



2026 Annual Plan and Budget

December 11, 2025

PUEBLO CITY-COUNTY LIBRARY DISTRICT

Finance Office

100 E Abriendo Avenue

Pueblo, Colorado 81004

2026 Annual Plan and Budget

Board of Trustees

Fredrick Quintana, President

Trisha Macias, Vice President

Jeffrey DeHerrera, Trustee

Iris Clark, Trustee

Stephanie Garcia, Trustee

Jessi Ones, Trustee

Doreen Martinez, Trustee

Leadership Team

Sherri Baca, CPA, Executive Director

Nick Potter, Executive Director of the Pueblo Library Foundation and Strategic Initiatives

Bri Reyes, MPAcc, Chief Financial Officer

Terri Daly, Director of Human Resources

Thomas Defrates, Director of Information Technology

Jill Kleven, Director of Technical Services

Amy Nelson, Associate Director of Public Services

Alan Rocco, Facilities Superintendent

Kristi Roque, Rawlings and Customer Experience Manager

2026 Annual Plan

December 11, 2025

2026 Annual Plan

This document includes the strategies and plans set forth for the Pueblo City-County Library District (PCCLD) for fiscal year 2026. The objectives offered here are derived from the strategic planning process undertaken in 2025 to create the district's new 2026-2030 *Future Ready Together* strategic plan at https://www.pueblolibrary.org/sites/default/files/2025-11/2026-30_Strategic%20Plan_Future%20Ready%20Together.pdf. This annual plan for 2026 is a cross-section of the new strategic plan and sets forth a dynamic blueprint for the new year.

BACKGROUND

A vast group of stakeholders contributed to the creation of the new five-year strategic plan including the library's leadership team, the Employee Steering Committee, Library Trustees, the Board of Directors of the Pueblo Library Foundation and The Friends of the Pueblo Library, and input from the community.

On October 23, 2025, PCCLD adopted its new 2026-2030 strategic plan. This new plan, spanning the next 5 years, is the product of a comprehensive strategic planning project which took place in 2025. Within the project, a number of resources were synthesized to create twelve 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 2026 for the library which are derived from the new strategic plan in their essence and focus. We have a unique opportunity to complete the work that was envisioned when setting strategies and focus areas during the strategic planning for this five-year period.

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

The work planned for 2026 is heavily focused on access to library services and the organizational culture of the library district. Notable projects include exploring and deploying emerging technology including artificial intelligence, upgrading the financial reporting system, continued implementation of the organization's workplace culture enhancement plan, expansion of library outreach services, elevated cyber security measures, and a continuing focus on emergency preparedness and safety and security. Library employee-focused initiatives include enhancing communication, improving change management throughout the district, and reviewing and updating job descriptions and performance expectations. Capital projects include maintenance and upgrades to the Pueblo West Library roof walls and upgrades to other branch infrastructure, asset replacements throughout the district, and also completing the modernization of the Rawlings Library elevators. These annual plan goals are focused, align with the library's current strategic plan, and will improve the district's ability to offer excellent public library services to the community.

2026 Annual Plan		
Strategic Focus	Objective	Leader
Organizational Culture		
	Set organizational culture enhancement as a focused goal of the library across all departments and branches. Foster a positive internal culture through team-building initiatives, promoting constructive workplace behavior, and supporting staff well-being. This work is led by library leaders and the culture committee.	
Workplace & Culture Transformation	ONGOING - Develop a change management framework to support implementation, adoption, and buy-in of key change initiatives. Includes training and evaluation of implementation and outcomes.	Executive Director, Director of Tech Services, Library Leaders
Workplace & Culture Transformation	ONGOING - Develop clear employee expectations related to customer service and integration of IDEA in operating practices. Focus on PCCLD Workplace Culture Vision Statement.	Executive Director, Manager II of Rawlings Library & Customer Experience
Workplace & Culture Transformation	ONGOING - Establish formal communication protocols that encourage productive multidirectional communication. Work includes implementing the communication improvement plan. Solicit feedback from staff to assess the effectiveness of this work.	Executive Director, Culture Committee, All Staff
Workplace & Culture Transformation	ONGOING - Continue to focus on emergency preparedness to include finalizing the planning and protocols document, implementing consistent staff training, gathering quantitative and qualitative data to identify safety needs, exploring partnerships with local providers to build a robust safety program. Create actionable plans - examples: crisis and disaster response, business recovery and continuity, etc.	Associate Director of Public Services, Security Manager, START Senior Leaders
Workplace & Culture Transformation	ONGOING - Embrace a culture of feedback and accountability to cultivate trust, respect, and collaboration through internal or external training in the areas of conflict management, communication, IDEA, emotional intelligence. Explore a Librarian Think Tank and Learning Network to share ideas, solve problems, access leadership training, and build staff capacity.	Director of Human Resources, Associate Director
Workplace & Culture Transformation	ONGOING - Develop and reiterate clear, consistent employee expectations through continuing review of job description and outlining competency frameworks for each position.	Director of Human Resources
Workplace & Culture Transformation	NEW - Enhance performance review consistency and relevance to ensure all roles in the organization are effectively evaluated using standardized performance review forms with role-specific criteria by the end of the performance cycle.	Director of Human Resources
Workplace & Culture Transformation	NEW - Leverage existing cross-functional committees to spearhead collaboration on library programs and initiatives. This, in conjunction with updates to program planning and evaluation and improved communication, can strengthen collaboration across the district.	Associate Director of Public Services, Public Services Managers
Facilities and Infrastructure		
Future Ready Facilities & Experience	Ensure successful outcomes for enhancing and improving library facilities including the Rawlings Library stormwater drainage, Rawlings Library elevator modernization, Pueblo West Library roof improvements, and space audits and corresponding improvements.	Executive Director, Associate Director

