



WELD COUNTY, COLORADO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2016



High Plains Library District

2650 W. 29th Street
Greeley, Colorado 80631

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended December 31, 2016

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Elena Rosenfeld

Prepared by:
Natalie Wertz
Finance Manager

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June 1, 2017

To the Members of the Board of Trustees and Patrons of the High Plains Library District:

State Law requires that the High Plains Library District (HPLD) publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the HPLD for the fiscal year ended December 31, 2016.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the HPLD has established a system of internal controls that are designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Anderson & Whitney, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended December 31, 2016 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and evaluating the overall financial statement presentation.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The High Plains Library District's MD&A can be found immediately following the report of the independent auditors.

Profile of the District

The District is a "Library District" established through Colorado State Statute (C.R.S. 24-90-110) and governed by the Colorado Library Law, Article 90 of Title 24, Colorado Revised Statutes, as amended (the "Act"). The District was established on September 11, 1985 by the Weld County Board of County Commissioners, the city councils of Evans, Fort Lupton, Greeley, the town boards of Ault, Eaton, Hudson, and the Governing Board of Fort Lupton School District Number RE-8. The District is fiscally, managerially and operationally an independent political subdivision of the State of Colorado.

There are seven branch libraries and two outreach vehicles that provide services to patrons throughout the High Plains Library District. Three branches are in the City of Greeley, and one each in Erie, Evans, Firestone, and Kersey. The towns of Ault, Eaton, Hudson, Johnstown, Platteville, and the city and school district of Fort Lupton, which are located within the District's boundaries, own and operate their own library facilities. The District provides centralized support services to these locations. The citizens of these municipalities pay ad valorem property taxes to the District as District residents. By contract with the municipalities two-thirds of those ad valorem property taxes are then given to these towns for library operations and capital expenditures. The District retains one-third for providing centralized support services and other purposes. The District operates public computer centers (PCCs) located in Greeley and Evans, and supports technology at PCCs located in Lochbuie, Milliken, and Nunn. Affiliated Libraries consist of the Poudre Learning Center in Greeley and the Hazel E. Johnson Research Center, located within the City of Greeley Museum. Book deposits are at the Briggsdale Library, Hill and Park Senior Center, Milliken Senior Center, Pierce Senior Center, and the Prairie View Senior Center in Hudson.

The Weld Library Finance Corporation (WLFC) was formed in 2001 for the purpose of purchasing, leasing or otherwise acquiring certain real property and to construct or install certain improvements in the service area of the District. The WLFC is included as a blended component unit within the financial statements of the District.

Administrative and support departments include Collection Resources, Executive Director, Finance, Facilities Services, Foundation, Human Resources, Information Technology, Outreach, and Community Relations and Marketing, all located at the District's Administration and Support Services building.

Management and control of the District is vested in a board of trustees consisting of seven members, all of whom are appointed by a committee of elected officials representing the entities that established the District. Trustees serve staggered four-year terms. The trustees hold regular monthly meetings and special meetings when necessary. Board members are prohibited by law from receiving compensation for their services; however, they may be reimbursed for necessary travel, training or miscellaneous expenses.

The annual budget serves as the foundation for the High Plains Library District's (HPLD) financial planning and control. HPLD is required to file a certified copy of the budget with the State of Colorado Division of Local Government by January 31 of each year. The HPLD begins the budgeting process in July of each year and develops a proposed budget. The Executive Director presents this proposed budget to the Board of Trustees for review and approval on or before October 15. The deadline for certification of mill levies to the Boulder County and Weld County Commissioners is December 15. The Board of Trustees is required to hold public hearings on the proposed budget and to adopt a final budget on or before December 31, the close of the District's fiscal year. The budget is prepared by fund, account, location, and department. Budget-to-actual comparisons are provided in this report for the general fund, debt service fund, and when applicable the capital projects fund.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the High Plains Library District operates.

Local economy: The Colorado economy continued to improve during 2016 with slower growth projected for 2017. The labor market in Colorado continues to be strong with a reported unemployment rate of 2.7 percent for December 2016. Inflationary pressures are expected to remain moderate. Inflation in Colorado was reported to be 2.8 percent in 2016.

In November and December of 2016 the Weld County unemployment rate fell to 2.6 percent, which was the lowest reported in 16 years. Economic activity continued to gain momentum in 2016. Although growth was limited in 2016, improvements occurred in major sectors of the economy, particularly construction and oil and gas, placing the economy on a healthier footing for stronger expansion in the coming years. The labor market continued to incrementally improve, while gains in oil and gas and construction helped drive growth.

The Weld County economy continues to be one of the strongest in the state. The unemployment rate continues to decline and consumer spending continues to outpace the rest of the state. Oil and gas exploration and production, as measured by the number of rigs operating in the region, increased beginning in late 2016 and more rigs are expected to be added during 2017. This increase was the result of an increase in oil prices.

The northern Colorado region's real estate market continues to be active. While prices are projected to continue to rise in 2017 because of limited available housing inventory, growth may not be as rapid as in 2016, as increasing interest rates may dampen the market. The value of nonresidential projects continues to grow. This, along with housing growth, has also helped maintain steady growth in construction jobs for the region's labor market. Retail sales continue to be strong in Weld County. Consumer spending has outperformed the state.

Growth in the county's labor market remains steady. A primary driver of recent growth has been oil and gas development. With the impact of the recession on Colorado's economy, the oil and gas industry's jobs and monetary contribution played a critical role in our recovery, and its importance today has not waned. The industry continues to be an enormous driver to recovery from the recent recession and to the continued economic growth of Weld County and Colorado.

The continued impact of oil and gas development in the county touches on many aspects of the High Plains Library District (HPLD) currently, and in planning for the future. The energy development presents both challenges and opportunities for HPLD. As has been the case for the last four to five years, growth and development activity directly, or indirectly, related to oil and gas exploration seems to be a main economic driver in the majority of positive economic activities in Weld County. During the last few years, the County has seen several compressor stations, injection wells, new pipelines, and other oil and gas support and service industries seeking permits. Given the commitments of the large oil and gas companies in Weld County, the County seems primed to see considerable long-term investment and development in the oil and gas arena. Although the potential for the future of energy development in Weld County appears bright, it is not without risks. Oil and gas production in Colorado has risks associated with the potential of more government regulations and voter initiatives trying to restrict or limit fracking and limit drilling in Colorado communities. These regulatory risks, if implemented, could dramatically impact future oil and gas development in Colorado.

