



2024 Annual Plan and Budget

December 14, 2023

PUEBLO CITY-COUNTY LIBRARY DISTRICT

Finance Office
100 E Abriendo Avenue
Pueblo, Colorado 81004

2024 Annual Plan and Budget

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2024 Annual Plan

December 14, 2023

2024 Annual Plan

This document includes the strategies and plans set forth for the Pueblo City-County Library District (PCCLD) for fiscal year 2024. The work found here is a culmination of many efforts including the planning completed by the library's senior leadership team and an annual planning retreat held for library leaders, the Employee Steering Committee, Library Trustees, and the Board of Directors of the Pueblo Library Foundation and The Friends of the Pueblo Library on August 31, 2023.

BACKGROUND

January 1, 2021, PCCLD adopted its current strategic plan Growing Community Partnerships—the 2021-2025 Strategic Plan (found on the District's website at https://www.pueblolibrary.org/sites/default/files/pdf/2021_2025Strategic%20Plan.pdf).

This plan, spanning 5 years, is the product of a comprehensive strategic planning project which took place in 2020. Within the project, a number of resources were synthesized to create seven areas of strategic focus. It is the goal of PCCLD to look to these areas of strategic focus to guide the annual objectives of the District. The following Annual Plan includes a comprehensive set of objectives for 2023 for the library which are derived from the current strategic plan in their essence and focus.

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

The work planned for 2024 is heavily focused on access to library services and internal capacity of the organization. Notable projects include an organizational culture enhancement project and a refreshed focus on emergency preparedness. Library employee-focused initiatives include mentoring and training via a library leadership academy, implementing further phases of the completed market wage study, and enhanced communication. Capital projects include finishing the renovation and addition of the Barkman Library and then commencing a similar project at the Lucero Library, asset replacement throughout the district, and also launching a capital fundraising campaign. These annual plan goals are focused, align with the library's current strategic plan and will improve the district's ability to offer public library services to the community.

2024 ANNUAL PLAN

Strategic Focus	Objective & Update	Champion Leader
ACCESS TO SERVICES	Assess future community needs for public library services which informs strategic planning to ensure the long-term success of PCCLD	Executive Director
	Utilize LibraryIQ collection development software to increase physical circulations [Access to Services]	Director of Technical Services
	Complete the renovation of the Barkman Library; plan and initiate the renovation and expansion of the Lucero Library as determined by budgetary resources	Executive Director
	Create, develop and successfully launch a PCCLD-specific app that incorporates all digital library vendors and services. Evaluate outcomes	Executive Director of Pueblo Library Foundation & Strategic Initiatives
	Plan and implement initiatives and objectives which increase library key results and concentrate on areas of strategic focus as contained in the library district’s strategic plan—include work within the educational, employment and outreach areas of focus	Associate Director of Public Services
	Implement electronic browsing capabilities at all locations for major newspaper subscriptions	Director of Technical Services
	Develop a new, refreshed adult programming committee that can be used to steer district wide programming; including monthly thematic programs, current district wide efforts, and data driven programming	Associate Director of Public Services
CULTURE & DIVERSITY	Engage the organization to create a 3-5 year organizational culture enhancement plan, launch the effort, and assess progress—include a focus on IDEA	Executive Director

2024 ANNUAL PLAN

Strategic Focus	Objective & Update	Champion Leader
CULTURE & DIVERSITY	Continue planning, implementing, and supporting IDEA (inclusion, diversity, equity and access) principles and practices	Director of HR
EDUCATION & LIFELONG LEARNING	Launch an updated version of Library Leadership Academy—a mentoring program to develop staff for librarian and leadership positions within the district	Associate Director of Public Services
	Reinforce the support of intellectual freedom and the ideals of librarianship throughout the organization as well as communication with external stakeholders to educate and foster awareness	Executive Director
INTERNAL CAPACITY	Assess current paid time off employee benefits, compare to benchmarks and make recommendations	Director of HR
	Assess current emergency preparedness and develop a cohesive plan which includes institutional	Executive Director
	Implement Phase 2 of the market wage study to ensure that the library remains competitive with	Director of HR
	Initiate a \$2 million capital campaign for the renovation and expansion of the Barkman and Lucero	Executive Director of Pueblo Library Foundation & Strategic Initiatives
	Ensure a smooth transition to new financial audit firm and reinforce effective fiscal management and	CFO
	Improve fiscal management through enhanced procedures and effective communication of	CFO
	Finance Department review of finance policies with quarterly goals for completion of updates as	CFO

2024 ANNUAL PLAN

Strategic Focus	Objective & Update	Champion Leader
INTERNAL CAPACITY	Evaluate the pursuit of the Distinguished Budget Presentation Award through GFOA for the 2025	CFO
	Update the library asset replacement plan for IT components	Director of IT
	3-year IT strategic plan which includes cyber security as a focus	Director of IT
	Increase the visibility of the library collection of materials and streamline cataloging processes by	Director of Technical Services
	Ensure compliance with Colorado laws and best practices for energy reporting and energy use	Facilities Superintendent
	Accomplish operational goals which include upgrading/replacing physical assets and improving	Facilities Superintendent
	Work to minimize risk and address physical plant needs of library buildings—includes Pueblo West	Facilities Superintendent
	Ensure acceptable outcomes through effective onsite project management of ongoing construction	Facilities Superintendent
	Plan and initiate activities to strengthen human resources operations including creating statements of	Director of HR
MARKETING & OUTREACH	Forge a community/key stakeholder committee to develop a community history/legacy wall within	Executive Director of Pueblo Library Foundation & Strategic Initiatives
	Refine the fundraising practices of the Pueblo Library Foundation to include profitable online giving,	Executive Director of Pueblo Library Foundation & Strategic Initiatives
TECHNOLOGY	Further define the library's digital branch to include ease of access to e-content, data collection,	Director of Technical Services

2024 ANNUAL PLAN

Strategic Focus	Objective & Update	Champion Leader
TECHNOLOGY	Update the library district's internet filter to enhance compliance with the Children's Internet Protection Act	Director of IT
	Assess IT Infrastructure and develop plans to ensure stabilization and improvements which ensure	Director of IT

2024 Budget

December 14, 2023

2024 BUDGET NARRATIVE

The 2024 preliminary budget for the Pueblo City-County Library District was prepared by the Finance Office with input and requests from Library Managers, Supervisors, Directors, and Sherri Baca, Executive Director. The formulation of this document adheres to overarching principles, namely the mission statement and annual plan, in conjunction with District policies. It draws insights from the planning process, incorporates the Library Replacement Plan's ten-year forecast and integrates the Financial Projection spreadsheet, which delineates revenue and expense projections for the ensuing decade.