2026 Annual Plan		
Strategic Focus	Objective	Leader
Future Ready Facilities & Experience	Provide successful project management of facility improvement projects to ensure that activities remain within the budget and achieve completion including Rawlings Library elevator modernization, replacing Pueblo West Library roof wall boards, Rawlings Library landscaping and HVAC improvements, bidding the district's janitorial contract, Greenhorn Valley Library exterior upgrades, and Pueblo West Library electric vehicle charging station upgrades.	Facilities Superintendent
Future Ready Facilities & Experience	Accomplish facilities improvement and asset replacement goals which include establishing a long-term storage site on district property, seal coat Lamb Library parking lot, upgrade HVAC software, lighting upgrades, and other maintenance activities.	Facilities Superintendent
Community Engagement & Outreach		
Library Without Walls--Mobile Outreach Services	Right-size/expand outreach efforts and develop best practices, tools including an outreach agreement, risk management to address liability, and a long-range strategic outreach plan. Expand outreach to increase consistent touchpoints in neighborhoods, schools, partner agencies, rural areas, and assisted living sites, with service that travels. Monitor and evaluate use/attendance metrics and adjust as needed.	Manager II of Rawlings Library & Customer Experience, Associate Director of Public Services
Future-Ready Facilities & Experience	Conduct targeted community listening sessions for the Lamb and Pueblo West branch libraries to gather input on facility needs, service priorities, and neighborhood usage. Use these insights to inform renovation scheduling and design recommendations. Simultaneously, develop and implement a districtwide public engagement campaign that increases awareness of library services, showcases community impact, and strengthens relationships with residents across all service areas.	Executive Director of Pueblo Library Foundation & Strategic Initiatives
Data-Driven Community Engagement & Communication	Develop and implement an external communications framework that uses patron data, engagement metrics, and community feedback to guide messaging, communication, and overall marketing strategies. This framework will include centralized dashboards to track efficiency and effectiveness, audience segmentation tools, and narrative-driven content (e.g., infographics, short videos, testimonials) to increase awareness, reach underserved populations, and improve participation across programs and services	Executive Director of Pueblo Library Foundation & Strategic Initiatives
Financial Capacity & Operational Best Practices		
Financial & Adaptive Planning	Determine and prepare for the financial impacts of property tax legislation including updating 10-year financial projection and aligning the long range planning with forecasted impacts of macroeconomic developments (property tax revenue, closure of Comanche 3, need for future library renovations and service points, etc.)	Executive Director and CFO
Financial & Adaptive Planning	Evaluate the current financial reporting system and determine if an upgrade is optimal as determined by district needs, goals and objectives regarding efficiency, compliance, and reporting capabilities--to include planning, procuring and implementing migration to a new software and embedding AI and emerging technologies into the financial reporting process.	CFO
Financial & Adaptive Planning	Evaluate and update financial policies as needed; benchmark compliance requirements, best practices, and peer libraries when setting policies, procedures and internal controls.	CFO

2026 Annual Plan		
Strategic Focus	Objective	Leader
Workforce & Culture Transformation	Provide elevated customer service, both at service points and in Person in Charge (PIC) roles. Incorporate multi-dimensional learning methods, including skill-building exercises, knowledge sharing, and collaborative reflection/support. Desired outcomes include professional growth of library staff, enhanced service quality, and equipping staff to meet community needs more effectively.	Manager II of Rawlings Library & Customer Experience
Technology & Library Systems		
Emerging Tech Framework Development & Implementation	Select and implement a responsible AI tool to support staff productivity, efficiency, creativity, and service delivery. Develop a tiered rollout plan that includes role-specific access levels, use policies and guidelines, and hands-on training. This framework will equip staff with emerging technology skills, technology and workflow efficiencies, and model responsible AI adoption in alignment with the district's digital literacy and workforce transformation goals.	Executive Directors, Associate Director, Director of IT
Digital Platform Resilience & Accessibility	Enhance cybersecurity posture by implementing a comprehensive cybersecurity framework including email security gateway, IDS/IPS system, and advanced antivirus solutions.	Director of IT
Digital Platform Resilience & Accessibility	Create IT policies and procedures to govern IT resources including hardware, software, networks, data, and technology related assets; benchmark best practices and peer libraries.	Director of IT
Digital Platform Resilience & Accessibility	Optimize IT infrastructure and support specific goals including implementing CIPA-compliant internet filtering, improving data backup and storage systems, and procurement and installation of IT assets as budgeted (ncluding new security gates, security cameras, and specific Rawlings Library upgrades.)	Director of IT
Collections, Culture & Community Engagement	Rebrand ConnectEd student library card program and improve outcomes through collaboration with educational partners.	Director of Technical Services
Collections, Culture & Community Engagement	Curate new and expand existing library collections to enhance culture and community engagement (examples: SOAR collaboration, HRC collection improvement, etc.)	Director of Technical Services
Collections, Culture & Community Engagement	Utilize LibraryIQ demographics module to complete a gap analysis and utilize the date to increase circulation.	Director of Technical Services

2026 Budget

December 11, 2025

2026 BUDGET NARRATIVE

The 2026 budget for the Pueblo City-County Library District (the 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 2026, the District will begin planning for the renovation of remaining libraries set forth by 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 \$2,306,602 in 2026. 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.

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 89% of the combined funds revenues for the District are derived from property tax. The remainder is received through specific ownership tax, interest on investments, donations, contracts, grants, photocopy fees, miscellaneous revenue, and contributions from the Friends of the Library and the Pueblo Library Foundation.

The Pueblo City-County Library District's total anticipated mill levy for 2026 is 6.512 mills. This figure is calculated by combining the 5.85 mill levy approved by voters with two adjustments. First, a .6540 mill adjustment is added. This is permitted under Ballot Measure 6B (2019) to offset property tax revenue losses caused by changes in state assessment values. Second, a 0.008 mill levy is added, which is authorized by statute to recover the cost of taxes abated and refunded in the prior year. This smaller levy is expected to generate \$19,645. The district's 2026 mill levy adheres to the 10.50% property tax revenue limit established by Colorado House Bill 24B-1001.