Historically, Weld County agricultural production has been the highest in the state and among the highest in the nation. Agricultural production continues to be a significant local economic factor. Beef cattle, milk, corn, hay, and wheat prices have declined making it increasingly difficult for farmers to generate profits.

In the summer of 2016 an international cheese producer began Phase 3 of the construction to complete their local factory. This phase is expected to be commissioned in November 2017. This construction is an additional investment of approximately \$10 million to the plant and is expected to add about 120 full-time jobs. In early 2017, a local meat processing company announced plans to invest approximately \$6.5 million to expand its plant facilities. Construction of that expansion has begun. That expansion is expected to add approximately 24 jobs. A national food company also recently announced plans to invest up to \$340 million to build a plant in the southwest area of the district. They are expecting to break ground this spring and the plant is expected to eventually employ up to 500 people.

As the High Plains Library District looks to 2017 and beyond, a number of challenges face the District to meet the ever changing and growing demands of its patrons to maintain the quality of service and product offerings that the patrons have grown to expect from their library district. The additional production of oil and gas during recent years has resulted in significant increases in the District's assessed value with the oil and gas production exceeding sixty-five percent of the District's total assessed valuation. The valuation decreased approximately twenty-three percent for the 2016 assessed values. Because of the volatility of production levels and price fluctuations of the oil and gas production, the District must prudently manage the property tax revenue created by the energy development. To assist the Board of Trustees in managing volatility in property tax revenue will be the continued utilization of the Capital Improvement Program, five-year planning horizon, and the ten-year forecast model used during the bi-annual budget preparation.

Although the financial health of the HPLD is currently excellent, it is important to look to the future issues, possible problems and alternative solutions to these problems. Besides the traditional role of budgeting to responsibly manage available current year funding, there must be a continued emphasis on long-term planning, recognition of the cumulative effect of individual decisions, an awareness of changing realities, flexibility, patron input in setting priorities, and a focus of goals and objectives consistent with the core philosophy and mission statement. Prioritizing services is essential and a practice that the HPLD does annually. It allows the HPLD to concentrate on high priority programs and stop providing those that patrons have little or no interest in.

Long-term financial planning: The District's bi-annual budget process includes the preparation of a five-year capital improvement plan (CIP) and a ten-year forecast of revenues and expenditures. The CIP identifies major construction and equipment needs that are on the horizon, as well as projections of those revenues dedicated for capital purchases. Also of keen interest is the continued view beyond five years as to how operational expenditures will be met by the known revenue sources.

A key component of the CIP is the District's commitment to maintaining its current infrastructure. Buildings and parking lots are evaluated annually, with resources dedicated to keeping infrastructure at acceptable quality levels and avoiding costly major repairs and reconstruction. While the five-year CIP is a planning tool that is subject to change, it allows the District to prepare for major capital needs as well as match those needs with the appropriate projected revenue sources.

Relevant financial policies: The Colorado Constitutional Amendment passed in November 1992, commonly known as the Taxpayer Bill of Rights (TABOR), restricts growth in governmental spending and revenues, with those amounts adjusted annually for inflation and a local growth factor. In November 1999, Weld County voters approved a referendum that allowed the HPLD to retain revenues that might otherwise have been refundable to citizens under the TABOR limits. As a result, the HPLD is able to retain any "excess" revenues and spend them for capital improvements, district operations and services, and other patron purposes. The District continues to be subject to other provisions of TABOR, including maintaining an emergency reserve equal to three percent of annual spending and the requirement for elections to approve any tax increase.

Major initiatives: The Certificates of Participation that were issued in 2006 were paid off in December 2016. This significantly reduced the debt burden on High Plains Library District. The Certificates of Participation that were issued in 2010 are scheduled to be paid off in 2019.

In early 2016, High Plains Library District received notice from the City of Greeley that to allow for development, the Lincoln Park Annex building would have to be vacated. In May 2016, the Lincoln Park branch was relocated to an interim location. Library operations continue at the new location as decisions are made regarding the future home site for the branch.

Looking ahead: HPLD budgeted revenues for fiscal year 2016 increased by 27%, compared to 2015. This allowed the District to provide funding to continue to provide quality library materials and programming, pay off the Certificates of Participation issued in 2006, and prepare to address the relocation of the Lincoln Park library as well as the need to enhance the Kersey library. The 2017 budget includes five million dollars to address the future home site of the Lincoln Park Library currently located in Downtown Greeley. Also included in the 2017 budget is four hundred thousand dollars for a joint project with the Town of Kersey for a new library, museum, and community center building.

During April 2014, the Towns of Ault, Eaton and Hudson, the City of Fort Lupton, RE8 School District in Fort Lupton, and the Weld County Commissioners, founding parties of the Weld Library District (now known as the High Plains Library District (HPLD)), approved respective resolutions, except for the City of Greeley and Evans, to remove all existing HPLD Board of Trustee members and approved appointment of nominees for the vacant positions. This all stemmed from the members stating that the HPLD Board of Trustees was not honoring the three conditions that were guaranteed by the creating documents: 1) Municipal retention of the title to their library property, 2) Continuation of local boards of library trustees to insure local control, and 3) The sharing of the library-related mill levies through 2/3-1/3 allocation of the property tax generated from the service area of the municipal libraries. The HPLD Board of Trustees sued seeking Declaratory Judgment and Injunctive Relief, granted by the District Court of Weld County, Colorado, as necessary and the only relief available under the law at this time. However, the current board is prohibited from entering into any new contracts without full agreement of all parties involved in this action, or without written Court approval if no agreement can be reached. By court order, the current board is authorized to continue implementation of policies or procedures previously adopted, but is not authorized to begin any new projects, or adopt new policies without approval. In April 2016, the Colorado Supreme Court denied the Defendants' request to hear an appeal to the case. The case was resolved by a settlement agreement between the parties that was approved in February 2017. Six new board members have been selected by the nominating committee and have been submitted to the founding parties for ratification.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the High Plains Library District for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2015. This was the fourteenth consecutive year that the High Plains Library District has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance and administration departments. We would like to express our appreciation to all members of the District who assisted and contributed to the preparation of this report. Credit also must be given to the Board of Trustees for their unfailing support for maintaining the highest standards of professionalism in the management of the High Plains Library District's finances. We would also like to express our appreciation to the audit firm of Anderson & Whitney, P.C. who provided guidance in preparing the annual report.

