	3,418,950	3,299,298
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	106.1%	191.7%	175.1%	223.0%	201.6%	163.6%	154.2%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.3%	76.0%	79.4%	73.6%	76.9%	80.7%	77.7%

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS  
LAST 10 FISCAL YEARS**

Fiscal Year	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually Required Contribution	\$ 547,695	\$ 516,513	\$ 514,707	\$ 490,558	\$ 474,963	\$ 456,668	\$ 433,523	\$ 418,351	\$ 454,730	\$ 430,960
Contributions in Relation to the Contractually Required Contribution	<u>547,695</u>	<u>516,513</u>	<u>514,707</u>	<u>490,558</u>	<u>474,963</u>	<u>456,668</u>	<u>433,523</u>	<u>418,351</u>	<u>454,730</u>	<u>430,960</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 4,233,297	\$ 4,073,446	\$ 4,059,200	\$ 3,868,757	\$ 3,745,767	\$ 3,601,482	\$ 3,418,950	\$ 3,299,298	\$ 3,586,203	\$ 3,398,736
Contributions as a Percentage of Covered Payroll	12.94%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%

The amounts presented for each fiscal year were determined as of December 31.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
LAST 10 FISCAL YEARS**

Fiscal Year	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Plan Measurement Date	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016
District's Proportion of the Net OPEB Liability	0.045248529%	0.047994201%	0.047280069%	0.047488199%
District's Proportionate Share of the Net OPEB Liability	\$ 508,593	\$ 652,981	\$ 614,452	\$ 615,701
District's Covered-Employee Payroll	\$ 4,077,674	\$ 4,059,200	\$ 3,868,757	\$ 3,745,767
District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered-Employee Payroll	12.5%	16.1%	15.9%	16.4%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	24.5%	17.0%	17.5%	16.7%

\* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. Information earlier than 2017 was not available.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS  
LAST 10 FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually Required Contribution	\$ 43,180	\$ 41,592	\$ 41,404	\$ 39,461	\$ 38,207	\$ 36,735	\$ 34,873	\$ 33,653	\$ 36,579	\$ 34,667
Contributions in Relation to the Contractually Required Contribution	<u>43,180</u>	<u>41,592</u>	<u>41,404</u>	<u>39,461</u>	<u>38,207</u>	<u>36,735</u>	<u>34,873</u>	<u>33,653</u>	<u>36,579</u>	<u>34,667</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$ 4,233,297	\$ 4,077,674	\$ 4,059,200	\$ 3,868,757	\$ 3,745,767	\$ 3,601,482	\$ 3,418,950	\$ 3,299,298	\$ 3,586,203	\$ 3,398,736
Contributions as a Percentage of Covered-Employee Payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

\*The amounts presented for each fiscal year were determined as of December 31.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2020**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>			
Property Taxes	\$ 10,804,673	\$ 10,825,853	\$ 21,180
Specific Ownership Taxes	956,214	948,421	(7,793)
Grants and Contributions	393,142	966,926	573,784
Fees, Fines and Sales	115,500	54,729	(60,771)
Investment Earnings	65,075	24,612	(40,463)
Miscellaneous	8,500	25,626	17,126
<b>Total Revenues</b>	<u>12,343,104</u>	<u>12,846,167</u>	<u>503,063</u>
<b>Expenditures</b>			
<b>Current:</b>			
Salaries and Wages	4,522,058	4,441,420	80,638
PERA	606,573	596,004	10,569
Employee Benefits	658,476	621,100	37,376
Books, Periodicals, Non-print, Processing Programs	1,499,819	1,674,561	(174,742)
Rental	29,719	29,100	619
Contractual Library Services	511,794	379,947	131,847
Treasurers' Fees	162,070	162,059	11
Office Supplies	76,367	70,543	5,824
Utilities and Insurance	597,999	525,032	72,967
Building Maintenance	466,593	425,935	40,658
Vehicle Maintenance	13,000	11,690	1,310
Community Relations	31,100	16,265	14,835
Postage and Shipping	35,000	19,657	15,343
Friends' Grants - Expenditures	44,393	5,420	38,973
Courier Service	2,000	1,555	445
Information Technology	462,942	399,893	63,049
Other	8,000	10,061	(2,061)
<b>Debt Service:</b>			
Principal	510,000	-	510,000
Interest	303,325	151,663	151,662
<b>Total Expenditures</b>	<u>10,812,409</u>	<u>9,867,967</u>	<u>944,442</u>
<b>Excess of Revenues Over Expenditures</b>	<u>1,530,695</u>	<u>2,978,200</u>	<u>1,447,505</u>
<b>Other Financing Sources (Uses)</b>			
Transfer Out to Capital Projects Fund	(1,489,000)	(1,489,000)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(1,489,000)</u>	<u>(1,489,000)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	41,695	1,489,200	1,447,505
<b>Fund Balance, Beginning of Year</b>	<u>2,867,996</u>	<u>2,893,649</u>	<u>25,653</u>
<b>Fund Balance, End of Year</b>	<u>\$ 2,909,691</u>	<u>\$ 4,382,849</u>	<u>\$ 1,473,158</u>

See notes to required supplementary information



**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 1 – BUDGETARY INFORMATION**

The District adopts an annual operating budget for all funds. The budgets are adopted on a basis consistent with GAAP.

The budget calendar is driven by Colorado State Statute (29-1-108(4), C.R.S.), as well as internal planning for completion of every phase. Typically, the budget process begins in July, with analysis and updates to the Annual Plan to set objectives, goals, strategies and budgetary impact for all libraries and departments. This information becomes an intrinsic part of the overall budget process.

On or before October 15<sup>th</sup> the proposed budget is submitted to the Board of Trustees, a “Notice of Budget” is published in the newspaper, and copies of the proposed budget are distributed to all public libraries and posted on the District’s website so that the budget is available for public inspection and comment.

In November a public hearing is held, at a time and place identified in the published notice. The public is invited to provide budgetary comment until the December board meeting, at which time the budget will be formally adopted, funds appropriated, and the mill levy resolution passed. The December meeting is not scheduled until the final assessed valuation figures are received from the county assessor. The deadline for receipt of this information is December 10<sup>th</sup>. The certification of mill levy is due to the Board of County Commissioners by December 15<sup>th</sup>.