The Motto, Vision and Mission of the District serve as guiding principles in daily operations and in formulating the annual plan and budget.

Motto: Ideas, Imagination & Information

Vision: Books and Beyond

Mission statement: 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.

The two funds for which the District compiles budget data are the General Fund and the Capital Project Fund. All regular operating revenue and expense is budgeted in the General Fund, including property tax revenues, fines, fees, contracts, interest on General Fund investments, and miscellaneous income. Expensed through this fund are all personnel costs, materials such as books, AV material, subscriptions, facility operating costs, supplies, and administrative costs. The Capital Project Fund encompasses Master Facility Plan expenses, Library Replacement Plan expenses and other capital items.

In 2024, the District will continue construction on the renovation and expansion project at the Barkman Library and begin the project at the Lucero Library. These projects are part of the Master Facility Plan. Capital items and projects include replacement of information technology systems and other building and facility improvements. An annual transfer from the General Fund into the Capital Project Fund is budgeted at \$2,410,000 in 2024. Transfers are planned annually thereafter, in order to continue funding for the Master Facility, Library Replacement and Building Improvement Plans. The revenue budgeted in the Capital Project Fund reflects income from interest earnings and contributions from foundations and grantors, including the capital campaign for the Library's renovation and expansion projects.

The District receives the majority of its funding from property tax generated in Pueblo County. The boundaries of the County and the Library District are contiguous, so no other property taxes are received. Approximately 86% of the combined funds revenues for the District are derived from property tax. The remainder is received through specific ownership tax, interest on investments, donations, contract, grants, photocopy fees, miscellaneous revenue, and contributions from the Friends of the Library and the Pueblo Library Foundation.

The 2024 budget, incorporating data supplied by the County Assessor, has been finalized taking into account the calculated impacts of Senate Bill 23B-001. The General Assembly of the State of Colorado and the Governor of Colorado approved Senate Bill 23B-001 to reduce 2023 residential property taxes. The reduction was created by providing a \$55,000 exemption to residential properties, as well as decreasing the residential assessment rate to 6.7%. The State of Colorado is providing a backfill to taxing entities meeting certain criteria. The backfill information for the tax year will not be available until at least the second quarter 2024. The finalized budget does not currently reflect a budgeted amount including the State of Colorado provided backfill, due to information not being readily available at this time.

**MILL LEVY CALCULATION
BUDGET 2024**

	<u>2024 Budget</u>		<u>Formula</u>		<u>2023 Budget</u>
A	2,347,566,634	Total Gross Assessed Valuation		2,134,744,544	Total Gross Assessed Valuation
B	100,201,288	TIF reductions		68,232,534	TIF reductions
C	2,247,365,346	Total Net Assessed valuation per spreadsheet	A - B	2,066,512,010	Total Net Assessed valuation
D	5.850	Voter approved mill levy limit		5.850	Voter approved mill levy limit
E	13,147,087	Total Revenue	C X D X .001	12,089,095	Total Revenue
F	1,131,785	Abatements, refunds		176,018	Abatements, refunds
G	0.504	Millage for abatements, refunds	F / C X 1000	0.085	Millage for abatements, refunds
H	6.354	Adjusted mill levy	D + G	5.935	Adjusted mill levy
I	0.2807	Adjustment for decreased Assessment Rate		0.00956	Adjustment for decreased Assessment Rate
J	6.6347	Assessment Rate Adjustment Mill adjusted	H + I	5.9447	Assessment Rate Adjustment Mill adjusted
K	14,910,595	Adjusted total revenue	H X C X .001	12,284,501	Adjusted total revenue
L	14,850,952	Budgeted revenue @ 99.6%	I X 99.6%	12,235,363	Budgeted revenue @ 99.6%
M	200,000	ST Charles TIF (estimate)		163,236	St Charles TIF (estimate)
N	15,050,952	Total Budgeted Property Tax Revenues	L + M	12,398,599	

\$ 636,679	Revenue reduction impact of TIF	B X D X .001	\$ 404,972	Revenue reduction impact of TIF
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This chart shows how the mill levy is calculated based on assessed valuations for both current and prior years.

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

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

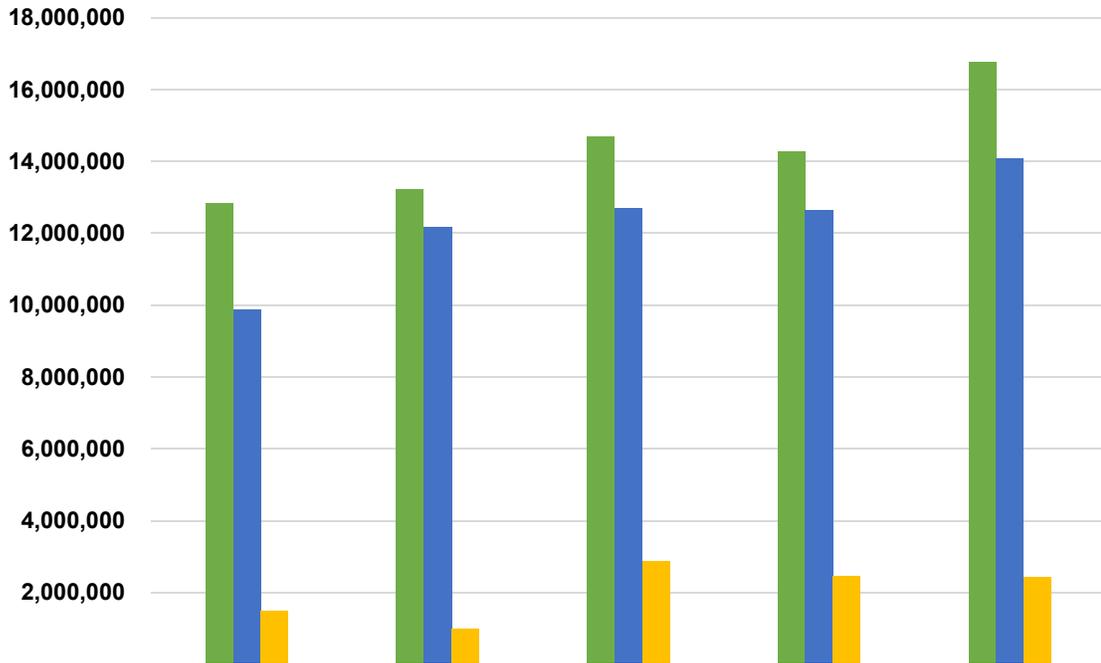
Those adjustments are reflected here for a total mill levy in 2024 of 6.6347