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. Copies of resolutions encompassing the adoption of the budget and the annual plan, appropriation of funds and the establishment of the mill levy will be forthcoming. The certification of the mill levy, provided to the County, will also be included in the final approved documentation.

**MILL LEVY CALCULATION
BUDGET 2026**

	<u>2026 Budget</u>		<u>Formula</u>		<u>2025 Budget</u>
A	2,674,852,240	Total Gross Assessed Valuation		2,437,631,698	Total Gross Assessed Valuation
B	159,975,693	TIF reductions		145,794,015	TIF reductions
C	2,514,876,547	Total Net Assessed valuation per spreadsheet	A - B	2,291,837,683	Total Net Assessed valuation
D	5.850	Voter approved mill levy limit		5.850	Voter approved mill levy limit
E	14,712,028	Total Revenue	C X D X .001	13,407,250	Total Revenue
F	19,645	Abatements, refunds		49,371	Abatements, refunds
G	0.008	Millage for abatements, refunds	F / C X 1000	0.022	Millage for abatements, refunds
H	5.858	Adjusted mill levy	D + G	5.872	Adjusted mill levy
I	0.6540	Adjustment for decreased Assessment Rate		0.3252	Adjustment for decreased Assessment Rate
J	6.5120	Assessment Rate Adjustment Mill adjusted	H + I	6.1972	Assessment Rate Adjustment Mill adjusted
K	16,376,876	Adjusted total revenue	H X C X .001	14,202,976	Adjusted total revenue
L	16,311,369	Budgeted revenue @ 99.6%	I X 99.6%	14,146,123	Budgeted revenue @ 99.6%
M	16,311,369	Total Budgeted Property Tax Revenues	M	14,146,123	
	\$ 937,138	Revenue reduction impact of TIF	B X D X .001	\$ 856,102	Revenue reduction impact of TIF

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

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

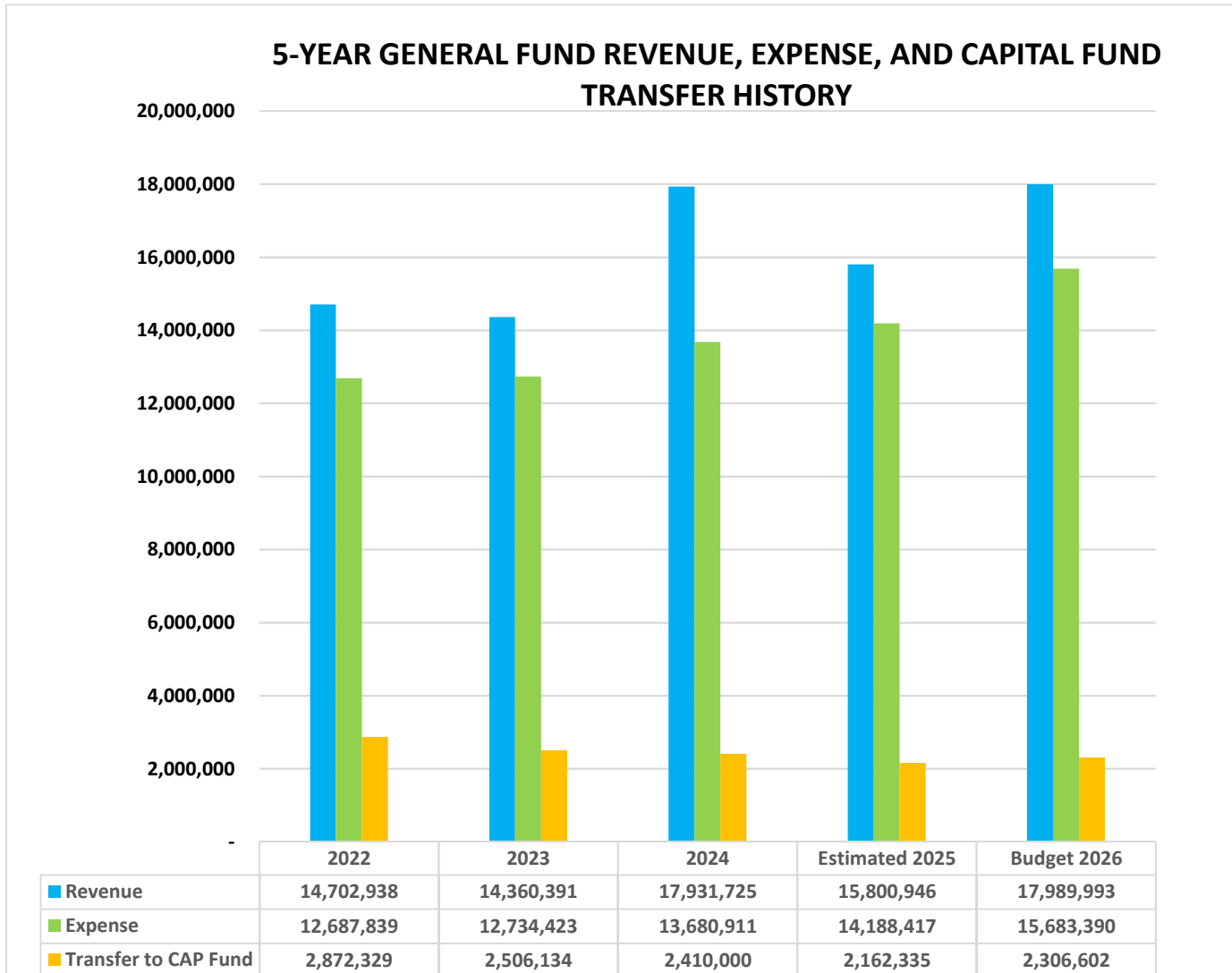
Additionally, the mill levy is adjusted for the decreased assessment rates resulting from SB293, and 10.5% revenue cap on property tax from HB 24B-1001.