No later than 30 days following the start of the fiscal year, a certified copy of the adopted budget must be filed with the Division of Local Government.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget is the individual fund level. Any change in the total budget for each fund requires approval of the Board of Trustees. Management is authorized to make transfers between line items within a fund. All unexpended annual appropriations lapse at year-end.

**NOTE 2 – DISTRICT’S PARTICIPATION IN THE PUBLIC EMPLOYEES’ RETIREMENT ASSOCIATION (PERA)**

There were no changes of benefit terms.

Changes in assumptions or other inputs were made during the December 31, 2016 valuation as follows:

- The long-term investment rate of return was reduced from 7.50 percent to 7.25 percent.
- The discount rate was reduced from 7.5 percent to 7.25 percent.
- Price inflation assumption decreased from 2.80 percent per year to 2.40 percent per year.
- Real rate of investment return assumption increased from 4.70 percent per year, net of investment expenses, to 4.85 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.90 percent per year to 3.50 percent per year.
- Mortality rates were changed from the RP-2000 Combined Mortality Table for Males or Females was adjusted to the RP-2014 White Collar Employee Mortality Table.
- For disabled retirees, the mortality assumption was changed to reflect 90 percent of the RP-2014 Disabled Retiree Mortality Table.

## SUPPLEMENTARY INFORMATION

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
CAPITAL PROJECTS FUND  
YEAR ENDED DECEMBER 31, 2020**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>			
Grants and Contributions	\$ 100,000	\$ 407,500	\$ 307,500
Investment Earnings	30,000	17,349	(12,651)
<b>Total Revenues</b>	<u>130,000</u>	<u>424,849</u>	<u>294,849</u>
<b>Expenditures</b>			
<i><b>Capital Outlay:</b></i>			
Information Technology	138,000	57,786	80,214
Vehicles	35,000	37,346	(2,346)
Furniture and Fixtures	59,000	14,019	44,981
Building Improvements	1,010,000	301,378	708,622
<i><b>Debt Service:</b></i>			
Issuance Costs and Fiscal Charges		222,665	
<b>Total Expenditures</b>	<u>1,242,000</u>	<u>633,194</u>	<u>831,471</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(1,112,000)</u>	<u>(208,345)</u>	<u>903,655</u>
<b>Other Financing Sources (Uses)</b>			
Insurance Proceeds	-	1,000	1,000
Sale of Capital Assets	-	5,000	5,000
Certificates of Participation Proceeds	-	15,040,000	15,040,000
Certificates of Participation Premium	-	771,378	771,378
Certificates of Participation Discount	-	(7,709)	(7,709)
Payment to Escrow Agent	-	(8,903,060)	(8,903,060)
Transfers In From General Fund	1,489,000	1,489,000	-
<b>Total Other Financing Sources (Uses)</b>	<u>1,489,000</u>	<u>8,395,609</u>	<u>6,906,609</u>
<b>Net Change in Fund Balance</b>	377,000	8,187,264	7,810,264
<b>Fund Balance, Beginning of Year</b>	<u>2,185,143</u>	<u>2,208,239</u>	<u>23,096</u>
<b>Fund Balance, End of Year</b>	<u>\$ 2,562,143</u>	<u>\$ 10,395,503</u>	<u>\$ 7,833,360</u>

**Pueblo City-County Library District, Colorado**  
***Statistical Section (Unaudited)***

This part of the Pueblo Library District’s comprehensive annual financial report presents detailed information as a context for understanding this year’s financial statements, note disclosures, and supplementary information. This information is unaudited.

**Contents**

**Financial Trends** Pages 76-80

These exhibits contain trend information that may assist the reader in assessing the Library District’s current financial performance by placing it in a historical perspective.

**Revenue Capacity** Pages 81-84

These exhibits contain information that may assist the reader in assessing the viability of the Library District’s most significant “own-source” revenue, property taxes.

**Debt Capacity** Pages 85-88

These exhibits contain information that may assist the reader in analyzing the affordability of the Library District’s current levels of outstanding debt and the Library District’s ability to issue additional debt in the future.

**Demographic and Economic Information** Pages 89-90

These exhibits present demographic and economic information intended (1) to assist users in understanding the socioeconomic environment within which the Library District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among library districts.

**Operating Information** Pages 91-93

These exhibits contain service and capital asset indicators that can provide an understanding of how the information in the Library District’s financial statements relates to the services the Library District provides and the activities it performs.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
GOVERNMENT-WIDE NET POSITION BY COMPONENT  
(UNAUDITED)  
LAST TEN CALENDAR YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Governmental activities										
Net investment										
in capital assets	\$ 26,602,810	\$ 25,640,514	\$ 25,454,927	\$ 26,573,350	\$ 25,898,666	\$ 24,197,032	\$ 23,696,771	\$ 23,087,722	\$ 22,769,389	\$ 22,566,427
Restricted	502,525	1,283,866	1,846,951	1,263,412	1,230,851	1,185,406	1,163,895	1,167,930	1,150,201	7,743,556
Unrestricted	4,063,850	4,057,682	3,386,592	2,537,967	(2,266,558)	(2,989,631)	(4,223,435)	(4,468,614)	(2,826,106)	(6,682,154)
Total	<u>\$ 31,169,185</u>	<u>\$ 30,982,062</u>	<u>\$ 30,688,470</u>	<u>\$ 30,374,729</u>	<u>\$ 24,862,959</u>	<u>\$ 22,392,807</u>	<u>\$ 20,637,231</u>	<u>\$ 19,787,038</u>	<u>\$ 21,093,484</u>	<u>\$ 23,627,829</u>
Governmental activities										
Net investment										
in capital assets	85.30%	82.80%	83.00%	87.50%	104.20%	108.10%	114.80%	109.45%	96.37%	95.51%
Restricted	1.60%	4.10%	6.00%	4.20%	5.00%	5.30%	5.60%	5.54%	4.87%	32.77%
Unrestricted	13.00%	13.10%	11.00%	8.30%	-9.20%	-13.40%	-20.40%	-21.18%	-11.96%	-28.28%
Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>93.81%</u>	<u>89.27%</u>	<u>100.00%</u>

**Notes:**

Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net Position is considered restricted only when (1) an external party, such as the State of Colorado or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the Library District. There are no restrictions currently reported as a result of enabling legislation.

The District implemented GASB Statement No. 68 effective January 1, 2015. As of December 31, 2020, the District's proportionate share of the Net Pension Liability was \$4,323,900. This amount is included in the unrestricted net position.