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

The calculation in 2024 is based on estimated net assessed valuation from the County Assessor.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
2024 BUDGET**

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



	2020	2021	2022	Estimated 2023	Budget 2024
■ Revenue	12,846,168	13,210,356	14,702,938	14,267,529	16,762,084
■ Expense	9,867,968	12,166,695	12,687,839	12,633,103	14,091,935
■ Transfer to CAP Fund	1,489,000	973,330	2,872,329	2,460,000	2,410,000

PUEBLO CITY-COUNTY LIBRARY DISTRICT FUND BALANCE SUMMARY

GENERAL FUND	2022 AUDITED	2023 ESTIMATED	2023 BUDGET	2024 BUDGET
BALANCE, Beginning of Year	4,453,180	3,595,953	3,717,655	2,770,376
REVENUES	14,702,938	14,267,529	14,131,583	16,762,084
TOTAL BALANCE	19,156,118	17,863,482	17,849,238	19,532,460
EXPENDITURES	12,687,839	12,633,103	13,001,202	14,091,935
TRANSFER IN/OUT-CAPITAL PROJECT	(2,872,329)	(2,460,000)	(2,460,000)	(2,410,000)
BALANCE, End of Year	<u>3,595,953</u>	<u>2,770,376</u>	<u>2,388,036</u>	<u>3,030,526</u>
CAPITAL PROJECT FUND	2022 AUDITED	2023 ESTIMATED	2023 BUDGET	2024 BUDGET
BALANCE, Beginning of Year	9,313,563	4,082,748	3,558,043	5,723,875
REVENUES	1,185,087	532,899	365,734	700,000
TOTAL BALANCE	10,498,650	4,615,647	3,923,777	6,423,875
EXPENDITURES	9,288,231	1,351,772	3,424,700	6,151,368
SALE OF FIXED ASSETS	-	-	-	-
OTHER FINANCING SOURCES	-	-	-	-
TRANSFER IN/OUT GENERAL FUND	2,872,329	2,460,000	2,460,000	2,410,000
BALANCE, End of Year	<u>4,082,748</u>	<u>5,723,875</u>	<u>2,959,077</u>	<u>2,682,507</u>
COMBINED FUND BALANCE, End of Year	<u>7,678,700</u>	<u>8,494,251</u>	<u>5,347,112</u>	<u>5,713,031</u>
BALANCE, Restricted *	372,433	435,726	431,647	510,563
BALANCE, Available	7,306,267	8,058,525	4,915,465	5,202,468
NET CHANGE TO GEN FUND BALANCE	(857,227)	(825,577)	(1,329,619)	260,150
* RESTRICTED FUNDS				
Emergency reserve	362,649	428,026	423,947	502,863
Nesbitt & Chamberlain	9,784	7,700	7,700	7,700
TOTAL RESTRICTED:	372,433	435,726	431,647	510,563

GENERAL FUND

*Please note that all of the comparative percentage statistics referenced in this narrative compare the 2024 Budget to the 2023 **Estimated Actual**, except in those instances where a Budget-to-Budget comparison is clearly noted.*

REVENUES

PROPERTY TAX: The primary contributor to the General Fund revenue budget in the District is property tax, constituting 86.2% of the total budgeted revenue for the year 2024. Property tax is calculated by multiplying the assessed values of properties, as determined by the County Assessor by the approved mill levy tax rate of the District. Final net assessed valuation, factoring in SB23B-001, indicates a growth of 8.75% compared to the final 2023 net assessed values. Gross assessed value increased 10%. The District also saw preliminary certification numbers increase in the abatements and refunds category of approximately \$955,000. This increases the District's overall mill levy each year by the amount of revenue shown. Historically, the District observed significantly smaller amounts in this particular category. Total property tax revenue for 2024, not including a TIF area payment with early completion, reflects an increase of 21.4% with a monetary increase of \$2,626,094. Property tax revenue is budgeted at slightly less than 100% collections, 99.6%, since current year delinquencies, abatements and refunds will generally reduce the amount received.

Mill Levy Tax Rate: The certified mill levy for 2024 is 6.6347, which includes the 2019 voter-approved mill levy rate from ballot measure 6B of 5.850 mills. Additionally, the law permits an adjustment to the voter-approved mill levy rate aiming to collect amounts withheld in previous years for abatements and refunds of taxes equating to .504 mills in 2024. Furthermore, Pueblo County voters approved a measure allowing the Library to adapt the mill for the decreased assessment rate (SB293) payable in 2024 calculated at .2807 mills. These adjustments are all included in the total mill levy for 2024.

SPECIFIC OWNERSHIP TAX: Specific ownership taxes are taxes paid based on a vehicle's value, payable annually upon vehicle registration in Colorado. This tax is imposed on cars, trucks, trailers, mobile homes and special mobile machinery. Projections indicate a slight increase in taxes compared to 2023 estimated actuals. Specific ownership tax accounts for 7% of the total 2024 General Fund budgeted revenues.

CONTRACTS, GRANTS: Contracts and grants are expected to decrease from the previous year by approximately \$147,000. The most notable change to anticipated grants is a reduction of American Rescue Plan Act funding (Reading Pays) which was fully awarded during 2022 and 2023. The District will not receive any ARPA funding in 2024. The remaining recurring grant receipts are budgeted at equal or slightly above 2023 estimated levels. This budget reflects grants and contracts that will come directly to PCCLD. The Pueblo Library Foundation, a component unit of the District, was created in 2012 and receives the majority of grants and contributions.