Those adjustments are reflected here for a total mill levy in 2026 of 6.5120

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

The calculation in 2026 is based on estimated net assessed valuation from the County Assessor.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
2026 BUDGET**



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

GENERAL FUND	2024 AUDITED	2025 ESTIMATED	2025 BUDGET	2026 BUDGET
BALANCE, Beginning of Year	2,715,786	4,556,600	4,556,600	4,006,795
REVENUES	17,931,725	15,800,946	20,171,231	17,989,992
TOTAL BALANCE	20,647,511	20,357,547	24,727,831	21,996,787
EXPENDITURES	13,680,913	14,188,417	19,412,699	15,683,390
TRANSFER IN/OUT-CAPITAL PROJECT	(2,410,000)	(2,162,335)	(2,162,335)	(2,306,602)
BALANCE, End of Year	<u>4,556,600</u>	<u>4,006,795</u>	<u>3,152,797</u>	<u>4,006,795</u>
CAPITAL PROJECT FUND	2024 AUDITED	2025 ESTIMATED	2025 BUDGET	2026 BUDGET
BALANCE, Beginning of Year	5,027,720	3,689,782	3,689,782	2,658,802
REVENUES	538,530	573,867	1,110,400	355,444
TOTAL BALANCE	5,566,250	4,263,649	4,800,182	3,014,246
EXPENDITURES	4,286,468	3,767,182	4,826,461	1,737,184
SALE OF FIXED ASSETS	-	-	-	-
OTHER FINANCING SOURCES	-	-	-	-
TRANSFER IN/OUT GENERAL FUND	2,410,000	2,162,335	2,162,335	2,306,602
BALANCE, End of Year	<u>3,689,782</u>	<u>2,658,802</u>	<u>2,136,056</u>	<u>3,583,664</u>
COMBINED FUND BALANCE, End of Year	<u>8,246,381</u>	<u>6,665,596</u>	<u>5,288,852</u>	<u>7,590,459</u>
BALANCE, Restricted *	535,843	478,728	608,137	544,400
BALANCE, Available	7,710,538	6,186,868	4,680,715	7,046,059
NET CHANGE TO GEN FUND BALANCE	1,840,814	(549,806)	(1,403,803)	-
* RESTRICTED FUNDS				
Emergency reserve	530,609	474,028	605,137	539,700
Nesbitt & Chamberlain	5,234	4,700	3,000	4,700
TOTAL RESTRICTED:	535,843	478,728	608,137	544,400

GENERAL FUND

*Please note that all of the comparative percentage statistics referenced in this narrative compare the 2026 Budget to the 2025 **Estimated Actual**, except in those instances where a Budget-to-Budget comparison is clearly noted.*

REVENUES

PROPERTY TAX: Property tax remains the primary source of revenue for the District's General Fund, accounting for 91% of the total budgeted general fund revenue for 2026. Property tax is calculated by multiplying the assessed property values, as determined by the County Assessor, by the District's approved mill levy rate. The final net assessed valuation reflects a 9.73% increase compared to the prior year's values. However, the District experienced a decrease in the abatements and refunds category, with final certification numbers dropping by approximately \$29,726, or 60.21%.

Property tax revenue for 2026 reflects an increase by 17.5%, representing a monetary gain of \$2,425,237 compared to the estimated collections for 2025. The budget assumes a 99.6% collection rate—slightly below full collection—to account for potential current-year delinquencies, abatements, and refunds that typically reduce the total amount received.

Mill Levy Tax Rate: The projected mill levy for 2026 is 6.512. This includes the 2019 voter-approved rate of 5.850 mills from ballot measure 6B, plus adjustments permitted by law to recover amounts withheld in prior years for abatements and refunds (0.008 mills). Additionally, Pueblo County voters approved a measure allowing the Library to adjust the mill for the decreased assessment rate payable in 2026, calculated at 0.654 mills.

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 decrease of 2% in taxes compared to 2025 estimated actuals. Specific ownership tax accounts for 6% of the total 2026 General Fund budgeted revenues.

CONTRACTS, GRANTS: Contracts and grants are projected to decrease by approximately \$4,352,484 compared to the 2025 budget. In 2025, PCCLD budgeted for a significant grant from the National Telecommunications and Information Administration (NTIA) totaling \$4,062,500; however, this grant was not awarded and is not included in the 2026 budget. For 2026, PCCLD has conservatively budgeted grants to include only the E-Rate reimbursement of \$233,878. The Pueblo Library Foundation, established in 2012 as a component unit of the District, continues to receive the majority of grants and contributions.

INTEREST: Interest revenue for 2026 is budgeted in line with 2025 amounts, reflecting the uncertainty of market rate fluctuations. Although investment yields have remained favorable, the District has adopted a conservative approach to account for potential variability. 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 2026, projected collection of fines and fees are slightly more than the estimated amounts for 2025.

PHOTOCOPIER & INTERNET COPY FEES: Revenue from copier and printing services fluctuates annually. The 2026 budget is set at 37% above 2025 estimated actuals to better align with recent utilization trends.

CAFÉ SALES: 2026 is the second year revenue from the Café has been part of PCCLD's budget. The estimated sales for the Café in 2025 are just over \$18,000. With this being a newer line of revenue for the District, the Library decided to be more conservative with the 2026 budget for Café sales. As such, the budget is set at \$12,000. After having the Café fully operating for two years, the expectation is that this line item will continue to have more data and show trends allowing for a more precise budgeted amount in future years.

MISCELLANEOUS: Miscellaneous income is projected to decrease in 2026 compared to 2025 estimated actuals. This line includes various minor revenue sources such as refunds, reimbursements, and other nonrecurring receipts.