**Data Source:**

Applicable years' comprehensive annual financial report.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
CHANGES IN NET POSITION – GOVERNMENTAL ACTIVITIES  
(UNAUDITED)  
LAST TEN CALENDAR YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Expenses										
Governmental activities:										
Library Services	\$ 8,072,539	\$ 9,033,639	\$ 9,873,567	\$ 10,092,677	\$ 10,525,062	\$ 11,180,655	\$ 11,767,526	\$ 11,540,905	\$ 9,201,373	\$ 10,350,879
Interest	300,731	208,768	370,451	361,934	353,217	343,922	330,634	320,525	302,078	391,792
Total Expenses	<u>8,373,270</u>	<u>9,242,407</u>	<u>10,244,018</u>	<u>10,454,611</u>	<u>10,878,279</u>	<u>11,524,577</u>	<u>12,098,160</u>	<u>11,861,430</u>	<u>9,503,451</u>	<u>10,742,671</u>
Program Revenues										
Charges for services, sales and fines	117,282	214,279	218,008	167,693	175,254	176,275	143,137	166,857	130,484	54,729
Operating grants and contributions	124,947	41,714	101,277	61,692	173,836	171,644	404,966	423,724	358,190	966,926
Capital grants and contributions	143,998	192,918	184,603	554,721	192,577	4,333	16,000	102,803	88,244	407,500
Total Program Revenues	<u>386,227</u>	<u>448,911</u>	<u>503,888</u>	<u>784,106</u>	<u>541,667</u>	<u>352,252</u>	<u>564,103</u>	<u>693,384</u>	<u>576,918</u>	<u>1,429,155</u>
Net (Expense)/Revenue	<u>(7,987,043)</u>	<u>(8,793,496)</u>	<u>(9,740,130)</u>	<u>(9,670,505)</u>	<u>(10,336,612)</u>	<u>(11,172,325)</u>	<u>(11,534,057)</u>	<u>(11,168,046)</u>	<u>(8,926,533)</u>	<u>(9,313,516)</u>
General Revenues:										
Property taxes levied for library purposes	7,307,351	7,804,163	8,493,998	8,493,206	8,582,963	8,743,618	8,770,163	9,059,826	9,073,771	10,825,853
Specific ownership tax	612,037	623,435	644,217	670,065	719,445	752,678	879,432	890,331	979,109	948,421
Grants not restricted for specific purposes	-	-	136,729	-	-	-	-	-	-	-
Investment earnings	32,305	42,427	40,264	38,844	14,376	30,770	55,299	112,584	130,477	41,961
Miscellaneous	219,440	136,348	131,330	154,649	163,596	213,342	73,587	14,530	42,774	31,626
Total General Revenues	<u>8,171,133</u>	<u>8,606,373</u>	<u>9,446,538</u>	<u>9,356,764</u>	<u>9,480,380</u>	<u>9,740,408</u>	<u>9,778,481</u>	<u>10,077,271</u>	<u>10,226,131</u>	<u>11,847,861</u>
Change in Net Position	<u>\$ 184,090</u>	<u>\$ (187,123)</u>	<u>\$ (293,592)</u>	<u>\$ (313,741)</u>	<u>\$ (856,232)</u>	<u>\$ (1,431,917)</u>	<u>\$ (1,755,576)</u>	<u>\$ (1,090,775)</u>	<u>\$ 1,299,598</u>	<u>\$ 2,534,345</u>

**Data Source:**

Applicable years' comprehensive annual financial report.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
CHANGES IN NET POSITION – GOVERNMENTAL ACTIVITIES  
(UNAUDITED)  
LAST TEN CALENDAR YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Expenses										
Governmental activities:										
Library Services	96.4%	97.7%	96.4%	96.5%	96.8%	97.0%	97.3%	97.3%	96.8%	96.4%
Interest	3.6%	2.3%	3.6%	3.5%	3.2%	3.0%	2.7%	2.7%	3.2%	3.6%
Total Expenses	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Program Revenues										
Charges for services, sales and fines	30.4%	47.7%	43.3%	21.4%	32.4%	50.0%	25.4%	24.1%	22.6%	3.8%
Operating grants and contributions	32.4%	9.3%	20.1%	7.9%	32.1%	48.7%	71.8%	61.1%	62.1%	67.7%
Capital grants and contributions	37.3%	43.0%	36.6%	70.7%	35.6%	1.2%	2.8%	14.8%	15.3%	28.5%
Total Program Revenues	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
General Revenues:										
Property taxes levied for library purposes	89.4%	90.7%	89.9%	90.8%	90.5%	89.8%	89.7%	89.9%	89.9%	91.3%
Specific ownership tax	7.5%	7.2%	6.8%	7.2%	7.6%	7.7%	9.0%	8.8%	8.8%	8.0%
Grants not restricted for specific purposes	0.0%	0.0%	1.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Investment earnings	0.4%	0.5%	0.4%	0.4%	0.2%	0.3%	0.6%	1.1%	1.1%	0.4%
Miscellaneous	2.7%	1.6%	1.4%	1.7%	1.7%	2.2%	0.8%	0.2%	0.2%	0.3%
Total General Revenues	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