Respectfully submitted,



Janine Reid
Executive Director

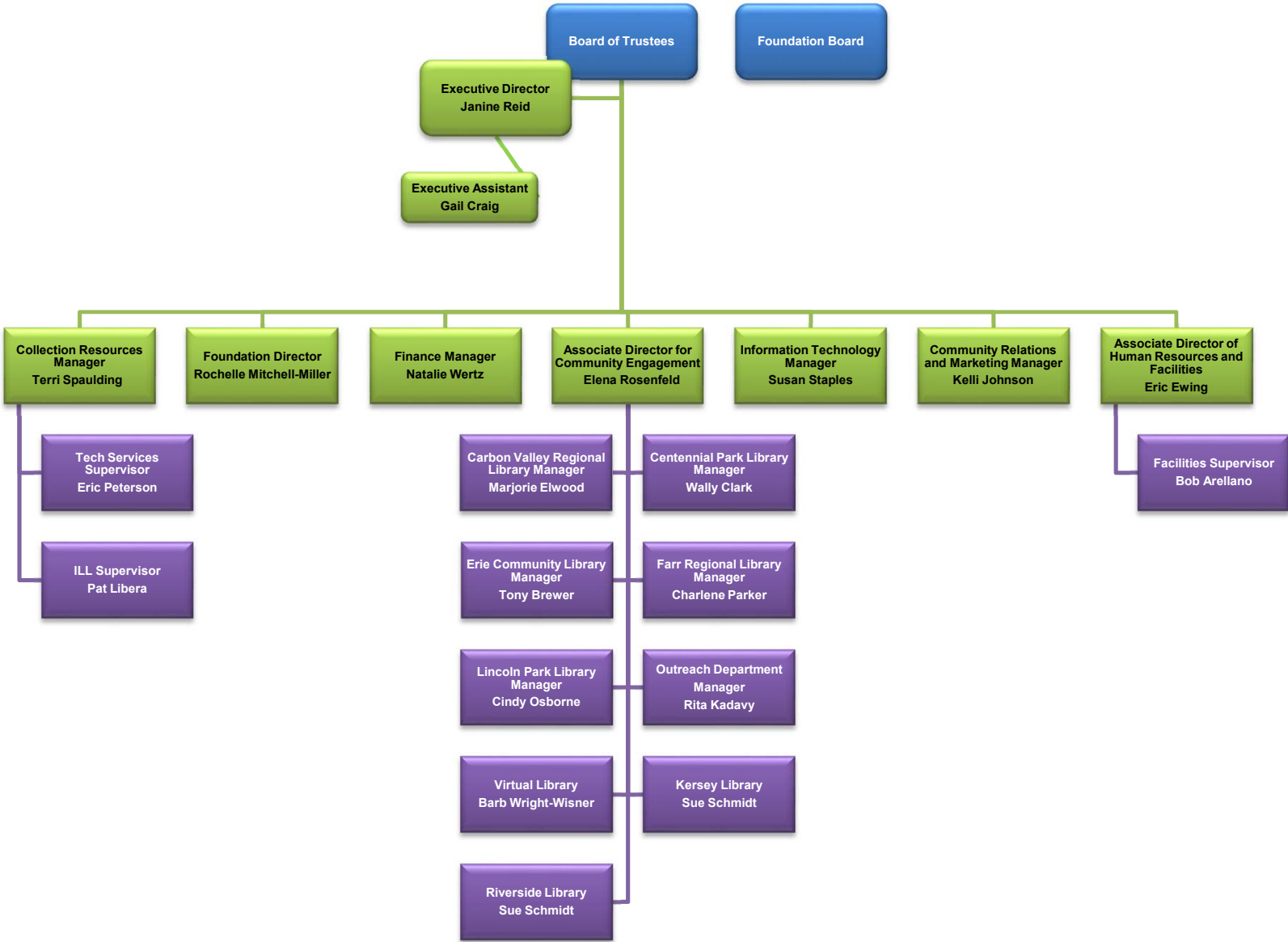


Natalie Wertz
Finance Manager

HIGH PLAINS LIBRARY DISTRICT PRINCIPAL DISTRICT OFFICIALS

Janine Reid Executive Director
Elena Rosenfeld Associate Director for Community Engagement
Eric Ewing Associate Director of Human Resources and Facilities
Kelli Johnson Community Relations and Marketing Manager
Rochelle Mitchell-Miller Foundation Director
Terri Spaulding Collection Resources Manager
Susan Staples Information Technology Manager
Natalie Wertz Finance Manager

HPLD Management Organization Plan





Government Finance Officers Association

**Certificate of
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**High Plains Library District
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO



Independent Auditors' Report

Board of Trustees
High Plains Library District
Greeley, Colorado

We have audited the accompanying financial statements of the governmental activities and the major funds of the High Plains Library District as of December 31, 2016, and for the year then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major funds of the High Plains Library District as of December 31, 2016, and the changes in its financial position and the General Fund budgetary comparison for the year then ended in conformity with accounting principles generally accepted in the United States.

Other Matters

Accounting principles generally accepted in the United States require that management discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the High Plains Library District. Such information is the responsibility of the management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Anderson & Whitney, P.C.