Total general fund revenue for 2026 reflects a 13.85% increase over the 2025 estimated actual revenues or \$2,189,046, mostly due to an increase in property tax due to this being an assessment year for Pueblo County.

EXPENDITURES

PEOPLE TO PROVIDE SERVICES: The personnel section of the 2026 expenditures budget is projected to increase by 10% over the 2025 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 42.0% of total 2026 budgeted General Fund expenditures. Salaries are budgeted to rise by 10% over the 2025 estimated actuals, reflecting adjustments for salary increases, filling of vacant positions and the addition or upgrade of positions. The budget allows for a 3.5% adjustment to salaries as determined by the salary compensation pay plan.

PERA: The District participates in the Colorado Public Employees' Retirement Association (PERA). Budgeted contributions are calculated directly from the salary line. Employer contribution rates will increase from 14.81% to 15.80% and are expected to remain stable through 2026. Under legislation enacted in 2018, employer contributions for employees hired after July 1, 2019, are calculated based on pretax deductions.

Workers Compensation Insurance: Although final rates for 2026 have not yet been released, preliminary estimates indicate an approximate 38% increase over 2025 estimated costs, driven by rising industry losses compared to 2025.

Employee Insurance: The District partners with the Public Sector Healthcare Group to provide employee insurance. The 2026 budget includes an estimated 3% increase in premiums for health, dental, and life insurance compared to 2025 estimates. This rise reflects an industry-wide increase in healthcare costs.

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 (EAP). This budget increased 34% in 2026 compared to the 2025 estimates. This increase is mostly attributed to expanded employee recognition and appreciation.

Employee Training: Training costs for 2026 are projected to be 34% higher than the estimated expenses for 2025. However, when comparing the 2026 training budget to the 2025 budgeted amount, the figures remain relatively consistent. The District continues to prioritize training programs tailored to libraries and special districts while seeking efficiencies to manage costs. This budget supports opportunities for staff and board members to attend educational events and workshops. Overall, training represents 1.4% of the total salaries budget.

MATERIALS AND SERVICES: This section of the 2026 budget has increased in total 8% from the 2025 estimated expenditures.

Books, Periodicals, AV and Digital Material: Literary printed materials, audio-visual and digital materials are budgeted 7% higher than estimates for 2025. The District has experienced an increased demand in digital materials since early 2020.

The library continues to see more digital materials downloads with stable but slightly decreasing spending on physical books and audio-visual materials. In 2026, materials as a percentage of budgeted operational costs are at 15%.

Library Programs: Departments across all Library branches offer programs for Library patrons. 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 2025 and 2026, 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, Read Out Loud and All Pueblo Reads. In total, the Friends are providing The District with program support totaling approximately \$44,000. The Friends have received steady sales and donations, allowing program support to remain steady from 2025 to 2026 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 remain flat over 2025 budgeted amounts.

FACILITIES TO PROVIDE SERVICES: The budgeted amount in 2026 for facilities costs is budgeted to increase 5% compared to estimated 2025 expenses. This is due mainly to an expected increase in property and liability insurance premiums.

Utilities: All Library facilities utility costs are budgeted to increase 15% compared to 2025 estimates considering historical costs and future projections.

Vehicle Expense: In 2026 vehicle expenses will remain flat over the 2025 budgeted amounts.

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 2026 budget is 2% higher than 2025 estimated costs.

Rent: The District leases one building, which is primarily occupied by the Friends of the Library (Friends) and a portion of the building is utilized by the District for storage. A five-year lease agreement began in January 2022, rent is scheduled to increase by 3% annually.

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 reissued, and additional funds above that 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 13% 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 2025 estimated expenses in 2026. The expectation is programs and events supported historically by the Friends will continue in 2026 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 an 19% increase from 2025 estimates, accounting for both increases and slight 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 2026.

Contractual Services: Services procured by the District from miscellaneous external providers are budgeted to increase by 18% over 2025 estimates. This anticipated rise is primarily attributable to consultant fees projected for 2026 in support of various projects and planning initiatives across the District.

County Treasurer's Fees: The County Treasurer assesses a 1.5% administrative fee on property and specific ownership tax collected for the District. For 2026, this fee is projected at \$244,671, reflecting an increase from the prior year due to higher property tax revenues.

Community Relations: Expenses related to the Community Relations Department increased 173% over 2025 estimates, this is due to a one-year increase in budgeted expenditures for community engagement, promotional materials and advertising.

Professional Memberships: Departments and branches participate in professional groups that offer benefit for the District. The budget for 2026 reflects a decrease of 2%, representing the anticipated memberships maintained by the District in 2026.

Office Supplies and Equipment: Supplies and equipment needs in 2026 are budgeted to increase of 15% over 2025 estimates.

Photocopiers: Outside services costs related to photocopiers for the 2026 budget year increased 20% compared to the 2025 estimate amount.

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 2026 compared to the 2025 budget.

Postage and Freight: Postage and freight incurred by the District is driven by actual costs. The 2026 budget is anticipated to increase 4% in comparison with the 2025 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 percentage of revenue. The budgeted costs for 2026 are 3.0% lower than the estimated expenses for 2025.

INFORMATION TECHNOLOGY: Overall Information Technology costs are budgeted to increase 36% in 2026 compared to 2025 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 an 18% decrease over 2025 estimates. This decrease is attributed to moving to a lower cost solution for the District's telephone system. It is important to note that the E-Rate reimbursement revenue anticipated in 2026 is \$120,053, providing a significant offset to this expense.

Hardware Repair & Maintenance: IT repair and maintenance are budgeted to increase by \$10,468 over 2025 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 \$4,686 based on anticipated spending in 2026.

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 are expected to rise by 91% in 2026 over the 2025 estimated expenses. This increase is due to the implementation of E-Rate funded cyber security and the purchase of an enterprise-wide AI software. It is important to note that the E-Rate reimbursement revenue anticipated in 2026 is \$69,732 providing a significant offset to this expense.