**Data Source:** Applicable years' comprehensive annual financial report

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
FUND BALANCE – GOVERNMENTAL FUNDS  
(UNAUDITED)  
LAST TEN CALENDAR YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund										
Non-Spendable	\$ 179,303	\$ 341,545	\$ 258,766	\$ 314,462	\$ 339,831	\$ 248,138	\$ 347,412	\$ 367,039	\$ 297,016	\$ 386,169
Restricted	256,611	274,545	298,315	304,078	300,383	308,588	296,531	317,796	325,502	372,433
Committed	1,536,845	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	1,113,436	3,207,149	2,722,465	2,292,000	1,909,373	1,986,593	1,993,523	1,853,772	2,271,131	3,624,247
Total General Fund	<u>\$ 3,086,195</u>	<u>\$ 3,823,239</u>	<u>\$ 3,279,546</u>	<u>\$ 2,910,540</u>	<u>\$ 2,549,587</u>	<u>\$ 2,543,319</u>	<u>\$ 2,637,466</u>	<u>\$ 2,538,607</u>	<u>\$ 2,893,649</u>	<u>\$ 4,382,849</u>
General Fund Percentage Change	47.10%	23.90%	-14.20%	-11.30%	-12.40%	-0.20%	3.70%	-3.75%	13.99%	51.46%
All Other Governmental Funds										
Non-Spendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,301	\$ -	\$ -	\$ -
Restricted - Capital Projects Fund	211,034	4,964,236	5,235,727	1,052,133 (1)	929,966	875,428	866,645	875,492	849,976	7,344,768 (3)
Restricted - Special Revenue Fund	34,880	38,657	653	3,201	502	1,390	719	950	- (2)	-
Committed - Capital Projects Fund	1,370,794	902,149	809,747	228,738	685,290	842,372	803,994	1,188,985	1,353,985	1,647,092
Assigned - Capital Projects	-	-	-	-	-	-	49,688	-	4,278	1,377,288
Total Other Governmental Funds	<u>\$ 2,195,646</u>	<u>\$ 1,616,708</u>	<u>\$ 5,905,042</u>	<u>\$ 6,046,127</u>	<u>\$ 1,284,072</u>	<u>\$ 1,615,758</u>	<u>\$ 1,719,190</u>	<u>\$ 1,725,347</u>	<u>\$ 2,208,239</u>	<u>\$ 10,369,148</u>
Total Governmental Funds	\$ 5,281,841	\$ 5,439,947	\$ 9,184,588	\$ 8,956,667	\$ 3,833,659	\$ 4,159,077	\$ 4,356,656	\$ 4,263,954	\$ 5,101,888	\$ 14,751,997
All Governmental Funds Percentage Change	-18.60%	2.99%	68.84%	-2.48%	-57.20%	8.49%	4.75%	-2.13%	19.65%	189.15%

- (1) Refunded 2007 debt; secured additional funding for construction of three new libraries - 2012 - 2014.  
(2) The Special Revenue Fund was combined with the General Fund beginning in 2019.  
(3) Refunded 2012 debt; secured additional funding for renovation of the Rawlings Library - 2020 - 2022



**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
SUMMARY OF CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS  
(UNAUDITED)  
LAST TEN CALENDAR YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>Revenues</b>										
Property taxes	\$ 7,307,351	\$ 7,804,163	\$ 8,493,998	\$ 8,493,206	\$ 8,582,963	\$ 8,743,618	\$ 8,770,163	\$ 9,059,826	\$ 9,073,771	\$ 10,825,853
Specific ownership taxes	612,037	623,435	644,217	670,065	719,445	752,678	879,432	890,331	979,109	948,421
Grants and contributions	95,595	210,574	351,941	616,413	366,413	175,977	420,966	526,527	446,434	1,374,426
Gifts and donations	173,350	24,058	26,065	-	-	-	-	-	-	-
Fees, fines and sales	117,282	193,857	179,897	167,693	175,254	176,275	143,137	166,857	130,484	54,729
Investment earnings	32,305	42,427	40,264	38,844	14,376	30,770	55,299	112,584	130,477	41,961
Miscellaneous	219,440	156,770	169,441	154,649	163,596	213,342	20,149	11,530	2,792	25,626
Total Revenues	<u>8,557,360</u>	<u>9,055,284</u>	<u>9,905,823</u>	<u>10,140,870</u>	<u>10,022,047</u>	<u>10,092,660</u>	<u>10,289,146</u>	<u>10,767,655</u>	<u>10,763,067</u>	<u>13,271,016</u>
<b>Expenditures</b>										
Library Support	7,372,276	7,859,313	8,061,612	8,931,838	9,001,086	9,042,955	9,074,883	9,337,351	9,266,597	9,716,304
Capital outlay	464,171	2,186,240	1,438,069	5,529,843	238,678	139,891	474,190	382,383	234,746	410,529
Debt issuance costs	-	122,131	-	-	-	-	-	-	-	222,665
Debt service principal	-	-	425,000	435,000	445,000	455,000	465,000	475,000	495,000	-
Debt service interest	311,950	224,197	383,750	375,250	366,550	357,650	344,000	334,700	315,700	151,663
Total Expenditures	<u>8,148,397</u>	<u>10,391,881</u>	<u>10,308,431</u>	<u>15,271,931</u>	<u>10,051,314</u>	<u>9,995,496</u>	<u>10,358,073</u>	<u>10,529,434</u>	<u>10,312,043</u>	<u>10,501,161</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>408,963</u>	<u>(1,336,597)</u>	<u>(402,608)</u>	<u>(5,131,061)</u>	<u>(29,267)</u>	<u>97,164</u>	<u>(68,927)</u>	<u>238,221</u>	<u>451,024</u>	<u>2,769,855</u>
<b>Other Financing Sources (Uses)</b>										
Insurance proceeds	-	-	-	-	-	-	169,231	-	39,982	1,000
Debt issued	-	11,410,000 (1)	-	-	-	-	-	-	-	15,040,000
Debt Premium	-	383,853	-	-	-	-	-	-	-	771,378
Debt Discount	-	-	-	-	-	-	-	-	-	(7,709)
Payments to Escrow Agent	-	(6,155,975) (1)	-	-	-	-	-	-	-	(8,903,060)
Sale of Assets	-	-	-	-	-	-	-	3,000	-	5,000
Transfers in	-	100,000	1,341,500	203,500	392,000	200,000	275,000	575,000	200,000	1,489,000
Transfers out	-	(100,000)	(1,341,500)	(203,500)	(392,000)	(200,000)	(275,000)	(575,000)	(200,000)	(1,489,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>5,637,878</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>169,231</u>	<u>3,000</u>	<u>39,982</u>	<u>6,906,609</u>
Net Change in Fund Balances	<u>\$ 408,963</u>	<u>\$ 4,301,281</u>	<u>\$ (402,608)</u>	<u>\$ (5,131,061)</u>	<u>\$ (29,267)</u>	<u>\$ 97,164</u>	<u>\$ 100,304</u>	<u>\$ 241,221</u>	<u>\$ 491,006</u>	<u>\$ 9,676,464</u>
Debt services as a percentage of non-capital expenditures	4.23%	2.81%	9.12%	8.99%	8.92%	8.87%	8.83%	8.34%	8.34%	1.59%

(1) Certificates of participation were issued to refund 2007 debt and build three new libraries.