May 30, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report provides readers with a narrative overview and analysis of the financial activities of the High Plains Library District for the year ended December 31, 2016. We encourage readers to consider the information presented here in conjunction with the letter of transmittal and basic financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

- High Plains Library District's assets exceeded liabilities and deferred inflows by \$54.5 million at the end of 2016. Of this amount, \$21.3 million may be used to meet the District's ongoing obligations to patrons and creditors. The remaining \$33.2 million are capital assets or are restricted by law.
- The District's General Fund balance was \$22.9 million as of December 31, 2016. Of this amount, \$1.1 million is reserved for emergencies.
- The 2016 General Fund balance is \$3,156,607 higher than the previous year. The total fund balance is 66% of 2016 General Fund operating expenditures and transfers out.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements contain three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic statements, this report also contains other supplementary information including budgeting comparison statements for certain funds, and a statistical section.

Government-wide Financial Statements: The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances in a manner similar to a private sector business.

The *statement of net position* presents information on all of the District's assets, liabilities, and deferred resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the District's financial position is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

The government-wide financial statements can be found on pages 18-23 of this report.

Fund financial statements: A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. High Plains Library District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the High Plains Library District can be categorized as governmental funds.

Governmental funds: *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources, as well as on balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

High Plains Library District maintains two individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and Debt Service Fund. Individual fund data for the Debt Service Fund is provided in the form of a budget comparison schedule on page 38 of this report.

The basic governmental fund financial statements can be found on pages 18 through 23 of this report.

Budgetary comparisons: High Plains Library District adopts an annual appropriated budget for its funds. A budgetary comparison statement has been provided for the General Fund on pages 24 to 25 of this report. Budget to actual comparison for the Debt Service fund is provided on page 38.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26 through 37 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position: As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December 31, 2016, net position was \$54.5 million.

The following table provides a summary of the District's net position at December 31:

Table 1 - Net position (in Millions)		
	2016	2015
Assets		
Current and other assets	\$ 51.8	\$ 56.8
Capital assets	34.1	35.1
Total assets	85.9	91.9
Liabilities		
Current and other liabilities	1.9	2.2
Long-term liabilities	2.6	11.3
Total liabilities	4.5	13.5
Deferred Inflows		
Deferred Property Taxes	26.9	35.3
Net Position		
Net Investment in capital assets	31.2	22.8
Restricted	2.0	1.8
Unrestricted	21.3	18.5
Total net position	\$ 54.5	\$ 43.1

A significant portion of High Plains Library District's net position (39%) represents unrestricted net position of \$21.3 million, which may be used to meet the Library District's ongoing obligations to citizens and creditors.

Another significant portion of the Library District's net position (57%) reflects its investment in capital assets. These assets include land, buildings, furniture, and equipment. These capital assets are used to provide services to citizens; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. The District's outstanding debt consists of the certificates of participation for the remodel of various facilities. High Plains Library District has no other debt.

An additional \$2.0 million of the District's net position (4%) represents resources that are subject to external restrictions on how they may be used. Included in this category are the reserves for TABOR emergency and debt service requirements.

The following table indicates the changes in net position:

Governmental Activities	2016	2015
Revenues:		
General revenues:		
Property and specific ownership taxes	\$ 37,462,247	\$ 28,750,311
Investment earnings	214,921	159,022
Program revenues:		
Charges for services	101,381	156,912
Operating grants and contributions	122,808	178,235
Total revenues	37,901,357	29,244,480
Expenses:		
Library services	21,275,559	17,511,370
Operations and maintenance	3,287,026	2,798,450
Depreciation	1,360,260	1,401,706
Interest on long-term debt	519,145	580,418
Total expenses	26,441,990	22,291,944
Increase in net position	11,459,367	6,952,536
Beginning net position	43,101,187	36,148,651
Ending net position	\$ 54,560,554	\$ 43,101,187

Governmental activities

Governmental activities increased High Plains Library District's net position by \$11,459,367 in 2016. The key element to this change was the increased property taxes from anticipated increases in assessed property valuations for the 2016 collection year.

Expenses totaled a 19% increase over the previous year. Increases occurred due to normal wage inflation and costs of providing services to a growing patron population. Distributions to member libraries also increased as they are related to increased property taxes.

FINANCIAL ANALYSIS OF THE LIBRARY DISTRICT'S FUNDS

As noted earlier, High Plains Library District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds Overview: The focus of Library District governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Library District's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

As of the end of 2016, the combined ending fund balance of High Plains Library District governmental funds was \$23.8 million. Approximately 91% of this consists of unrestricted fund balance, which is available as working capital and for current spending in accordance with the purposes of the specific funds. The remainder of fund balance is restricted to indicate that it is not available for new spending because it is committed for the following purposes: 1) state-constitution mandated emergency reserve of \$1,123,404, and 2) a debt service reserve of \$956,155.

The District has two major governmental funds:

1. **General Fund.** This is the primary operating fund of the High Plains Library District. It accounts for all of the District's library services. The general fund balance was \$22.9 million as of December 31, 2016. The 2016 fund balance is \$3.2 million more than the previous year. As a measure of the General Fund liquidity, it may be useful to compare both unrestricted fund balance and total fund balance to total fund expenditures and transfers out. Unrestricted fund balance represents 63% of total 2016 expenditures and transfers out, while total fund balance is 66% of the same amount. The fund balance increased in 2016 as increased property taxes were more than the amounts transferred to the Debt Service Fund for early debt repayment.
2. **Debt Service Fund.** The debt service fund has a fund balance of \$956,155 all of which is restricted for the payment of debt. This balance increased slightly during the year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared according to Colorado statutes. The most significant budgeted fund is the General Fund.

In December of 2015, the Board of Trustees appropriated \$41.6 million for general fund expenditures and other financing uses, anticipating a decrease in the fund balance by \$4.4 million. The actual increase was \$3.2 million due to capital expenditures for new library facilities being shifted from 2016, and expenditures held under budget. The budget was not amended during the year.

Table		
2016 General Fund Budget		
(in Millions)		
	Budget	Actual
Beginning Fund Balance	\$ 19.7	\$ 19.7
Revenue	37.2	38.0
Expenditures and other financing uses	41.6	34.8
Ending Fund Balance	\$ 15.3	\$ 22.9

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: High Plains Library District's investment in capital assets for its governmental activities as of December 31, 2016 totals \$34.1 million (net of accumulated depreciation). This investment includes all land, buildings, opening day collections, furniture, and equipment.