INTEREST: The District has budgeted a decrease in interest earned compared to estimated interest collected in 2023. This cautious approach stems from uncertainty surrounding interest rates for 2024. The returns in 2023 exceeded budgeted amounts significantly, but the District is uncertain about the sustainability of this elevated trend into 2024. Interest revenue also includes earnings on property tax held by Pueblo County, which the District receives as part of the monthly distribution of taxes.

FINES, FEES: Primarily due to automatic renewals and late fee eliminations, budgeted fines and fees have consistently decreased compared to previous years. In 2024, projected collection of fines and fees is lower than the budgeted amounts for 2023.

PHOTOCOPIER & INTERNET COPY FEES: 2024 budgeted revenue for copier fees is slightly greater than the 2023 estimated fees and more closely aligns with historical fees

earned. With completion of the Rawlings Library renovation 2023, the Library is hoping to return to pre-renovation and pre-Covid amounts.

MISCELLANEOUS: A decrease in budgeted miscellaneous income is projected for 2024 compared to the current year. Estimated miscellaneous revenue for 2023 has declined from previous years.

Total general fund revenue for 2024 reflects a 17.5% increase over the 2023 estimated actual revenues or \$2,494,555 mostly due to increases in assessed values of Pueblo County property.

EXPENDITURES

PEOPLE TO PROVIDE SERVICES: The personnel section of the 2024 expenditures budget is projected to increase by 21.1% over the 2023 estimated figures. This section encompasses all personnel costs, covering salaries, PERA, payroll taxes employee benefits, employee training and employee relations.

Salaries and Wages: Salaries and wages make up 41.9% of total 2024 budgeted General Fund expenditures. Salaries are budgeted to increase 22.3% over the 2023 estimated actuals, reflecting adjustments for salary increases, filling of vacant positions and the addition or upgrade of positions. The District's total Full-Time Equivalent (FTE) count for is budgeted to increase 4.60 people for 2024 after final adjustments and other organizational changes. The 2024 Personnel budget includes additional increases of approximately \$175,000 for minimum wage adjustments and market adjustments. The budget allows for adjustments up to 4.5% through the compensation pay plan.

PERA: The District participates in Colorado Public Employee's Retirement Association (PERA). The amount budgeted is calculated directly from the salary line. Beginning January 1, 2024 PERA contributions will increase to 14.78% and are anticipated to remain constant in 2024. PERA legislation passed in 2018 determined the employer PERA contribution would be calculated on pretax deductions for employees hired after July 1, 2019.

Workers Compensation Insurance: After receiving renewal rates for 2024 an increase of about a 27.9% is budgeted over 2023 estimates, including the \$5,000 deductible, as industry losses seem to be increasing compared to 2023.

Employee Insurance: The District is affiliated with the Public Sector Healthcare Group to facilitate employee insurance. The budget for 2024 allocates an increase of

approximately 3.5% for premiums paid by the District on behalf of employees for health, dental and life insurance compared to the 2023 budget. It also allows for participation in the Colorado's Paid Family and Medical Leave Insurance Program.

State Unemployment Compensation: State unemployment tax is calculated directly from the salary line at 0.3%.

Medicare Trust: The District is obligated to pay and remit Medicare tax for all active employees. The expense increases at a parallel rate to salaries. This rate has remained consistent over the past several years at 1.45% of covered salary.

Employee Relations: Employee related costs that do not fall within the benefits or training categories are categorized as employee relations costs. This encompasses recruiting expense, volunteer appreciation, tuition reimbursement funding to incentivize staff pursuing a degree and the employee assistance program. This budget decreased 57.8% in 2024 compared to the 2023 estimate. The decrease is mostly attributed to significant recruiting costs in 2023 for key District positions.

Employee Training: Training costs increased in 2024 55.9% over 2023 estimated expenses. Due to COVID-19, numerous trainings were either canceled or held remotely, resulting in a substantial reduction in expenditures within this category. In 2023, the District has experienced more in-person training opportunities compared to prior years, but has not yet returned to pre-COVID-19 levels. The District remains committed to utilizing training tailored to libraries and special districts as well as to finding efficiencies and reducing costs. This budget provides opportunities for staff and board members to attend educational events and workshops. The amount of this training budget is 1.5% of the total salaries budget.

MATERIALS AND SERVICES: This section of the 2024 budget has decreased in total 5.6% from the 2023 estimated expenditures.

Books, Periodicals, AV and Digital Material: Literary, audio-visual and digital materials are budgeted 8% lower than estimates for 2023. This reduction is primarily attributed to an increased investment in digital materials funded by the Emergency Connectivity Fund in 2023 that will not be replicated in 2024. The 2023 investment included the purchases of hotspots and wifi tablets for patron use, constituting 15% of the total category in 2023. The District has experienced an increased demand in digital materials since early 2020. The library continues to see more digital materials downloads with less spending on physical books and audio-visual materials. In 2024, materials as a percentage of budgeted operational costs is at 15.2%. Historically, as an operating procedure, the District plans to spend at least 15% of total annual operating costs on library materials.

Library Programs: Departments across all Library branches offer programs for Library patrons. In 2022 and 2023, the District received a \$1 million grant from the American Rescue Plan Act as a subrecipient, providing an opportunity to deliver the Reading Pays program to the community. The program concluded in 2023 and will not be included in the 2024 budget. Excluding the Reading Pays Program and the Digital Navigator Program, the budget for Library Programs is slightly lower than historical levels. Each department's programs and event budgets were evaluated to align with trends in program participation. The commitment to efficiency in allocating funds for programs presented throughout the District remains a high priority.

In 2023 and 2024, The Friends of the Pueblo Library District earmarked \$20,000 to fund competitive grant application process to supplement District activities and programs. In addition to grants, The Friends were able to continue specific program awards, supporting District wide events including Summer Reading and All Pueblo Reads. In total, the Friends are providing The District with program support totaling approximately \$40,000. The Friends have received steady sales and donations, allowing program support to remain steady from 2023 to 2024 funding levels.

