



Budget Message – 2023 Draft Budget *Clearview Library District*

October 15, 2022

Dear Clearview Library Board of Trustees and Clearview Library District Taxpayers:

It is my pleasure to submit to you our 2023 budget. This budget was prepared by the library director with input from the Clearview Library District administrative team.

In 2022, the library district embarked on three capital projects as outlined in the Facilities Plan adopted by the library board in April 2021. An office building in Windsor was purchased late in 2021. A building team was hired consisting of an owner's representative, an architectural design firm and a construction management firm. The architectural firm prepared a design which was approved by a building committee consisting of board members, administrative staff and the owner's representative. Work began on the project in August, 2022 and will be completed by the end of December, 2022. The design of a remodel for the Windsor Severance Library also began in 2022 and construction will begin in January, 2023. The third project, building a branch library in the northern part of the library district also began in 2022. The library district purchased land from the Town of Severance and the architectural team began designing the building. The site plan has been submitted to the Town of Severance Planning Dept. for review. To finance the library in Severance, the district obtained a lease from Glacier Banks which will fund a large portion of the project. A \$500,000 grant was also received from the Colorado Department of Local Affairs(DOLA). The remaining funds will come from the district's reserves.

The district will experience increased operating costs in 2023 with the addition of the administrative services building on Ash St., operation of a courier van and the increased costs of materials and supplies due to inflation. Staff salaries and benefits are also increasing as the district replaces some of the part-time positions with full-time positions with benefits in order to increase staff retention. Salaries and benefits have been added to the budget for the last quarter of 2023 for the branch library in Severance which is tentatively scheduled to open late in 2023.



Revenue

The Clearview Library District is funded by a mill levy assessed against property owners and businesses within the library district boundaries. The property assessment figure from Weld County for the 2023 budget cycle is \$ 1,604,147,993 which will generate \$5,688,308 in property tax revenue for the library district. Revenue from sources other than property taxes totals \$383,107. The total anticipated operating revenue for the Clearview Library District for 2023 is \$ 6,071,415. This is a 38% increase from 2022 revenue.

The lease funding obtained in 2022 from Glacier Banks, reserve funds, and a DOLA grant of \$500,000 will fund construction costs for the 10,000 sq. ft. branch in the northern part of the library district. Reserve funds will be used to fund the Windsor Severance Library renovation.

Highlights of Expenditures

Projected operating expenditures for 2023 are \$463,332 or 11% more than the 2022 budgeted expenditures. This increase can be attributed to the full year of the payment and interest on the lease for the branch library in Severance, increased staffing costs including higher health insurance costs, and increased operating costs for the administrative services facility.

Salaries and Related Expenses, \$2,980,647 or 63% of the district's projected expenditures is attributable to an increase in the number of full-time positions and increases in the cost of benefits. Part-time positions were converted to full-time positions to increase staff retention rates.

Materials, \$411,500 or 9% of the projected expenditures. The library district continues to see an increase in the use of ematerials and streaming services. The branch in the northern part of the district will increase the number of books and other materials to be purchased.

Lease Payment, \$356,622 or 8% of the projected expenditures. This is the annual payment plus interest on the lease to fund the construction cost of a branch library in the northern part of the library district. The lease will be paid off in 2041 and may be paid off earlier if funding allows.

IT, \$213,750 or 4% of the projected expenditures. Having 2 facilities and a third by the end of 2023 will increase IT costs.



Clearview Library District 2023 Draft Budget

	2022 Budget	Projected 2022	2023 Budget
Revenue			
Property Tax	\$ 4,155,604	\$ 4,081,786	\$ 5,688,308
Specific Ownership Tax	\$ 210,000	\$ 247,450	\$ 230,000
Other Income	\$ 22,914	\$ 194,692	\$ 153,107
Total Operating Revenue			
Total Operating Revenue	\$ 4,388,518	\$ 4,523,928	\$ 6,071,415
Expense			
Bookmobile	\$ 19,500	\$ 16,616	\$ 22,000
IT	\$ 187,150	\$ 226,661	\$ 213,750
Materials	\$ 398,000	\$ 282,894	\$ 411,500
Operating Expenses	\$ 519,203	\$ 385,064	\$ 500,625
Programming	\$ 59,000	\$ 50,102	\$ 60,000
Public Relations	\$ 98,400	\$ 25,844	\$ 98,400
Salaries and Wages	\$ 2,015,268	\$ 1,614,479	\$ 2,291,672
Benefits	\$ 569,982	\$ 431,724	\$ 688,975
Professional Development	\$ 14,000	\$ 14,526	\$ 24,600
Capital	\$ 45,000	\$ 2,041	\$ 83,707
Lease Payment - Branch	\$ 363,015	\$ 270,393	\$ 356,622
Total Operating Expense			
Total Operating Expense	\$ 4,288,518	\$ 3,320,343	\$ 4,751,850
Total Capital Expense			
Total Capital Expense	\$ 8,530,003	\$ 1,698,810	\$ 8,683,478
Total Expense			
Total Expense	\$ 12,818,521	\$ 5,019,153	\$ 13,435,328
Branch Lease - Glacier Banks			
Branch Lease - Glacier Banks	\$ 5,686,076	\$ 5,165,294	\$ 5,165,294
DOLA Grant			
DOLA Grant			\$ 500,000
Transfers			
Transfer from Reserves	\$ 2,643,927	\$ 495,225	\$ 1,698,619
Transfer to Reserves	\$ 100,000	\$ -	\$ -
Net Income			
Net Income	\$0	\$0	\$0



The public is invited to attend the budget hearing for the 2023 budget at 5:30pm, October 27, 2022 at the regular meeting of the library board.

Respectfully submitted,
Ann Kling, Library Director
October 14, 2022