**Data Source:**

Applicable years' comprehensive annual financial report.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
(UNAUDITED)  
LAST TEN CALENDAR YEARS**

Fiscal Year Ended December 31,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	7,323,657	7,307,351	99.78%	4,339	7,311,690	99.84%
2012	7,832,972	7,800,388	99.58%	3,775	7,804,163	99.63%
2013	8,513,442	8,493,998	99.77%	3,161	8,497,159	99.81%
2014	8,515,249	8,493,206	99.74%	766	8,493,972	99.75%
2015	8,589,026	8,571,984	99.80%	(1) (2,035)	8,569,949	99.78%
2016	8,750,818	8,728,727	99.75%	1,444	8,730,171	99.76%
2017	8,835,027	8,782,582	99.41%	(23,847)	8,758,735	99.14%
2018	9,059,013	9,036,343	99.75%	7,936	9,044,280	99.84%
2019	9,082,949	9,056,177	99.71%	352	9,056,529	99.71%
2020	10,848,066	10,801,285	99.57%	1,566	10,802,851	99.58%

- (1) Collections in subsequent years can be negative due to cancellations, refunds, abatements or changes to the assessed valuation of properties within the taxing district.

**Data Source:**

Pueblo County Assessor and Office of Budget and Finance

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
(UNAUDITED)  
LAST TEN CALENDAR YEARS  
(PER \$1,000 OF ASSESSED VALUE)**

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>Direct</b>										
Pueblo City-County Library District	5.268	5.293	5.258	5.262	5.255	5.282	5.288	5.271	5.865	5.872
<b>Overlapping Governments</b>										
Pueblo County	29.793	30.090	30.750	30.769	30.710	30.867	30.887	30.722	30.088	30.109
Library	0.624	0.514	0.404	0.294	0.184	0.074	0.000	0.000	0.000	0.000
Animal Shelter	0.455	0.355	0.255	0.155	0.055	0.000	0.000	0.000	0.000	0.000
<b>City and Towns Rates</b>										
Boone	15.621	15.867	16.613	17.397	17.397	17.397	17.397	17.397	16.629	16.629
Pueblo	15.633	15.633	15.633	15.633	15.633	15.633	15.633	15.633	15.633	15.633
Rye	6.972	6.972	6.972	6.972	6.972	6.972	6.972	6.972	6.972	6.132
<b>School Districts</b>										
Edison 54J	36.104	37.044	37.861	37.340	40.834	36.502	36.504	36.503	36.501	36.501
Fowler R4J	37.263	36.123	36.098	34.953	33.500	33.595	33.882	33.750	27.000	27.007
Pueblo 60	34.324	36.032	35.573	35.347	35.234	35.392	35.418	34.690	45.110	45.021
Pueblo 70	39.297	39.243	39.033	39.653	39.995	40.242	39.993	40.035	40.063	40.268
<b>Improvement &amp; Service Districts</b>										
Avondale Water & Sanitation	10.641	10.641	10.641	10.641	10.641	10.641	10.641	10.641	10.641	10.641
Bandera Blvd. Special Improvement	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	5.000
Beulah Ambulance District	7.000	13.500	13.500	13.500	13.500	22.500	22.130	22.060	21.210	21.170
Colorado City Cemetery	1.071	1.071	1.071	1.071	1.071	1.071	1.071	1.071	1.071	1.071
Colorado City Metro	17.967	17.967	17.967	17.967	17.967	17.967	17.967	17.967	17.683	16.592
Edison Fire Protection District	9.000	9.000	9.000	9.000	9.000	9.000	9.000	9.000	9.000	9.000
Fowler Rural Fire	3.900	3.777	3.410	3.310	2.770	2.940	3.090	3.045	3.123	3.013
Lower Arkansas Valley Water Conservancy	1.502	1.502	1.503	1.503	1.503	1.503	1.503	1.503	1.503	1.503
Midway Ranches Fire Protection District	18.760	18.760	18.760	18.760	18.760	15.000	15.000	15.000	15.000	10.000
Pine Drive Water	15.115	15.196	16.348	15.999	15.369	15.060	14.677	14.814	13.507	13.448
Pueblo Rural Fire	24.268	24.268	24.268	24.268	24.268	24.268	24.268	24.268	24.268	24.268
Pueblo West Metro	20.193	20.193	20.193	20.193	19.838	20.239	20.216	20.230	20.230	20.230
Rye Fire	10.036	10.036	10.036	10.036	10.036	15.536	15.536	15.536	15.536	15.536
South Point Special Improvement	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
Southeastern Water Conservancy	0.947	0.944	0.940	0.940	0.941	0.940	0.939	0.944	0.902	0.942
St. Charles Mesa Sanitation	4.250	4.190	4.250	4.250	4.019	4.250	3.930	1.500	1.500	3.250
Thunder Village Special District	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
West Park Fire	5.433	5.433	5.433	5.433	5.433	5.433	5.433	5.433	5.500	5.321

**Data Source:**

Pueblo County Abstract of Assessment

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 (UNAUDITED)  
 LAST TEN CALENDAR YEARS  
 (IN THOUSANDS)**

Fiscal Year Ended December 31,	Vacant Unimproved Land	Residential Property	Natural resources	Commercial property	Industrial Property	Agricultural Property	Public Utilities	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Exempt Property Assessed Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2011	63,728	592,631	2,690	301,583	243,564	11,635	343,290	1,559,121	5.268	11,353,178	152,654	13.73%
2012	62,804	596,087	2,685	300,801	226,488	11,222	469,730	1,669,817	5.293	11,154,788	155,686	14.97%
2013	53,676	564,333	2,986	303,331	217,626	12,901	513,052	1,667,905	5.258	10,894,765	163,999	15.31%
2014	52,973	569,106	2,948	303,058	221,464	13,055	518,630	1,681,234	5.262	11,053,408	163,795	15.21%
2015	50,853	593,218	2,878	303,355	240,991	15,788	516,128	1,723,211	5.255	11,349,117	168,456	15.18%
2016	50,591	600,069	3,002	307,413	225,716	18,565	514,857	1,720,213	5.282	11,154,895	167,045	15.42%
2017	49,557	618,206	2,906	309,696	212,005	23,679	544,930	1,760,979	5.288	12,280,492	166,539	14.34%
2018	47,329	628,204	3,310	322,609	213,698	25,207	535,489	1,775,846	5.271	12,685,454	165,656	14.00%
2019	48,625	734,182	3,289	337,137	218,237	26,828	538,479	1,906,777	5.865	14,311,607	171,306	13.32%
2020	46,754	747,886	3,728	339,427	217,074	29,331	565,599	1,949,799	5.872	15,161,146	161,834	12.86%

**Notes:**  
 Property in Pueblo County is reassessed once every two years, in odd-numbered years. The county assessed residential property at various rates from 1997 at 10.35% to 2020 at 7.15% of actual value. All other property was assessed at 29% of actual value. Actual taxable value is obtained from the prior year Abstract of Assessment for the fiscal year for which levied. Tax rates are per \$1,000 of assessed value.