Bindery/Processing Supplies and Services: When materials are purchased, bindery and processing costs are delineated separately from the actual material expenses. These

costs are anticipated to increase .5% over 2023. The increase is relative to the amount in the materials budgeted to be purchased in 2024.

FACILITIES TO PROVIDE SERVICES: The budgeted amount in 2024 for facilities costs is budgeted to decrease 1.6% compared to estimated 2023 expenses. This is due mainly to the annual Certificate of Participation payment, which is the largest expenditure in this area being a relatively consistent amount for the duration of the debt service as well as a decreased budget for building maintenance.

Utilities: All Library facilities utility costs are budgeted to increase 5.2% compared to 2023 estimates taking into account current expenses and projections.

Vehicle Expense: In 2023, there was a surge in vehicle expense due to unforeseen circumstances. The 2024 budget, grounded on standard expenses and projections, anticipates a decrease of 46.4% from the 2023 estimates.

Building Repair and Maintenance: Comprising seven distinct branches, the District incurs costs to properly maintain the buildings, janitorial services, trash removal, carpet cleaning and maintenance supplies. Minor maintenance projects also contribute to this budget amount. The 2024 budget is 21.3% less than 2023 estimated costs.

Rent: The District leases a single building. Primarily occupied by the Friends of the Library. The majority of the rent expense is offset by revenue received from the Friends. A part of the building is still utilized by the District for storage, meaning the amount due from the Friends does not total the entire obligation to the building landlord. The rent will increase by 3% each year under a new 5-year contractual agreement that renewed in January 2022.

Lease/Purchase of Buildings: Annual payments for debt service on the reissuance of 2012 Certificates of Participation (COPs) and the new 2020 Certificates of Participation (COPs) principal and interest amounts are recorded in this category. The 2012 COPs were refunded in 2020, and additional funds were secured to complete the renovation of

the Rawlings Library. A detailed debt service page, which determines the exact budget amount every year for the annual COP payment, can be found later in this document.

Insurance: Insurance is budgeted to increase of 30.0% for property, liability, auto, D&O, umbrella and miscellaneous insurance. This estimate is in line with an industry-wide average increase.

Friends of the Library Expenditures: Expenses associated with Friends of the Library grants awarded remain flat in comparison to 2023 estimated expenses in 2024. The expectation is programs and events supported historically by the Friends will continue in 2024 and will receive Friends grants. Friends' contributions are also recorded in other line items.

OPERATING: This section encompasses expenses related to the general operations of the District. The overall expectation is a 7.2% increase from 2023 estimates, accounting for both increases and decreases in specific expense categories. The District maintains a focus on finding efficiencies whenever possible while still meeting current needs of all the branches, which can result in numerous operational changes in 2024.

Contractual Services: Services provided to the District by miscellaneous external sources are budgeted to decreased 13.9% from 2023 estimates. The decrease is primarily attributed to one-time implementation costs of an accounting software upgrade and various consulting projects in 2023, which are not expected to recur in 2024.

County Treasurer's Fees: The County Treasurer charges administrative fees to collect both property and specific ownership taxes for the District. Those fees are increasing in comparison with the prior year as a result in the increase in property tax collections. These fees correlate with property tax revenue, representing 1.5% of the tax amount.

Community Relations: Expenses related to the Community Relations Department increased 69.5% over 2023 estimates. This increase is the result of increased promotions and less than anticipated expenses in 2023.

Professional Memberships: All departments and branches are encouraged to participate with professional groups that offer benefit for the District. The budget for 2024 reflects an increase of 10.9% over 2023 estimates, representing the anticipated memberships maintained by the District in 2024.

Office Supplies and Equipment: Supplies and small equipment needs in 2024 are budgeted to increase 77.5% over 2023 estimates. This increase is driven by one-time equipment purchases related to the Makerspace, outfitting a meeting space at the Rawlings library and an ergonomic chair.

Photocopiers: Outside services costs related to photocopiers for the 2024 budget year remains flat compared to the 2023 budget.

Courier Service: Courier services provided for the utilization of the interlibrary loan program allow the District to be a part of the state library system. Costs remains flat in 2024 compared to the 2023 budget.

Postage and Freight: Postage and freight incurred by the District is driven by actual costs. The 2024 budget is anticipated to increase 7.5% in comparison with the 2023 budget amount. The annual budgeted amount is representative of customary postage and freight costs and accounts for increased postage rates.

Café Services: In late 2023, the District contracted with a local vendor to operate the Rawling's café on behalf of the library. The District has agreed to cover certain costs associated with the café and, in return will receive a profit share percentage of revenue. This is a first-time cost, anticipated to continue annually. The amount budgeted in 2024 is \$90,599.

INFORMATION TECHNOLOGY: Overall Information Technology costs are budgeted to increase 36.3% in 2024 compared to 2023 estimated. The District is working to improve technology across all aspects and the costs are significant to complete this initiative.

Telecommunications: District costs associated with telecommunication show a 45.1% increase over 2023 estimates. A part of this increase is attributed to a new telephony system scheduled for implementation in 2024. It is important to note that the E-Rate reimbursement revenue anticipated in 2024 is \$129,753, providing a significant offset to this expense.

Hardware Repair & Maintenance: IT repair and maintenance are budgeted to increase by \$8,184 over 2023 estimates. This is based on the costs of repairs for patron copiers and printers, as well as repairs to existing security cameras.

Technology Supplies: Technology supplies needs have increased approximately \$17,000 based on anticipated spending in 2023. Approximately \$8,300 will be reimbursed to the District in E-Rate reimbursements for some of these supplies.

Technology Maintenance, Licenses & Support: Support encompasses all contractual services expense related to IT, including network maintenance, consulting and support agreements, licenses and other related items. Costs have increased about 28.7% over 2023 estimated expenses.

The total increase in expenditures in the 2024 budget in comparison with 2023 estimated actual expenditures is 11.6% or \$1,458,832.

FUND BALANCE

The ending fund balance forecast in the 2023 general fund budget is \$2,770,376 a decrease of \$825,574 from the audited ending 2022 General Fund balance. This includes a transfer of \$2,460,000 from the General Fund to the Capital Project fund planned in the 2023 Budget. This is an amount necessary to help maintain the Library Replacement Plan, fund the Master Facility Plan and offset capital asset spending.

