

## **Budget Message – 2024 Amended Budget**

### ***Clearview Library District***

July 1, 2024

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

The 2024 Amended Budget for the Clearview Library District is presented below.

The third project in the Library District's facilities plan, building a branch library in the Town of Severance, began with a ground-breaking ceremony in May, 2023. The building was open to the public on April 7, 2024. Costs for the completion of the project have been adjusted in the Amended Budget. In addition, the Library District may have an opportunity to improve the property on Main Street in Windsor by adding water and sewer lines as part of a project that is being undertaken by Lot Holding. Lot Holding is developing their property to the east of the library district's property. The Library Board has not yet voted on this improvement.

There are no changes to the operating budget adopted by the Library Board on January 4, 2024. Changes to the capital projects budget can be found in the Amended Budget.

#### **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 2024 budget cycle is \$2,321,924,310, which will generate \$8,233,544 in property tax revenue for the library district. This is a 44% 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 \$8,903,130.

The large increase in property tax revenue can be attributed to oil and gas. 54% of the district's tax revenue comes from the oil and gas industry, 26% is derived from residential, 10% from commercial, and 6% from industrial. The remaining 4% 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 \$6,219,083, a 28% 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**, \$3,921,130 or 63% 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, an additional IT assistant, programming assistants, mobile services assistants, courier drivers, an accounting 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**, \$253,200 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** \$250,000 or 4% of the projected expenditures. Security and energy saving improvements will be made to the district's existing facilities.

**Operating** \$690,505 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**

Construction began on the library branch in Severance in May, 2023. The building was opened to the public on April 7, 2024

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.

**Windsor Library** - \$19,735

**Severance Project Completion** - \$2,500,000

**Main St. Property** - \$600,000

Clearview Library District 2024 Amended Budget			
	2024 Budget	Amended 2024 Budget	Increase (Decrease)
Revenue			
Property Tax	8,233,544	8,233,544	-
Specific Ownership Tax	245,000	245,000	-
Other Income	424,586	424,586	-
<b>Total Operating Revenue</b>	<b>\$ 8,903,130</b>	<b>8,903,130</b>	-
Expense			
IT	253,200	253,200	-
Materials	509,500	509,500	-
Operating Expenses	690,505	690,505	-
Programming	87,500	87,500	-
Public Relations	124,643	124,643	-
Vehicles	26,000	26,000	-
Salaries and Wages	2,899,805	2,899,805	-
Benefits	1,021,325	1,021,325	-
Lease Payment - Branch	356,606	356,606	-
Capital - Existing Facilities	250,000	250,000	-
<b>Total Operating Expense</b>	<b>\$ 6,219,083</b>	<b>\$ 6,219,083</b>	-
<b>Operating overage to reserves</b>	<b>\$ 2,684,047</b>	<b>\$ 2,684,047</b>	-
DOLA Grant/Severance Branch	173,440	263,008	89,568
Capital Project/Windsor Branch	-	(19,735)	(19,735)
Capital Project/Severance Branch	(1,523,660)	(2,500,000)	(976,340)
Capital Project/Main St. Property Improvement	-	(600,000)	(600,000)
<b>Net Capital Projects Expense</b>	<b>\$ (1,350,220)</b>	<b>\$ (2,856,727)</b>	<b>(1,506,507)</b>

The public is invited to attend the July 25, 2024 meeting of the Library Board at the Windsor Severance Library, 720 3<sup>rd</sup> St, Windsor, CO 80550, 5:30 pm. The Library Board will be voting to approve the amended budget.

Respectfully submitted,  
 Ann Kling, Library Director  
 July 19, 2024