**Source Data:**  
 Pueblo Abstract of Assessment

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
PRINCIPAL PROPERTY TAX PAYERS  
(UNAUDITED)  
CURRENT YEAR AND NINE YEARS AGO**

Principal Taxpayer	2020			2011		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Public Service Co. of CO (Xcel Energy Company)	\$ 256,051,016	1	13.13%	\$ 188,940,980	1	12.12%
Black Hills Colorado	83,215,400	2	4.27%	14,078,790	7	0.90%
GCC Rio Grande Inc.	50,791,160	3	2.60%	79,416,604	2	5.09%
Intermountain Rural Electric	46,740,800	4	2.40%	41,048,900	4	2.63%
Black Hills Colorado IPP LLC	44,637,900	5	2.29%			
EVRAZ (Rocky Mountain Steel Mills)	33,750,860	6	1.73%	16,426,422	6	1.05%
BNSF Railway Company	24,422,900	7	1.25%	12,735,600	9	0.82%
Union Pacific Railroad	22,545,600	8	1.16%	12,292,400	10	0.79%
Vestas Towers of America, Inc.	16,736,020	9	0.86%	49,904,550	3	3.20%
Holy Cross Electric Assn Inc.	14,015,000	10	0.72%	12,822,700	8	0.82%
Qwest Coporation (U.S. West Communications)				18,384,000	5	1.18%
<b>Total Top Ten Principal Taxpayers</b>	<b>592,906,656</b>		<b>30.40%</b>	<b>446,050,946</b>		<b>28.61%</b>
<b>Total Assessed Valuation</b>	<b>\$ 1,950,190,741</b>		<b>100.00%</b>	<b>\$ 1,559,121,403</b>		<b>100.00%</b>

**Data Source:**  
Pueblo County Assessor's Office

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
LEGAL DEBT LIMIT INFORMATION  
(UNAUDITED)  
DECEMBER 31, 2020**

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Assessed valuation	\$ 1,559,121,000	\$ 1,669,817,000	\$ 1,667,905,000	\$ 1,681,234,000	\$ 1,723,211,000	\$ 1,720,213,128	\$ 1,760,979,000	\$ 1,775,846,000	\$ 1,906,776,371	\$ 1,950,190,741
Debt limitation - 1.5% of total assessed value	\$ 23,386,815	\$ 25,047,255	\$ 25,018,563	\$ 25,218,510	\$ 25,848,165	\$ 25,803,197	\$ 26,414,685	\$ 26,637,690	\$ 28,601,646	\$ 29,252,861
Certificates of Participation (1)	\$ 6,000,000	\$ 11,410,000	\$ 10,985,000	\$ 10,550,000	\$ 10,105,000	\$ 9,650,000	\$ 9,185,000	\$ 8,710,000	\$ 8,215,000	\$ 15,795,281
Legal debt limit less COP debt	\$ 17,386,815	\$ 13,637,255	\$ 14,033,563	\$ 14,668,510	\$ 15,743,165	\$ 16,153,197	\$ 17,229,685	\$ 17,927,690	\$ 20,386,646	\$ 13,457,580
Total net debt applicable to the limit as a percentage of debt limit	26%	46%	44%	42%	39%	37%	35%	33%	29%	54%

**Legal Debt Margin Calculation for Fiscal Year 2020**

Assessed Valuation	<u>\$ 1,950,190,741</u>
Debt limitation - 1.5% of total assessed value	<u>\$ 29,252,861</u>
Debt applicable to limit: Certificates of Participation	<u>\$ 15,795,281</u>
Legal debt limit less COP debt	<u>\$ 13,457,580</u>

**NOTE:**

- (1) Certificates of Participation are not generally included as debt for purposes of calculating legal debt limits (Colorado Revised Statute 22-42-104). However, they are included here to present the most conservative analysis of debt allowable which remains available.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
RATIO OF OUTSTANDING DEBT BY TYPE  
(UNAUDITED)  
LAST TEN FISCAL YEARS**

Year Ended December 31,	Certificates of Participation (1)	Percentage of Personal Income (2)	Per Capita
2011	6,233,175	0.13%	38.54
2012	(3) 11,793,853	0.24%	73.06
2013	11,349,660	0.21%	70.35
2014	10,895,467	0.20%	67.54
2015	10,431,274	0.19%	63.76
2016	9,957,081	0.17%	60.30
2017	9,472,888	0.16%	56.90
2018	8,978,695	0.14%	53.59
2019	8,464,502	0.13%	50.53
2020	(4) 15,803,669	0.22%	92.53

**NOTES:**

- (1) In October of 2007, \$6,000,000 in Certificates of Participation were issued.
- (2) Personal Income data as reported by the Bureau of Economic Analysis, US Department of Commerce for Pueblo County, Colorado.
- (3) In September of 2012, \$11,410,000 in Certificates of Participation were issued; \$6,000,000 refunded old debt; additional \$5,410,000 to finance building of three new libraries.
- (4) In November 2020, \$15,040,000 in Certificates of Participation were issued; \$8,215,000 refunded old debt; additional \$6,825,000 to finance renovating the Rawlings Library

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR  
CERTIFICATES OF PARTICIPATION TO GENERAL FUND EXPENDITURES  
(UNAUDITED)  
LAST TEN FISCAL YEARS**

<b>Year Ended December 31,</b>	<b>Principal Payments</b>	<b>Interest Payments</b>	<b>Total Debt Service</b>	<b>Total General Fund Expenditures</b>	<b>Ratio of Total Debt Service to Total General Fund Expenditures</b>
2011	(1) -	311,950	311,950	7,684,226	4.06%
2012	(1) -	(2) 224,197	224,197	8,079,410	2.77%
2013	425,000	383,750	808,750	8,870,362	9.12%
2014	435,000	375,250	810,250	9,742,088	8.32%
2015	445,000	366,550	811,550	9,800,636	8.28%
2016	455,000	357,650	812,650	9,850,105	8.25%
2017	465,000	344,000	809,000	9,878,883	8.19%
2018	475,000	334,700	809,700	10,138,051	7.99%
2019	495,000	315,700	810,700	10,077,297	8.04%
2020	-	(3) 151,663	151,663	9,867,967	1.54%