The Pueblo City-County Library District established the annual budget with a goal of maintaining a healthy end-of-year fund balance. It is not District policy or practice to exhaust the entire budget to prevent the loss of funds, which can be a common occurrence in governmental entities. Being a special district, any funds remaining at the end of the budget year, calculated by deducting the expenditures from the revenues, are retained in the District's fund balance. Restrictions against the General Fund Balance include an emergency reserve of 3% for the TABOR amendment reserve requirement which equals \$502,863 and \$7,700 restricted for Nesbitt employee activities and the Chamberlain account estimated for 2024.

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

	Actual 2022	Estimated 2023	Budget 2023	Budget 2024	Increase (Decrease)	%
REVENUES						
Property tax	12,249,947	12,393,585	12,398,599	15,050,952	2,657,367	21.44%
Specific ownership tax	1,129,587	1,119,148	999,814	1,250,000	130,852	12%
Contracts, Grants, Gifts	1,124,042	438,048	598,125	291,132	(146,916)	-34%
Interest	115,398	253,925	45,000	90,000	(163,925)	-65%
Fines, Fees	8,492	5,635	34,500	13,000	7,365	131%
Photocopier & Internet Copy Fees	43,575	38,998	40,000	50,000	11,002	28%
Nesbitt	2,805	3,000	3,545	3,500	500	0%
Chamberlain	14,632	10,000	10,000	10,000	-	0%
Miscellaneous	14,460	5,190	2,000	3,500	(1,690)	-33%
TOTAL REVENUES	14,702,938	14,267,529	14,131,583	16,762,084	2,494,555	17.48%
EXPENDITURES						
PERSONNEL						
Salaries	4,811,284	4,984,033	5,472,474	6,095,717	1,111,684	22%
PERA	656,878	679,247	764,384	900,947	221,700	33%
Workers compensation	13,630	18,784	17,847	24,024	5,240	28%
Employee insurance	565,364	609,550	541,273	662,757	53,207	9%
Unemployment compensation	9,020	9,582	16,417	18,299	8,717	91%
Medicare trust	66,524	69,546	79,351	88,388	18,842	27%
Employee relations	38,909	132,310	61,150	55,800	(76,510)	-58%
Employee training	62,122	74,105	91,000	115,550	41,445	56%
TOTAL PERSONNEL	6,223,731	6,577,157	7,043,896	7,961,482	1,384,325	21%
MATERIALS & SERVICES						
Books, periodicals, AV, databases	1,683,335	1,614,335	1,786,498	1,609,112	(5,223)	0%
Bindery/processing supplies/services	121,577	129,791	150,500	130,500	709	1%
Library programs	965,655	327,208	232,446	214,812	(112,396)	-34%
TOTAL MATERIALS	2,770,567	2,071,334	2,169,444	1,954,424	(116,910)	-6%
FACILITIES						
Utilities	568,396	513,368	499,304	540,000	26,632	5%
Vehicle maintenance	31,168	37,327	16,000	20,000	(17,327)	-46%
Building repair & maintenance	441,059	567,032	464,541	446,157	(120,875)	-21%
Rent	28,347	31,560	31,058	33,235	1,675	5%
Lease/purchase of buildings	1,247,711	1,250,013	1,250,013	1,274,913	24,900	2%
Insurance	86,920	125,696	102,957	163,406	37,710	30%
Friends expenditures	17,631	12,253	20,000	20,000	7,747	63%
TOTAL FACILITIES	2,421,232	2,537,249	2,383,873	2,497,711	(39,538)	-2%

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

OPERATING

Contract Services	532,272	639,805	571,535	550,653	(89,152)	-14%
County Treasurer's fees	183,447	217,592	185,979	225,000	7,408	3%
Community relations	19,357	23,423	33,200	39,700	16,277	69%
Professional memberships	17,096	15,079	13,275	16,730	1,651	11%
Office supplies, equipment	41,132	45,186	55,219	80,211	35,025	78%
Photocopiers	17,867	13,789	21,224	21,224	7,435	54%
Courier service	1,022	1,439	1,300	1,300	(139)	-10%
Cafe service	-	18,239		90,599	72,360	-
Postage & freight	49,290	22,751	40,000	43,000	20,249	89%
Nesbitt	2,865	2,436	3,545	3,545	1,109	0%
Chamberlain	14,000	10,000	10,000	10,000	-	0%
TOTAL OPERATING	878,348	1,009,739	935,277	1,081,962	72,223	7%

INFORMATION TECHNOLOGY

Telecommunications	164,450	167,452	198,992	243,006	75,554	45%
Hardware repair & maintenance	11,237	8,816	17,000	17,000	8,184	93%
Technology Supplies	37,866	25,280	30,500	42,396	17,116	68%
Technology mtce, licenses, support	180,407	236,076	222,220	293,954	57,878	25%
TOTAL INFORMATION TECHNOLOGY	393,960	437,624	468,712	596,356	158,732	36%

TOTAL EXPENDITURES	12,687,839	12,633,103	13,001,202	14,091,935	1,458,832	12%
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**PUEBLO CITY-COUNTY LIBRARY DISTRICT
GENERAL FUND**