The total increase in expenditures in the 2026 budget in comparison with 2025 estimated actual expenditures is 11% or \$1,494,973.

FUND BALANCE

The ending fund balance forecast in the 2026 general fund budget is \$4,006,795 which is the same as the ending 2025 estimated General Fund balance. This includes a transfer of \$2,306,602 from the General Fund to the Capital Project fund planned in the 2026 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 which equals \$539,700 and \$4,700 restricted for Nesbitt employee activities and the Chamberlain account.

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

	Actual 2024	Estimated 2025	Budget 2025	Budget 2026	Increase (Decrease)	%
REVENUES						
Property tax	15,884,412	13,886,131	14,146,123	16,311,368	2,425,237	17.5%
Specific ownership tax	1,266,800	1,132,653	1,110,000	1,110,000	(22,653)	-2%
Contracts, Grants, Gifts	350,104	402,430	4,733,108	380,624	(21,806)	-5%
Interest	328,412	267,966	90,000	90,000	(177,966)	-66%
Fines, Fees	7,471	25,912	18,000	13,000	(12,912)	-50%
Photocopier & Internet Copy Fees	65,890	32,880	34,000	45,000	12,120	37%
Nesbitt	4,251	3,566	-	-	(3,566)	0%
Café Sales	5,753	18,447	12,000	12,000	(6,447)	-35%
Chamberlain	12,482	10,200	10,000	10,000	(200)	0%
Miscellaneous	6,151	20,761	18,000	18,000	(2,761)	-13%
TOTAL REVENUES	17,931,726	15,800,946	20,171,231	17,989,992	2,189,046	13.85%
EXPENDITURES						
PERSONNEL						
Salaries	5,839,860	6,031,589	6,396,094	6,606,056	574,467	10%
PERA	839,398	874,008	947,262	1,043,757	169,749	19%
Workers compensation	23,974	41,830	31,283	57,808	15,978	38%
Employee insurance	662,986	906,999	814,012	932,294	25,295	3%
Unemployment compensation	10,969	11,281	19,188	19,818	8,537	76%
Medicare trust	80,985	89,333	92,743	95,788	6,455	7%
Employee relations	57,120	48,538	62,400	65,000	16,463	34%
Employee training	86,194	92,121	115,475	123,825	31,704	34%
TOTAL PERSONNEL	7,601,485	8,095,699	8,478,457	8,944,346	848,647	10%
MATERIALS & SERVICES						
Books, periodicals, AV, databases	1,600,212	1,633,546	1,716,513	1,743,600	110,054	7%
Bindery/processing supplies/services	108,876	94,115	110,500	110,500	16,385	17%
Library programs	238,185	259,036	4,503,585	285,639	26,603	10%
TOTAL MATERIALS	1,947,273	1,986,697	6,330,598	2,139,739	153,042	8%
FACILITIES						
Utilities	490,408	501,388	529,644	578,133	76,745	15%
Vehicle maintenance	22,332	15,433	20,000	20,000	4,567	30%
Building repair & maintenance	622,442	584,138	485,951	595,856	11,718	2%
Rent	32,240	34,178	34,232	35,259	1,081	3%
Lease/purchase of buildings	1,246,913	1,250,413	1,250,413	1,248,725	(1,687)	0%
Insurance	121,924	203,774	204,496	229,679	25,905	13%
Friends expenditures	12,988	17,148	20,000	20,000	2,852	17%
TOTAL FACILITIES	2,549,245	2,606,472	2,544,736	2,727,652	121,181	5%

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

OPERATING

Contract Services	599,887	506,916	533,371	597,791	90,875	18%
County Treasurer's fees	236,080	227,437	212,192	244,671	17,234	8%
Community relations	27,313	24,036	36,200	65,700	41,664	173%
Professional memberships	14,375	17,329	17,335	16,958	(371)	-2%
Office supplies, equipment	80,647	55,685	56,064	63,819	8,134	15%
Photocopiers	21,493	26,907	32,392	32,392	5,485	20%
Café service	88,683	78,787	92,411	90,000	11,213	14%
Courier service	417	616	1,300	1,300	684	111%
Postage & freight	30,901	36,609	46,000	48,000	11,391	31%
Nesbitt	5,150	3,717	3,545	3,545	(172)	0%
Chamberlain	12,000	10,200	10,000	10,000	(200)	0%
TOTAL OPERATING	1,116,945	988,239	1,040,810	1,174,176	185,937	19%

INFORMATION TECHNOLOGY

Telecommunications	210,036	226,839	565,711	186,511	(40,328)	-18%
Hardware repair & maintenance	14,477	12,532	12,000	23,000	10,468	84%
Technology Supplies	43,430	40,314	37,000	45,000	4,686	12%
Technology mtce, licenses, support	198,020	231,626	403,387	442,966	211,340	91%
TOTAL INFORMATION TECHNOLOGY	465,963	511,311	1,018,098	697,477	186,166	36%
TOTAL EXPENDITURES	13,680,912	14,188,417	19,412,699	15,683,390	1,494,973	11%

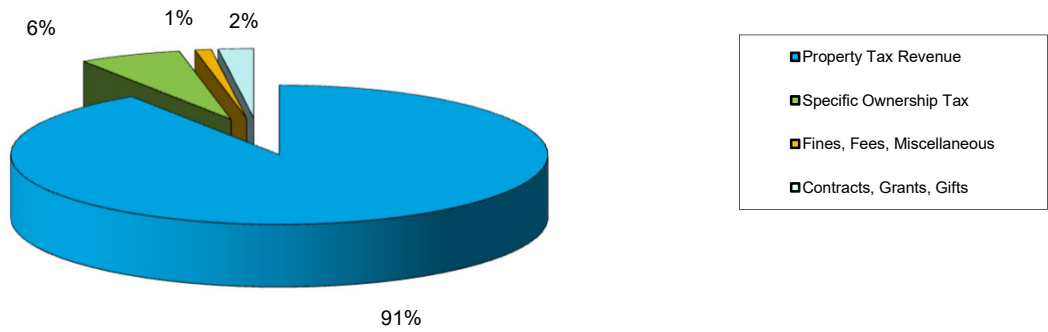
**PUEBLO CITY-COUNTY LIBRARY DISTRICT
GENERAL FUND**