Additional information on the District's capital assets can be found in Note 4 of this report.

Long-term debt: At December 31, 2016, High Plains Library District had outstanding long-term debt (principal amount) of \$3.145 million in Certificates of Participation (COP's), funded by lease payments for remodeling various facilities. Approximately \$8.4 million was repaid early on the COP's in 2016.

Additional information on High Plains Library District's debt can be found in Note 5.

OTHER MATTERS

The following factors are expected to have a significant effect on the High Plains Library District's financial position or results of operations and were taken into account in developing the 2017 budget:

- Continued growth in Weld County causes increased demands in all service areas of the library system.
- Oil and gas property tax revenues continue to be very volatile. Property tax revenue is expected to decrease by 23% in 2017 compared to 2016. Budgeted expenditures for 2017 include funding to lease a temporary facility for the Lincoln Park Library building as well as meet the demands placed by our patrons for library materials as well as increased programming for all ages.
- Interest rates continue to increase which will have a positive impact on investment income.
- The economy for the State of Colorado and Weld County continues to improve at a faster pace than the nation as a whole.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of High Plains Library District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided or for additional financial information should be addressed to the Finance Manager, 2650 West 29th Street Greeley, CO 80631.

HIGH PLAINS LIBRARY DISTRICT

GOVERNMENTAL FUNDS BALANCE SHEET/ STATEMENT OF NET POSITION

December 31, 2016	General Fund	Debt Service Fund	Total
<u>ASSETS</u>			
Cash and Investments	\$ 23,672,571	\$ 961,159	\$ 24,633,730
Receivables:			
Property taxes	26,930,379	-	26,930,379
Other assets	46,097	-	46,097
Capital Assets:			
Depreciable	-	-	-
Nondepreciable	-	-	-
Total Assets	50,649,047	961,159	51,610,206
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Loss on Debt Refunding	-	-	-
<u>LIABILITIES</u>			
Accounts Payable	483,967	-	483,967
Accrued Costs	335,425	5,004	340,429
Long-Term Liabilities:			
Due within one year	-	-	-
Due after one year	-	-	-
Total Liabilities	819,392	5,004	824,396
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Property Taxes	26,930,379	-	26,930,379
<u>FUND BALANCES/NET POSITION</u>			
Fund Balances:			
Restricted for:			
Emergencies	1,123,404	-	1,123,404
Debt service	-	956,155	956,155
Assigned for capital projects	5,427,000	-	5,427,000
Unassigned	16,348,872	-	16,348,872
Total Fund Balances	22,899,276	956,155	23,855,431
Total Liabilities and Fund Balances	\$ 50,649,047	\$ 961,159	\$ 51,610,206
Net Position:			
Net investment in capital assets			
Restricted for debt service			
Restricted for emergencies			
Unrestricted			
Total Net Position			

See Accompanying Notes to Financial Statements.

Adjustments (Note 10)	Statement of Net Position
\$ -	\$ 24,633,730
-	26,930,379
-	46,097
30,510,226	30,510,226
3,643,871	3,643,871
34,154,097	85,764,303
172,967	172,967
-	483,967
-	340,429
1,020,000	1,020,000
2,601,941	2,601,941
3,621,941	4,446,337
-	26,930,379
(1,123,404)	-
(956,155)	-
(5,427,000)	-
(16,348,872)	-
(23,855,431)	-
31,182,064	31,182,064
956,155	956,155
1,123,404	1,123,404
21,298,931	21,298,931
\$ 54,560,554	\$ 54,560,554

HIGH PLAINS LIBRARY DISTRICT

STATEMENT OF GOVERNMENTAL FUNDS REVENUE, EXPENDITURES AND CHANGE IN FUND BALANCES/ STATEMENT OF ACTIVITIES

Year Ended December 31, 2016	General Fund	Debt Service Fund	Total
Revenue:			
General property taxes	\$ 35,222,965	\$ -	\$ 35,222,965
Specific ownership taxes	2,223,820	-	2,223,820
Penalties and interest			
on delinquent taxes	15,462	-	15,462
Library fines	101,381	-	101,381
Earnings on investments	209,436	5,485	214,921
Contributions in kind - rent	47,395	-	47,395
Donations	680	-	680
Grant	60,836	-	60,836
Miscellaneous	13,897	-	13,897
Total Revenue	37,895,872	5,485	37,901,357
Expenditures/Expenses:			
Current:			
Salaries, wages, and benefits	9,169,139	-	9,169,139
Supplies	390,460	-	390,460
Small equipment	82,048	-	82,048
Software	210,715	-	210,715
Postage	38,437	-	38,437
Printing	9,198	-	9,198
Book collections	678,902	-	678,902
Periodicals	50,370	-	50,370
Public relations	102,831	-	102,831
Electronic resources	842,363	-	842,363
CD and online databases	80,569	-	80,569
Telephone	220,631	-	220,631
Contract services	1,022,861	-	1,022,861
Buildings and grounds	246,541	-	246,541
Travel and meetings	223,807	-	223,807
County Treasurer's fees	528,468	-	528,468
Maintenance of equipment	761,373	-	761,373
Memberships	14,493	-	14,493
Miscellaneous	11,821	-	11,821
Insurance	59,537	-	59,537
Rent	47,395	-	47,395
Utilities	270,929	-	270,929
Grants-in-aid	9,438,503	-	9,438,503
Depreciation	-	-	-
Total Current	24,501,391	-	24,501,391

Continued on next page.