**NOTES:**

- (1) In October of 2007, \$6,000,000 in Certificates of Participation were issued. The debt service for the first five years, 2007 through 2011, is interest only. In 2012 principal payments will be added. Final payment will be made in November 2031.
- (2) In September of 2012, the 2007 COPs issue was refunded through a new issue of \$11,410,000 to refinance the original debt and provide funds to build three new libraries.
- (3) In November of 2020, the 2012 COPs issue was refunded through a new issue of \$15,040,000 to refinance the original debt and provide funds to renovate the Rawlings Library



**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
(UNAUDITED)  
DECEMBER 31, 2020**

	<b>Governmental Activites Debt</b>	<b>Percentage Applicable</b>	<b>Share of Overlapping Debt</b>
<b>Direct Debt</b>			
Pueblo City-County Library District	\$ 15,795,281		
<b>Overlapping Debt:</b>			
City of Pueblo	\$ 11,792,116	100%	11,792,116
County of Pueblo	99,597,300	100%	99,597,300
Pueblo West Metropolitan District	12,734,332	100%	12,734,332
School District #60 - Pueblo City Schools	226,696,194	100%	226,696,194
School District #70	82,673,207	100%	82,673,207
Subtotal, Overlapping Debt			<u>433,493,149</u>
Total Direct and Overlapping Debt			<u>\$ 449,288,430</u>

**Source:** Individual governmental entities located within the geographic boundaries of Pueblo County.

The overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Library District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by residents and businesses of the County of Pueblo. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore is responsible for repaying the debt of each overlapping government. The overlapping percentage is estimated using taxable assessed property values by determining the portion of another governmental entity's taxable assessed value that is within Pueblo County's boundaries. All of the entities are located within the geographic boundaries of Pueblo County.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
(UNAUDITED)  
LAST TEN CALENDAR YEARS**

Year	Population	Personal Income (Thousands) (1)	Per Capita Personal Income	Median Age	Education Level		Unemployment Rate	<u>Commercial Construction</u>		<u>Residential Construction</u>	
					Percent High School Graduates	School Enrollment		No. of Units	Estimated Costs (thousands)	No. of Units	Estimated Costs (thousands)
2011	161,718	4,924,867	30,748	37.5	75.7%	26,848	10.2%	52	14,995	160	22,467
2012	161,422	5,085,250	31,637	39.1	73.3%	26,799	10.6%	38	67,185	180	34,808
2013	161,320	5,161,280	32,044	39.3	76.9%	27,247	9.6%	31	16,687	159	28,934
2014	161,875	5,478,029	33,937	39.6	77.3%	27,247	6.4%	74	32,653	147	26,169
2015	163,591	2,789,351	35,508	38.0	77.3%	27,247	4.9%	79	38,386	236	51,146
2016	165,123	5,975,250	36,250	37.6	73.9%	26,996	4.1%	101	40,621	273	47,047
2017	166,475	6,198,065	37,231	38.8	81.7%	26,771	4.6%	121	27,217	269	47,049
2018	167,529	6,384,007	38,348	37.5	88.8%	26,409	5.0%	110	31,174	465	72,187
2019	167,117	6,619,192	39,511	39.6	89.7%	26,564	3.6%	67	19,015	496	80,322
2020	170,798	6,952,061	41,447	37.6	81.3%	24,592	11.3%	38	53,229	596	112,363

**Data Sources:**

Colorado Department of Local Affairs, Demography Section  
 Colorado Department of Education, Enrollment  
 Colorado Department of Labor and Employment  
 Pueblo Regional Building Department

(1) Data for years 2011-2019 has been updated using information from the Bureau of Economic Analysis, US Dept of Commerce.  
 2020 Personal Income and Per Capital Personal Income are estimated reflecting the previous 10-yr trend.  
 (2020 data is released beyond the publication date of this Comprehensive Annual Financial Report.)

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
TOP TEN PRINCIPAL EMPLOYERS  
(UNAUDITED)  
CURRENT YEAR AND TEN YEARS AGO**

<b>Employer</b>	<b>2020</b>			<b>2011</b>		
	<b>Employees</b>	<b>Rank</b>	<b>% of Pueblo, CO (MSA) Total Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>% of Pueblo, CO (MSA) Total Employment</b>
Parkview Medical Center	3,100	1	3.03%	2,352	2	3.07%
Pueblo School District #60	1,759	2	2.20%	2,478	1	3.24%
School District #70	1,284	3	1.39%	1,100	4	1.44%
Pueblo County Government	1,095	4	1.38%	1,150	3	1.50%
Walmart	1,135	5	1.35%			
Evraz Rocky Mountain Steel Mls	1124	6	1.33%	1,035	6	1.35%
St. Mary Corwin Hospital	829	7	0.96%	1,058	5	1.38%
City of Pueblo	683	8	0.88%	647	9	0.85%
Convergys Corp.	700	9	0.88%	685	8	0.89%
Target Corp.	700	9	0.88%			
Colorado Mental Health Institute				1,000	7	1.31%
Colorado State University - Pueblo				585	10	0.76%
<b>Total</b>	<b>12,409</b>		<b>14.28%</b>	<b>12,090</b>		<b>15.79%</b>

**Data Source:**

Pueblo County GIS Department

City of Pueblo

US Department of Labor, Bureau of Labor Statistics

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
MISCELLANEOUS STATISTICAL DATA  
LIBRARY MATERIALS PURCHASED AND CIRCULATED  
(UNAUDITED)  
LAST TEN CALENDAR YEARS**

<b>Fiscal Year</b>	<b>Number of Volumes Owned</b>	<b>Number of AV Items Owned</b>	<b>Total Items Owned</b>	<b>Acquisition Cost of Collections</b>	<b>Net Book Value of Collections (1)</b>	<b>Number of Items Circulated</b>	<b>Turn-over Rate (2)</b>
2011	403,581	82,076	485,657	8,187,221	4,971,027	1,680,454	3.46
2012	337,927	139,477	477,404	7,885,413	5,000,144	1,808,956	3.79
2013	331,451	143,501	474,952	7,892,222	4,994,625	1,640,626	3.45
2014	330,512	147,813	478,325	7,095,551	4,197,954	2,484,858	5.19
2015	349,807	132,979	482,786	7,100,007	5,436,319	2,918,125	6.04
2016	<b>(3)</b> 250,143	80,298	330,441	5,725,513	4,310,306	2,559,661	7.75
2017	262,516	82,209	344,725	5,883,536	4,289,059	2,530,790	7.34
2018	267,422	80,606	348,028	5,924,032	4,329,555	2,336,512	6.71
2019	268,952	74,760	343,712	5,884,667	4,063,351	2,140,691	6.23
2020	272,676	74,229	346,905	5,932,420	3,991,982	1,166,864	3.36

