



Budget Message – 2024 Draft Budget ***Clearview Library District***

October 15, 2023

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

It is my pleasure to submit to you the 2024 draft budget for the Clearview Library District. This budget was prepared by the library director with input from the Clearview Library District administrative team and library trustees.

In 2023, the library district completed the second project recommended in a *Plan for the Future*, the library district's facilities plan, which was adopted by the Library Board in 2021. The renovation of the Windsor Severance Library began in January 2023 and was completed in March. The third project, building a branch library in the Town of Severance, began with a ground-breaking ceremony in May, 2023 and is well underway, with an anticipated completion date of February 2024.

With the addition of the branch library in Severance the district will experience increased building operating costs in 2024 along with the staffing costs that are associated with a growing library district.

Revenue

The Clearview Library District is funded by a mill levy assessed against property owners and businesses within the library district boundaries. The preliminary property assessment figure from Weld County for the 2024 budget cycle is \$2,376,586,566 which will generate \$8,427,376.00 in property tax revenue for the library district. This is a 47% increase in property tax revenue from 2023. Revenue from sources other than property taxes is projected at \$669,586. The total anticipated operating revenue for the Clearview Library District for 2024 is \$9,096,962.

The large increase in property tax revenue can be attributed to oil and gas. 53% of the district's tax revenue comes from the oil and gas industry, 28% is derived from residential, 10% from commercial, and 6% from industrial. The remaining 3% is from agricultural, minerals and vacant land. Oil and gas revenue has helped the district accomplish its long-term building goals.

A lease of \$5,760,000 obtained in 2022 from Glacier Banks, library district reserve funds, and a Colorado Department of Local Affairs (DOLA) Energy Impact Grant of \$500,000 will continue to fund construction costs for the 10,000 sq. ft. branch in the town of Severance.

Highlights of Operating Expenditures

Projected operating expenditures for 2024 are \$6,063,662, a 25% increase over 2023 budgeted expenditures. As the district opens a branch in the Town of Severance there will be increased costs for operations including wages, administration, programming, and materials.

Salaries and Benefits, \$3,878,337 or 64% of the projected expenditures. The district will be adding staff to operate the library in Severance at 40 hours a week. In addition, the library district is adding a facilities supervisor, a customer service manager, additional IT assistants, programming assistants, outreach assistants, courier drivers, a financial assistant, and a communications assistant.

Materials, \$509,500 or 8% of the budget, will be used to purchase additional physical materials and ematerials which continue to grow in popularity.

Lease Payment, \$356,606 or 6% of the projected expenditures. This is the annual payment plus interest on the Glacier Banks lease to fund the construction costs of the branch library in Severance. The lease will be paid off in 2041 and may be paid off earlier if funding allows.

IT, \$231,157 or 4% of the projected expenditures. The library district will be adding a discovery layer to our catalog which will enhance the patron's ability to find library materials.

Capital for Existing Facilities \$157,500 or 3% of the projected expenditures. Security and energy saving improvements will be made to the district's existing facilities.

Operating \$693,413 or 11% of the projected expenditures. Operating expenses include items such as utilities, insurance, security monitoring, auditing, legal, phone service, copier and other costs associated with running our facilities.

Highlights of Capital Expenditures: Branch Project, Renovation of the Windsor Severance Library, Purchase and Renovation of the Administration Building (Ash St.)

Construction began on the library branch in Severance in May, 2023. The building is currently on schedule to be completed in February of 2024 and open to the public in late March.

The library district purchased the property west of Severance Town Hall from the Town of Severance in January 2022. The library district was also required to purchase 2 water shares. In March of 2022, the district obtained a \$5,760,000 lease from the Bank of San Juan's, Glacier Banks, at a 2.09% rate. A competitive \$500,000 grant was received from the Colorado Dept. of Local Affairs (DOLA). The remainder of the budgeted building costs will



come from the library district's reserve funds. A summary of building project costs can be found below the 2024 Draft Budget.

Clearview Library District					
2024 Draft Budget					
					%
	2022 Actual	2023 Budget	Estimated YTD	2024 Budget	Increase
Revenue					
Property Tax	4,114,170	5,736,273	5,715,837	8,427,376	47%
Specific Ownership Tax	246,177	230,000	246,066	245,000	7%
Other Income	212,445	153,107	426,485	424,586	177%
Total Operating Revenue	4,572,792	6,119,380	6,388,388	9,096,962	49%
Expense					
IT	218,101	213,750	178,347	231,157	8%
Materials	297,809	411,500	319,545	509,500	24%
Operating Expenses	396,466	501,494	370,474	693,413	38%
Programming	47,865	60,000	54,933	87,500	46%
Public Relations	22,129	98,400	28,315	123,650	26%
Vehicles	20,313	22,000.00	15,663.18	26,000.00	18%
Salaries and Wages	1,739,992	2,346,659	2,037,432	2,871,317	22%
Benefits	479,482	754,974	567,270	1,007,020	33%
Lease Payment - Branch	270,288	356,622	356,622	356,606	0%
Capital - Existing Facilities	34,670	83,707	33,128	157,500	88%
Total Operating Expense	3,527,115	4,849,106	3,961,729	6,063,662	25%
Operating overage to reserves	1,045,677	1,270,274	2,426,659	3,033,300	
Capital Projects Revenue Severance	5,760,000				
Capital Projects Revenue Prior Year					
Glacier Banks/ Lease Severance Branch		5,165,294	3,535,539	1,629,756	
DOLA Grant/Severance Branch		500,000	303,383	196,617	
Total Capital Projects Revenue Prior Year		5,665,294	3,838,922	1,826,373	
Capital Projects Expense					
Capital Project/Windsor Branch	134,240	1,062,226	973,325	-	
Capital Project/Ash Street	549,570	-	32,267	-	
Capital Project/Severance Branch	918,958	7,621,252	3,535,539	3,155,541	
Total Capital Projects Expense	1,602,768	8,683,478	3,541,132	3,155,541	
Transfers					
Transfer to Reserves	1,045,677		-	1,704,131	
Transfer from Reserves/Building Projects		1,747,910	815,723	1,329,169	
Net Income	-	0	(1,114,472)	-	



Clearview Library District Capital Projects 2022-2024				
Project Costs				
Administration Building (Ash St.) Purchase 2021*	\$750,000.00			
Administration Building (Ash St.) Remodel	\$620,716.96			
Windsor Severance Library Remodel	\$1,208,646.70			
Branch Library in Severance	\$7,610,039.27			
Total Cost	\$10,189,402.93			
Revenue for Projects				
Administration Building(Ash St.)				
Library District Reserve Funds	\$620,716.96			
Windsor Severance Library Remodel				
Library District Reserve Funds	\$1,208,646.70			
Branch Library in Severance				
Bank of San Juan's, Glacier Banks	\$5,760,000			
DOLA Grant	\$500,000			
Library District Reserve Funds	\$1,350,039.27			
Total Reserve Funds To Be Expended for Projects	\$3,179,403			
Expenditures		2022	2023 Projected	2024 Budget
Adiministration Building (Ash St.)				
Renovation Costs		\$549,570	\$32,267	\$0
Windsor Severance Library Renovation				
Renovation Costs		\$134,240	\$973,325	\$0
Branch Library in Severance				
Expenditures		\$918,958	\$3,535,539	\$3,155,541
*Ash St was purchased from the 2021 Operating Budget				

The public is invited to attend the budget hearing for the 2024 budget at 5:30pm, October 26, 2023 at the regular meeting of the library board, Windsor Severance Library, 720 3rd St, Windsor, CO 80550

Respectfully submitted,
Ann Kling, Library Director
October 14, 2023