Adjustments (Note 11)	Statement of Activities
\$ -	\$ 35,222,965
-	2,223,820
-	15,462
-	101,381
-	214,921
-	47,395
-	680
-	60,836
-	13,897
-	37,901,357

61,194	9,230,333
-	390,460
-	82,048
-	210,715
-	38,437
-	9,198
-	678,902
-	50,370
-	102,831
-	842,363
-	80,569
-	220,631
-	1,022,861
-	246,541
-	223,807
-	528,468
-	761,373
-	14,493
-	11,821
-	59,537
-	47,395
-	270,929
-	9,438,503
1,360,260	1,360,260
1,421,454	25,922,845

HIGH PLAINS LIBRARY DISTRICT

STATEMENT OF GOVERNMENTAL FUNDS REVENUE, EXPENDITURES AND CHANGE IN FUND BALANCES/ STATEMENT OF ACTIVITIES

Continued

Year Ended December 31, 2016	General Fund	Debt Service Fund	Total
Expenditures/Expenses - Continued:			
Capital Outlay	\$ 370,588	\$ -	\$ 370,588
Debt Service:			
Principal	-	9,390,000	9,390,000
Interest and Fees	-	461,489	461,489
Total Expenditures/Expenses	24,871,979	9,851,489	34,723,468
Revenue Over (Under) Expenditures	13,023,893	(9,846,004)	3,177,889
Other Financing Sources (Uses):			
Transfers - internal activities	(9,867,286)	9,867,286	-
Net Change in Fund Balances/Net Position	3,156,607	21,282	3,177,889
Fund Balances/Net Position, Beginning of Year	19,742,669	934,873	20,677,542
Fund Balances/Net Position, End of Year	\$ 22,899,276	\$ 956,155	\$ 23,855,431

See Accompanying Notes to Financial Statements.

Adjustments (Note 11)	Statement of Activities
\$ (370,588)	\$ -
(9,390,000)	-
57,656	519,145
(8,281,478)	26,441,990
8,281,478	11,459,367
-	-
8,281,478	11,459,367
22,423,645	43,101,187
<u>\$ 30,705,123</u>	<u>\$ 54,560,554</u>

HIGH PLAINS LIBRARY DISTRICT

BUDGETARY COMPARISON STATEMENT - GENERAL FUND

Year Ended December 31, 2016	Actual	Original and Final Budget	Variance
Revenue:			
General property taxes	\$ 35,222,965	\$ 35,255,293	\$ (32,328)
Specific ownership taxes	2,223,820	1,500,000	723,820
Penalties and interest on delinquent taxes	15,462	-	15,462
Grants	60,836	60,000	836
Library fines	101,381	65,000	36,381
Earnings on investments	209,436	160,000	49,436
Contributions - in kind	47,395	113,750	(66,355)
Donations	680	-	680
Miscellaneous	13,897	10,000	3,897
Total Revenue	37,895,872	37,164,043	731,829
Expenditures:			
Current:			
Salaries, wages, and benefits	9,169,139	9,543,024	373,885
Supplies	390,460	526,018	135,558
Small equipment	82,048	124,795	42,747
Software	210,715	265,104	54,389
Postage	38,437	43,329	4,892
Printing	9,198	20,320	11,122
Book collection	678,902	807,500	128,598
Periodicals	50,370	68,000	17,630
Public relations	102,831	133,061	30,230
Electronic resources	842,363	842,000	(363)
CD and Online databases	80,569	153,300	72,731
Telephone	220,631	252,342	31,711
Contract services	1,022,861	980,423	(42,438)
Buildings and grounds	246,541	189,900	(56,641)
Travel, training, and meetings	223,807	250,599	26,792
County Treasurer's fees	528,468	519,397	(9,071)
Maintenance of equipment	761,373	747,834	(13,539)
Memberships	14,493	19,054	4,561
Miscellaneous	11,821	14,350	2,529
Insurance	59,537	57,804	(1,733)
Rent	47,395	129,360	81,965
Utilities	270,929	271,424	495
Grants-in-aid	9,438,503	9,438,503	-
Total Current	24,501,391	25,397,441	896,050
Capital Outlay	370,588	6,336,179	5,965,591
Total Expenditures	24,871,979	31,733,620	6,861,641

Continued on next page.

HIGH PLAINS LIBRARY DISTRICT

BUDGETARY COMPARISON STATEMENT - GENERAL FUND -

Continued

Year Ended December 31, 2016	Actual	Original and Final Budget	Variance
Revenue Over Expenditures	\$ 13,023,893	\$ 5,430,423	\$ 7,593,470
Other Financing Sources (Uses):			
Transfer to Debt Service Fund	(9,867,286)	(9,873,556)	6,270
Excess of Revenue Over Expenditures and Other Financing Sources (Uses)	3,156,607	(4,443,133)	7,599,740
Fund Balances - Beginning	19,742,669	19,742,669	-
Fund Balances - Ending	\$ 22,899,276	\$ 15,299,536	\$ 7,599,740

See Accompanying Notes to Financial Statements.

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies:

The accounting and reporting policies of the High Plains Library District (the District) conform to accounting principles generally accepted in the United States. The following summary of significant accounting policies is presented to assist the reader in evaluating the District's financial statements.

Reporting Entity:

The Weld Library District was established on September 11, 1985, under the provisions of Article 90 of Title 24 of the Colorado Revised Statutes. The Weld County Commissioners together with the city councils of Evans, Fort Lupton, and Greeley, and the town boards of Ault, Eaton, and Hudson, Colorado, and the governing board of Weld School District RE-8 acted to establish the Weld Library District. On April 21, 2008, the District's Board of Trustees approved a name change to the High Plains Library District. The Library District Board was originally appointed by the Weld County Commissioners with concurrence of the city councils and has total autonomy under the State Library Act to incur debt, establish budgets, and levy property taxes to support the District's library system.

In addition, the Weld Library Finance Corporation was formed in 2001 for the purpose of purchasing, leasing, or otherwise acquiring certain real property and to construct or install certain improvements in the service area of the District. The Weld Library Finance Corporation is blended with the financial statements of the District.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States as applied to governmental entities. The following summary of significant accounting policies is presented to assist the reader in evaluating the District's financial statements.

Government-wide and Fund Financial Statements:

The District reports as a special purpose government engaged in a single governmental program. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Government activities are supported by taxes and intergovernmental revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within a current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes and interest associated with the current year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term debt of the District.