**NOTES:**

- (1) GASB Statement 34 requires that capital assets be depreciated - this was implemented in 2003. Determination was made in 2008 that the District's collection of books and audi-visual materials is considered a capital asset, therefore subject to depreciation. Collections have an estimated useful life of 5 years. Net book value represents total acquisition cost of circulating materials less accumulated depreciation to date.
- (2) Turn-over rate is the number of times an item is checked out. This is an average of all publicly circulating items in the total collection
- (3) For the year ended December 31, 2017, prior year financial statements were restated to more accurately report library books and audio visual materials using information from the existing perpetual inventory system.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
MISCELLANEOUS STATISTICAL DATA  
SCHEDULE OF SERVICE LOCATIONS  
(UNAUDITED)  
DECEMBER 31, 2020**

<b>Libraries</b>	<b>Address</b>	<b>Owned (O) Leased (L)</b>	<b>Square Feet</b>	<b>Number of Employees (1)</b>	<b>Operating Budget</b>
Barkman Public Library	1300 Jerry Murphy Rd. Pueblo, CO 81001	O	7,100	5.65	307,954
Lucero Library	1315 7th St. E. Pueblo CO, 81001	O	7,500	5.70	457,412
Greenhorn Valley Library	Cibola Drive Colorado City, CO 81019	O	7,500	4.50	376,548
Lamb Public Library	2525 W. Pueblo Blvd. Pueblo, CO 81005	O	10,500	6.10	323,456
Library @ the Y	3200 Spaulding Pueblo, CO 81008	L <b>(2)</b>	1,183	1.10	39,841
Giodone Library	24655 US Highway 50 E. Pueblo, Co 81006	O	7,500	4.50	370,341
Pueblo West Library	298 S. Joe Martinez Blvd. Pueblo West, CO 81007	O	28,500	7.80	945,465
Rawlings Public Library	100 E. Abriendo Ave. Pueblo, CO 81004	O	110,000	39.56	2,866,908
<b>SUPPORT SERVICES:</b>					
Community Relations	100 E. Abriendo Avenue Pueblo, CO 81004	O	<b>(3)</b>	5.50	\$ 454,120
Director's Office	100 E. Abriendo Avenue Pueblo, CO 81004	O	<b>(3)</b>	3.00	\$ 331,901
Facilities Department	100 E. Abriendo Avenue Pueblo, CO 81004	O	<b>(3)</b>	7.00	\$ 394,572
Finance Department	100 E. Abriendo Avenue Pueblo, CO 81004	O	<b>(3)</b>	3.40	\$ 387,697
Human Resources Department	100 E. Abriendo Avenue Pueblo, CO 81004	O	<b>(3)</b>	2.50	\$ 359,205
Information Technology Dept.	100 E. Abriendo Avenue Pueblo, CO 81004	O	<b>(3)</b>	4.50	\$ 781,674
Technical Services Department	100 E. Abriendo Avenue Pueblo, CO 81004	O	<b>(3), (4)</b>	8.00	\$ 2,087,042

**NOTES:**

**(1)** Numbers of employees refers to total Full Time Equivalents (FTE), not actual numbers of employees. Since this is not a required statistical table, a full 10-year presentation of employees is not presented. It may be considered in future years.

**(2)** Located in the YMCA facility

**(3)** Square footage for this location is included in the Rawlings Library square footage number.

**(4)** Library collection of books and materials is included in Technical Services budget.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT  
MISCELLANEOUS STATISTICAL DATA  
CIRCULATION SUMMARY BY LOCATION  
(UNAUDITED)  
LAST TEN CALENDAR YEARS**

<b>Fiscal Year</b>	<b>Rawlings Library</b>	<b>Barkman Library</b>	<b>Lamb Library</b>	<b>Pueblo West Library (1)</b>	<b>Lucero Library (4)</b>	<b>Greenhorn Valley Library</b>	<b>Giodone Library</b>	<b>Library @ the Y (3)</b>	<b>Outreach Services (2)</b>
2011	843,987	206,527	244,687	360,124	-	-	-	8,256	45,154
2012	835,100	227,992	236,008	435,872	-	-	-	15,322	58,662
2013	852,309	187,662	194,040	330,983	-	-	-	19,428	56,204
2014	1,266,213	374,509	320,267	419,000	12,256	15,219	14,024	22,146	41,224
2015	1,384,593	364,176	340,384	423,633	183,369	89,114	109,071	23,785	-
2016	1,184,527	326,878	340,593	379,151	135,521	74,890	95,437	22,664	-
2017	1,145,521	324,639	343,472	382,476	124,453	78,993	108,739	22,497	-
2018	1,096,595	276,374	300,016	362,920	107,616	73,351	95,567	24,073	-
2019	1,066,623	240,175	257,267	324,507	84,466	66,831	83,164	17,658	-
2020 (5)	677,754	98,802	105,119	167,453	32,826	36,063	39,328	9,519	-

**NOTES:**

- (1) In 2009 the Pueblo West Library opened - formerly the White Library, it was expanded from 5,000 sf to 28,000 sf. The expansion was funded with Certificates of Participation issued in 2006. This facility was closed for several months in 2008 during construction, resulting in lower circulation.
- (2) Outreach ended in 2014. Circulation numbers were absorbed in other areas as follows: Regent, a nursing home book depository until 2007; Books-in-the-Park, a summer outdoor reading and craft program, absorbed by Rawlings; Books-a-la-Cart, a mobile book delivery program introduced in 2009, absorbed by Lucero; and Homebound delivery service, absorbed by each respective branch.
- (3) The Library @ the Y is a small branch located within the YMCA building which opened to the public in 2009.
- (4) The Lucero, Greenhorn Valley and Giodone Libraries were all built and added in 2014. These buildings replaced seven of the Satellite locations, recorded in Outreach Services.
- (5) In 2020, circulation numbers were considerably lower than in previous years. This was due to the impact that COVID-19 had on the District.