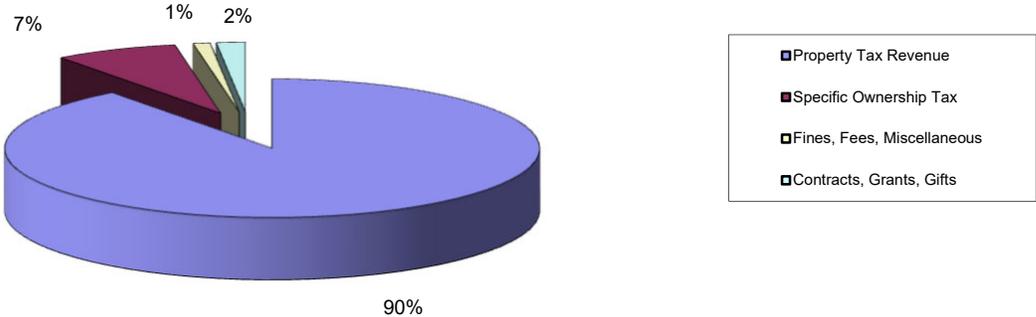
	Actual Prev.year 2022	Estimated Curr.year 2023	Budget 2023	Budget 2024	Increase (Decrease)	%
SUMMARY						
REVENUES						
Property tax revenue	12,249,947	12,393,585	12,398,599	15,050,952	2,657,367	21%
All other sources	2,452,991	1,873,944	1,732,984	1,711,132	(162,812)	-9%
TOTAL REVENUES	14,702,938	14,267,529	14,131,583	16,762,084	2,494,555	17%
EXPENDITURES						
PERSONNEL	6,223,731	6,577,157	7,043,896	7,961,482	1,384,325	21%
MATERIALS & SERVICES	2,770,567	2,071,334	2,169,444	1,954,424	(116,910)	-6%
FACILITIES	2,421,232	2,537,249	2,383,873	2,497,711	(39,538)	-2%
OPERATIONS	878,348	1,009,739	935,277	1,081,962	72,223	7%
INFORMATION TECHNOLOGY	393,960	437,624	468,712	596,356	158,732	36%
TOTAL EXPENDITURES	12,687,839	12,633,103	13,001,202	14,091,935	1,458,832	12%
Beginning fund balance	4,453,180	3,595,950	3,717,655	2,770,376	(825,574)	-23%
Transfer in/out Capital Project Fund	(2,872,329)	(2,460,000)	(2,460,000)	(2,410,000)	50,000	
Transfer in/out Special Revenue Fund	-	-	-	-	-	
EXCESS Revenues - Expenditures (Reserve increase)	2,015,099	1,634,426	1,130,381	2,670,149	1,035,723	63%
NET (ending fund balance)	3,595,950	2,770,376	2,388,036	3,030,526	260,150	9%

NET ASSESSED VALUATION - \$ 2,247,365,346

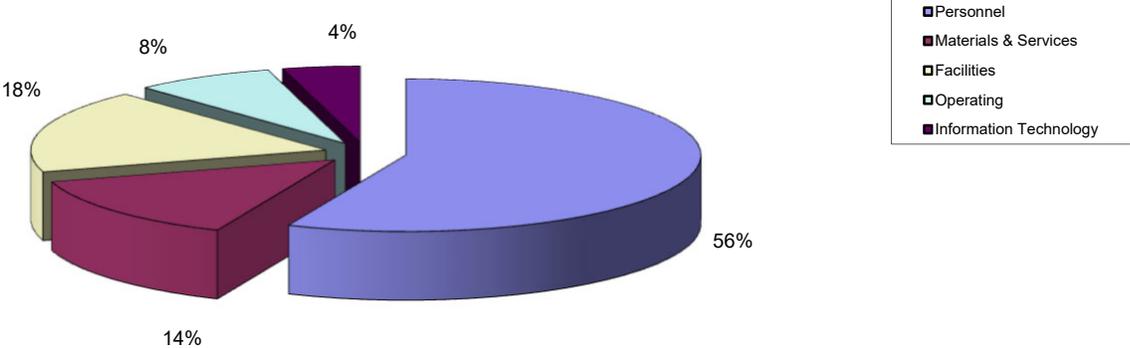
THE BUDGETARY BASIS OF ACCOUNTING USED IN THIS BUDGET IS MODIFIED ACCRUAL

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
2024 BUDGET**

GENERAL FUND BUDGET - REVENUES



GENERAL FUND BUDGET - EXPENDITURES



CAPITAL PROJECT FUND

The Capital Project fund encompasses four primary functions:

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

REVENUES

CONTRIBUTIONS, GIFTS, GRANTS: Contributions, gifts and grants totaling \$600,000 are anticipated for the Barkman and Lucero renovation and expansion projects in 2024 and elevator repairs at Rawlings.

MISCELLANEOUS REVENUE: No miscellaneous revenue is expected in 2024

INTEREST EARNINGS: Interest earned on cash holdings is budgeted at \$100,000 for 2024.

EXPENDITURES

Master Facility Plan Projects: Expenses include design, renovation and expansion of the Barkman and Lucero Library branches is budgeted for \$5,000,849.

Capital Asset Repair & Maintenance: Non-depreciable asset expenditures and contingency funds totaling \$663,000 are budgeted for 2024. This includes a significant elevator repair and boiler room insulation for the Rawlings Branch and a significant roof repair at the Pueblo West Branch.

Capital Asset Acquisitions. Several Library Replacement Plan items are budgeted for here including Makerspace equipment, a replacement vehicle, a replacement cargo trailer and miscellaneous IT purchases. Capital asset acquisitions are budgeted for \$487,519 in 2024.

Total capital fund spending in 2024 is projected at \$6,151,368.

OTHER FINANCING SOURCES/USES

TRANSFER IN FROM THE GENERAL FUND: In 2024, there is a budgeted transfer of \$2,410,000 to the Capital Fund, for ongoing funding of capital asset acquisitions, the Master Facility Plan, and the Library Replacement Plan. Additionally, the District is projecting revenues (contributions, donations, grants, interest) of \$700,000.

FUND BALANCE

The fund balance forecast in the 2024 Capital Project fund budget is \$2,682,507. This ending fund balance is the combination of the budgeted income and additional funds transferred from the General Fund to the Capital Fund for the Library Replacement Plan, the Master Facility Plan as well as the planned Capital Fund expenditures.