Fund Equity:

In the fund financial statements, governmental funds report restrictions of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

Restrictions for the District are recorded up to the maximum equity available in the fund balance and consist of:

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Fund Equity – Continued:

Restricted for Emergencies:

These restrictions are established to comply with TABOR. Recorded TABOR restrictions at December 31, 2016 are \$1,123,404.

Restricted for Debt Services:

A restricted fund of \$956,155 is required by the 2010 certificates of participation.

Assigned fund balances, if any, are amounts the District intends to use for a specific purpose. Intent can be expressed by the Board of Trustees or by the executive director, to whom the Board delegated the authority. Fund balance may be assigned after the end of the reporting period. Restricted funds are considered to be spent first, followed by committed, assigned and unassigned, for an expenditure for which any could be used.

Net Position:

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition and construction of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Budget:

An annual budget and appropriation ordinance is adopted by the Board in accordance with the Colorado State Budget Law. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States for all governmental funds. The accounting system is employed as a budgetary management control device during the year to monitor the individual expenditures. The legal level of control is at the fund level. All annual appropriations lapse at year end. No budget amendments were necessary.

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Capital Assets:

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. Acquisitions of capital assets are recorded as capital outlay expenditures within the governmental funds. The District's capitalization level is \$5,000.

Capital assets are depreciated as appropriate for the government-wide statement of activities. Depreciation is provided on the straight-line basis over useful lives ranging from three years for computer equipment to fifty years for buildings.

The library's "opening day" collection of books and other materials is capitalized at estimated historical cost. As individual items are replaced or updated as necessary, the collection is considered inexhaustible and is not depreciated. Subsequent purchases of materials are not capitalized unless they significantly expand the opening day collection.

Property Taxes:

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied no later than December 15 and are payable in two installments on February 28 and June 15 or in full on April 30. The District records delinquent tax payments in the year received, as delinquent taxes are believed to be uncollectible. The Weld County Treasurer and the Boulder County Treasurer bill and collect the property taxes for the District.

The original January 1, 2016, levies for the general fund of the District are as follows:

	Mill Levy	Amount
General Fund	3.249	\$ 35,255,293

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Vacation and Sick Leave:

Accrued sick leave for the District is accounted for in the government-wide statement of net position. Sick leave is earned when vested and recorded as expenditure in the general fund when paid. In the event of retirement or termination, an employee whose date of hire is prior to January 1, 1985, is paid for 50% of accumulated sick-leave hours up to the equivalent of one month.

Accrued vacation for the District is accounted for in the government-wide statement of net position. The maximum accumulation is two times the annual accrual. Upon termination or retirement, employees are paid for their accrued vacation. Accrued vacation is recorded as expenditure in the General Fund when paid.

Investments:

Short-term investments are reported at fair value.

NOTE 2 - Cash and Investments:

The District's bank accounts at year end were entirely covered by federal depository insurance or by collateral held by the District's custodial bank under provisions of the Colorado Public Deposit Protection Act.

The Colorado Public Deposit Protection act requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral includes municipal bonds, U.S. government securities, mortgages and deeds of trust.

State statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of the state of Colorado or of any county, school district, and certain towns and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

The District's investment policy is not more restrictive than State statutes. The District's investments are concentrated in money market funds and local government investment pools (36%), U.S. treasury bonds (15%), U.S. sponsored agency bonds (38%), and corporate bonds (11%).

Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair values arising from increasing interest rates.

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - Cash and Investments - Continued:

At December 31, 2016, the Library District held General Fund investments of \$8,432,127 and Debt Service Fund investments of \$961,548 in the Colorado Local Government Liquid Asset Trust (COLOTRUST). The investment pool is routinely monitored by the Colorado Division of Securities with regard to operations and investments. Investments are valued at amortized cost with each share valued at \$1.00. COLOTRUST is rated AAAM by Standard & Poor's.

Investments held as of December 31, 2016 are as follows:

	Cost	Fair Value
U.S. Government Treasury and Sponsored Agency Bonds, primarily FNMA, FFCB, and FHLMC, maturing in 2017 through 2019, rated AA+ by Standard & Poor's	\$ 12,488,082	\$ 12,485,586
Corporate Bonds, maturing 2017 through 2018, rated AA by Standard & Poor's	2,459,624	2,461,831
Total	\$ 14,947,706	\$ 14,947,417

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1 Quoted prices in active markets for identical assets or liabilities
- Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3 Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - Cash and Investments - Continued:

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statement of net position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31:

Description	Fair Value Measurements at Reporting Date Using		
	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>December 31, 2016</u>			
ColoTrust	\$ --	\$ 9,393,675	\$ --
U.S. Government Treasury and Sponsored Agency Bonds	--	12,485,586	--
Corporate Bonds	--	2,461,831	--

NOTE 3 - Grants-In-Aid:

Cash grants-in-aid sent to member libraries to help support their facilities are listed below:

Year Ended December 31, 2016	Amount
Town of:	
Ault	\$ 397,477
Eaton	1,424,725
Fort Lupton	2,939,712
Hudson	3,160,936
Johnstown	360,735
Platteville	1,154,918
	<u>\$ 9,438,503</u>

Grants-in-aid are determined by the amount of property tax collected from incorporated areas. Additional grants-in-aid in the form of equipment donations are also occasionally made.