	Actual Prev.year 2024	Estimated Curr.year 2025	Budget 2025	Budget 2026	Increase (Decrease)	%
SUMMARY						
REVENUES						
Property tax revenue	15,884,412	13,886,131	14,146,123	16,311,368	2,425,237	17%
All other sources	2,047,313	1,914,815	6,025,108	1,678,624	(236,191)	-12%
TOTAL REVENUES	17,931,725	15,800,946	20,171,231	17,989,992	2,189,046	14%
EXPENDITURES						
PERSONNEL	7,601,485	8,095,699	8,478,457	8,944,346	848,647	10%
MATERIALS & SERVICES	1,947,273	1,986,697	6,330,598	2,139,739	153,042	8%
FACILITIES	2,549,245	2,606,472	2,544,736	2,727,652	121,181	5%
OPERATIONS	1,116,945	988,239	1,040,810	1,174,176	185,937	19%
INFORMATION TECHNOLOGY	465,963	511,311	1,018,098	697,477	186,166	36%
TOTAL EXPENDITURES	13,680,913	14,188,417	19,412,699	15,683,390	1,494,973	11%
Beginning fund balance	2,715,786	4,556,600	4,556,600	4,006,795	(549,806)	-12%
Transfer in/out Capital Project Fund	(2,410,000)	(2,162,335)	(2,162,335)	(2,306,602)	(144,267)	
Transfer in/out Special Revenue Fund	-	-	-	-	-	
EXCESS Revenues - Expenditures (Reserve increase)	4,250,812	1,612,529	758,532	2,306,602	694,073	43%
NET (ending fund balance)	4,556,600	4,006,795	3,152,797	4,006,795	-	0%

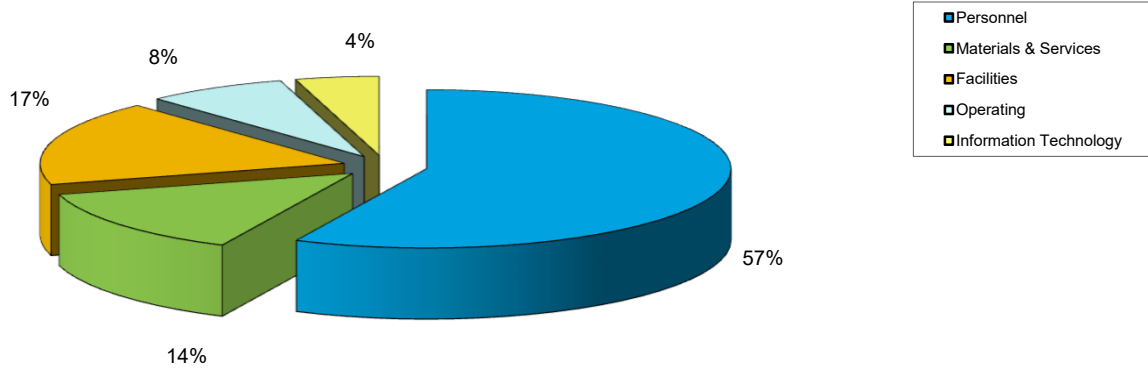
NET ASSESSED VALUATION - \$ 2,514,876,547
THE BUDGETARY BASIS OF ACCOUNTING USED IN THIS BUDGET IS MODIFIED ACCRUAL.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
2026 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

REVENUES

CONTRIBUTIONS, GIFTS, GRANTS: Contributions, gifts and grants totaling \$100,000 this funding is conservative estimate of gifts and grants that may be received in 2026, in addition to E-Rate funding of \$41,841.

MISCELLANEOUS REVENUE: A reimbursement from PURA for the Rawlings Elevator Modernization project of \$113,603 is expected in 2026.

INTEREST EARNINGS: Interest earned on cash holdings is budgeted at \$100,000 for 2026.

EXPENDITURES

Master Facility Plan Projects: There are no renovation plans to any libraries in 2026.

Capital Asset Repair & Maintenance: Capital asset repair and maintenance expenditures and contingency funds totaling \$167,000 are budgeted for 2026. This includes lighting upgrades and stucco and paint at the Greenhorn Valley branch, landscape and concrete repairs at Rawlings.

Capital Asset Acquisitions. Several Library Replacement Plan items are budgeted for such as new security gates at multiple library locations, a Conex storage container for the District, and various IT equipment purchases. Capital asset acquisitions for 2026 are budgeted at \$518,184

Building Construction and Improvements. Building improvement expenditures includes a significant elevator modernization for the Rawlings library branch, a roof wall repair and a contingency for a potential HVAC unit replacement both at the Pueblo West library branch. Building improvements are budgeted at \$1,052,000.

Total capital fund spending in 2025 is budgeted at \$1,737,184.

OTHER FINANCING SOURCES/USES

TRANSFER IN FROM THE GENERAL FUND: In 2026, there is a budgeted transfer of \$2,306,602 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 \$355,444.