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

	Actual Prev.year 2022	Estimated Curr.year 2023	Budget 2023	Budget 2024	Increase (Decrease)
REVENUES					
Contributions, gifts, grants	1,097,785	277,892	317,700	600,000	322,108
Miscellaneous revenue	-	-	-	-	-
Interest earnings	87,302	255,007	48,034	100,000	(155,007)
TOTAL REVENUES	1,185,087	532,899	365,734	700,000	167,101
EXPENDITURES					
Capital Asset Repair & Maintenance	-	18,711	29,000	663,000	644,289
Capital Asset Acquisitions					
Information Technology	87,074	462,670	587,700	407,519	(55,151)
Furniture, Fixtures, Equipment	4,839	237,700	8,000	80,000	(157,700)
Master Facility Plan Projects	9,196,318	632,691	2,800,000	5,000,849	4,368,158
TOTAL CAPITAL ASSET EXPENSE	9,288,231	1,351,772	3,424,700	6,151,368	4,799,596
TOTAL EXPENDITURES	9,288,231	1,351,772	3,424,700	6,151,368	4,799,596

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

SUMMARY	Actual Prev. year 2022	Estimated Curr. year 2023	Budget 2023	Budget 2024	Increase (Decrease)
REVENUES					
Contributions, grants, gifts	1,097,785	277,892	317,700	600,000	322,108
Miscellaneous revenue	-	-	-	-	-
Interest earnings	87,302	255,007	48,034	100,000	(155,007)
TOTAL REVENUES	1,185,087	532,899	365,734	700,000	167,101
EXPENDITURES					
Capital Asset Expenditures	<u>9,288,231</u>	<u>1,351,772</u>	<u>3,424,700</u>	<u>6,151,368</u>	<u>4,799,596</u>
TOTAL EXPENDITURES	9,288,231	1,351,772	3,424,700	6,151,368	4,799,596
Beginning fund balance	9,313,563	4,082,748	7,408,018	5,723,875	1,641,127
Other Financing Sources (Uses)					
Insurance Proceeds		-	-	-	-
Sale of Capital Asset		-	-	-	-
Proceeds from COP issuance		-	-	-	-
Premium		-	-	-	-
Discount		-	-	-	-
Payments to escrow 2012 COPs		-	-	-	-
Cost of Issuance		-	-	-	-
Underwriter's Discount		-	-	-	-
Transfer in from General Fund	2,872,329	2,460,000	2,460,000	2,410,000	(50,000)
Transfer out to General Fund	-	-	-	-	-
EXCESS Revenues - Expenditures (Reserve increase)	(8,103,144)	(818,873)	(3,058,966)	(5,451,368)	(4,632,495)
NET (ending fund balance)	<u>4,082,748</u>	<u>5,723,875</u>	<u>6,809,052</u>	<u>2,682,507</u>	<u>(3,041,368)</u>

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

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
PERCENTAGE COMPARISON ANALYSIS
GENERAL FUND/CAPITAL PROJECT
2024 BUDGET**

	General Fund	General Fund Budget Percentages	Capital Project Fund	Total Combined Funds	% of Total PCCLD budget
REVENUES					
Property tax	15,050,952	90%	-	15,050,952	86.19%
All other	1,711,132	10%	700,000	2,411,132	13.81%
TOTAL REVENUES	16,762,084	100%	700,000	17,462,084	100.00%

EXPENDITURES					
Personnel	7,961,482	56%	-	7,961,482	39.33%
Materials & Services	1,954,424	14%	-	1,954,424	9.65%
Facilities	2,497,711	18%	6,151,368	8,649,079	42.73%
Operations	1,081,962	8%	-	1,081,962	5.34%
Information Technology	596,356	4%	-	596,356	2.95%
TOTAL EXPENDITURES	14,091,935	100%	6,151,368	20,243,303	100.00%

Beginning Fund Balance	2,770,376		5,723,875	8,494,251	
Excess: Revenues over Expenditures	2,670,149		(5,451,368)	(2,781,219)	
Transfers In/Out	(2,410,000)		2,410,000	-	
Ending Fund Balance	3,030,526		2,682,507	5,713,031	
Combined Fund balance as a % of operating expense				41%	

BREAKDOWN OF ENDING FUND BALANCE ***

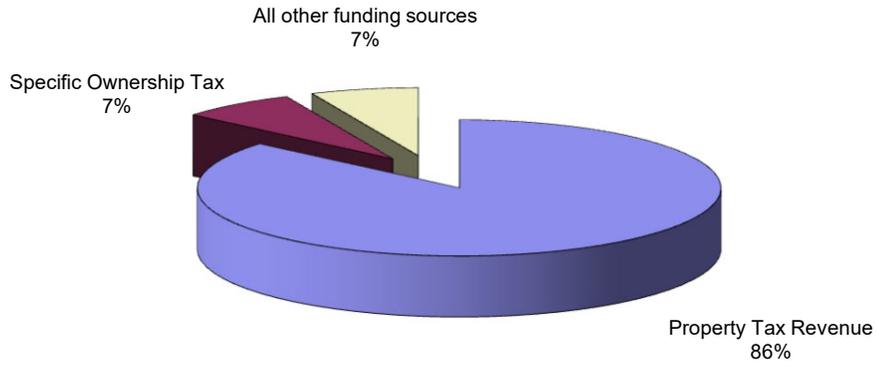
*** Reserves and unrestricted funds					
3% emergency reserve				502,863	
Nesbitt & Chamberlain				7,700	
Unrestricted fund balance				5,202,468	

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

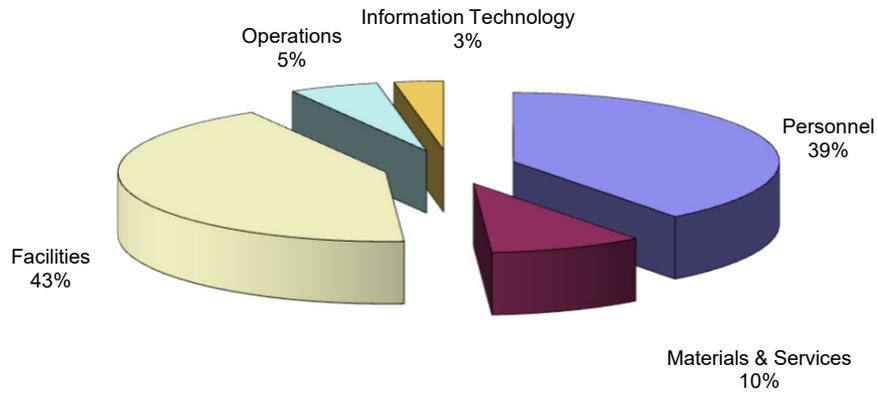
Fund - combined for revenues, expenditures and fund balance.

PUEBLO CITY-COUNTY LIBRARY DISTRICT 2024 BUDGET

COMBINED FUND BUDGET - REVENUES



COMBINED FUND BUDGET - EXPENDITURES



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

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

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

Average Coupon 1.467%