FUND BALANCE

The fund balance forecast in the 2026 Capital Project fund budget is \$3,583,664. 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 2024	Estimated Curr.year 2025	Budget 2025	Budget 2026	Increase (Decrease)
REVENUES					
Contributions, gifts, grants	291,940	450,909	1,010,400	141,841	(309,068)
Miscellaneous revenue	-	-	-	113,603	113,603
Interest earnings	246,590	122,958	100,000	100,000	(22,958)
TOTAL REVENUES	538,530	573,867	1,110,400	355,444	(218,423)
EXPENDITURES					
Capital Asset Repair & Maintenance	17,220	93,000	88,000	167,000	74,000
Capital Asset Acquisitions					
Information Technology	583,204	274,088	412,704	345,884	71,796
Furniture, Fixtures, Equipment	24,633	63,235	81,431	172,300	109,065
Building Constuction and Improvements	3,661,411	3,336,860	4,244,326	1,052,000	(2,284,860)
TOTAL CAPITAL ASSET EXPENSE	4,286,468	3,767,182	4,826,461	1,737,184	(2,029,998)
TOTAL EXPENDITURES	4,286,468	3,767,182	4,826,461	1,737,184	(2,029,998)

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

SUMMARY	Actual Prev.year 2024	Estimated Curr.year 2025	Budget 2025	Budget 2026	Increase (Decrease)
REVENUES					
Contributions, grants, gifts	291,940	450,909	1,010,400	141,841	(309,068)
Miscellaneous revenue	-	-	-	113,603	113,603
Interest earnings	246,590	122,958	100,000	100,000	(22,958)
TOTAL REVENUES	538,530	573,867	1,110,400	355,444	(218,423)
EXPENDITURES					
Capital Asset Expenditures	<u>4,286,468</u>	<u>3,767,182</u>	<u>4,826,461</u>	<u>1,737,184</u>	<u>(2,029,998)</u>
TOTAL EXPENDITURES	4,286,468	3,767,182	4,826,461	1,737,184	(2,029,999)
Beginning fund balance	5,027,720	3,689,782	3,689,782	2,658,802	(1,030,980)
Other Financing Sources (Uses)	-	-	-	-	-
Transfer in from General Fund	2,410,000	2,162,335	2,162,335	2,306,602	144,267
Transfer out to General Fund	-	-	-	-	-
EXCESS Revenues - Expenditures (Reserve increase)	(3,747,938)	(3,193,315)	(3,716,061)	(1,381,740)	1,811,575
NET (ending fund balance)	<u>3,689,782</u>	<u>2,658,802</u>	<u>2,136,056</u>	<u>3,583,664</u>	<u>924,862</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
2026 BUDGET**

	General Fund	General Fund Budget Percentages	Capital Project Fund	Total Combined Funds	% of Total PCCLD budget
REVENUES					
Property tax	16,311,368	91%	-	16,311,368	88.91%
All other	1,678,624	9%	355,444	2,034,068	11.09%
TOTAL REVENUES	17,989,992	100%	355,444	18,345,436	100.00%

EXPENDITURES					
Personnel	8,944,346	57%	-	8,944,346	51.34%
Materials & Services	2,139,739	14%	-	2,139,739	12.28%
Facilities	2,727,652	17%	1,391,300	4,118,952	23.64%
Operations	1,174,176	7%	-	1,174,176	6.74%
Information Technology	697,477	4%	345,884	1,043,361	5.99%
TOTAL EXPENDITURES	15,683,390	100%	1,737,185	17,420,574	100.00%

Beginning Fund Balance	4,006,795		2,658,802	6,665,596
Excess: Revenues over Expenditures	2,306,602		(1,381,741)	924,861
Transfers In/Out	(2,306,602)		2,306,602	-
Ending Fund Balance	4,006,795		3,583,663	7,590,458
Combined Fund balance as a % of operating expense				48%

BREAKDOWN OF ENDING FUND BALANCE ***

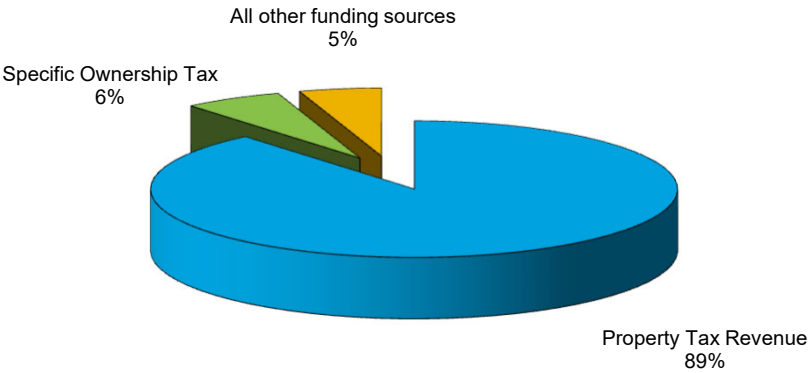
*** Reserves and unrestricted funds	
3% emergency reserve	539,700
Nesbitt & Chamberlain	4,700
Unrestricted fund balance	7,046,058

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

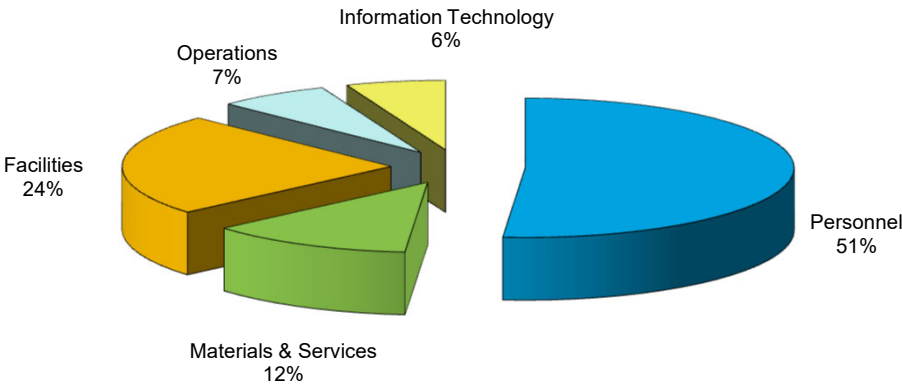
Fund - combined for revenues, expenditures and fund balance.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
2026 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%