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – Capital Assets:

Capital asset activity for the year ended December 31, 2016 was as follows:

	Balance, 01/01/16	Additions	Deletions/ Transfers	Balance, 12/31/16
Not Depreciated:				
Land	\$ 716,670	\$ --	\$ --	\$ 716,670
Opening day book collection	2,927,201	--	--	2,927,201
Depreciated:				
Buildings	32,856,758	--	--	32,856,758
Building improvements	4,815,528	105,854	(699,090)	4,222,292
Equipment and furniture	4,261,581	264,734	(434,720)	4,091,595
Total Cost	45,577,738	370,588	(1,133,810)	44,814,516
Less Accumulated Depreciation:				
Buildings	5,548,079	719,435	--	6,267,514
Building improvements	1,615,926	300,981	(699,090)	1,217,817
Equipment and furniture	3,269,964	339,844	(434,720)	3,175,088
Total Accumulated Depreciation	10,433,969	1,360,260	(1,133,810)	10,660,419
Capital Assets, net	\$ 35,143,769	\$ (989,672)	\$ --	\$ 34,154,097

NOTE 5 - Long-Term Liabilities:

December 31	2016
\$9,580,000 Refunding Certificates of Participation (2010) due in varying installments through December 15, 2019, interest at 2.0 – 3.0%	\$ 3,145,000
	\$ 3,145,000

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 5 - Long-Term Liabilities - Continued:

The annual requirements to repay these certificates as of December 31, 2016, are as follows:

Years Ending December 31	Principal	Interest	Total
2017	\$ 1,020,000	\$ 90,525	\$ 1,110,525
2018	1,045,000	63,750	1,108,750
2019	1,080,000	32,400	1,112,400
	<u>\$ 3,145,000</u>	<u>\$ 186,675</u>	<u>\$ 3,331,675</u>

Underlying the Certificates is an annually renewable lease entered into between the District and the Weld Library Finance Corporation, a Colorado nonprofit corporation created to facilitate District financings for library buildings in Weld County. The Certificates are payable solely from the rentals paid by the District, proceeds of certain insurance policies and proceeds of foreclosure on and sale of the property, if necessary. Neither the certificates nor the lease gives rise to a general obligation of the District. As the chance of the lease not being renewed is remote, the Certificates are recorded as a long-term liability.

Transfers from the General Fund to the Debt Service Fund are made to fund these payments.

Changes in long-term liabilities during the year were as follows:

	Balance 01/01/16	Additions	Deletions	Balance 12/31/16	Due Within One Year
Certificates of Participation – 2006	\$ 8,395,000	\$ --	\$ 8,395,000	\$ --	\$ --
Refunding Certificates of Participation – 2010	4,140,000	--	995,000	3,145,000	1,020,000
Compensated Absences	415,747	79,052	17,858	476,941	20,000
	<u>\$12,950,747</u>	<u>\$ 79,052</u>	<u>\$ 9,407,858</u>	<u>\$ 3,621,941</u>	<u>\$ 1,040,000</u>

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 6 - Consolidation Agreement with City of Greeley:

On December 28, 1990, the District entered into an intergovernmental agreement with the City of Greeley to consolidate their operations. The agreement provides for the transfer of the ownership and control of all of the Greeley Public Library to the District exclusive of the building previously housing the Greeley Public Library along with all associated appurtenances and fixtures. On January 1, 2014, the District and the City renewed the agreement on an annual basis, pending the redevelopment of the property by the City. The property began redevelopment in June 2016.

In connection with this agreement, the District rented a library building from the City of Greeley for \$10 per year. These yearly rents have been adjusted in the financial statements to recognize the fair market value of these facilities. Rents equal to the approximate fair market value has been recorded as contributed revenue and like amounts have been recorded as offsetting in-kind expenditures in the amount of \$47,395. The lease ended May 2016.

The District entered into a one year lease with Goodwill Industries of Denver starting in May 2016 for a temporary location for the Lincoln Park branch in downtown Greeley. After the initial one year period, there is a month to month option for an additional year. Lease expense in 2016 was \$28,910

NOTE 7 - Risk Management:

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and injuries to employees and natural disasters.

The District purchases commercial insurance for risks of loss in excess of deductible amounts. Insurance coverage has not been significantly reduced from prior years and settlements have not exceeded insurance coverage in the past three years.

NOTE 8 - Taxpayer's Bill of Rights:

In November 1992, the voters of Colorado approved Amendment 1, commonly known as the Taxpayer's Bill of Rights (TABOR), which added a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue, and debt limitations which apply to the State of Colorado and all local governments.

TABOR generally requires voter approval for any new tax, tax rate increase, mill levy increase, or issuance of new debt. Spending not subject to TABOR includes that from enterprise activities, gifts, federal funds, reserve expenditures, damage awards or property sales.

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 8 - Taxpayer's Bill of Rights – Continued:

Included in the accompanying financial statements in the General Fund is an emergency reserve of \$1,123,404 as required by TABOR. In November 1999, voters approved a District mill levy increase of 1.8 mills and a resolution to exempt the increase from TABOR. The mill levy shall be reduced by \$1 million annually beginning in the collection year of 2020.

TABOR is complex and subject to interpretation. Ultimate implementation may depend upon litigation and legislative guidance.

NOTE 9 – Retirement Plan:

The High Plains Library District pension plan is a single-employer, defined contribution retirement plan. The plan provides retirement and death benefits to plan members and beneficiaries. The Board of Trustees maintains the authority to establish and amend provisions of the plan. Employees of the High Plains Library District who are hired to work at least 30 hours per week and are at least 18 years of age are eligible to participate in the plan. Participants are always 100% vested in their participant contributions and become fully vested in the employer contributions after 5 years of service. The plan is administered by John Hancock.

The contribution requirements of plan members and the District are established and maintained by the Board of Trustees. Plan members are required to contribute 6% of their annual covered payroll. The District is required to contribute 6% of annual covered payroll. During 2016, employees contributed \$361,412 and the District contributed \$361,412 to the plan. The amount payable to the plan at December 31, 2016 was \$34,561. Forfeitures were not material to the financial statements.

NOTE 10 – Explanation of Adjustments Between Governmental Funds Balance Sheet and the Statement of Net Position:

Amounts reported in the statement of net position are different because (see Note 11 also):

December 31	2016
Total fund balances of governmental funds	\$ 23,855,431
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	34,154,097
Long-term liabilities and deferred outflows, including C.O.P.'s payable, are not due and payable in the current period and therefore are not reported in the funds	(3,448,974)
Total Net Position	\$ 54,560,554

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 11 - Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities:

Amounts reported for governmental activities in the statement of activities are different because (see Note 10 also):

<u>Year Ended December 31</u>	<u>2016</u>
Net change in fund balances – total governmental funds	\$ 3,177,889
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as a depreciation expense. This is the amount by which capital outlay (\$370,588) was less than depreciation (\$1,360,260) in the current year.	(989,672)
The issuance of long term debt (e.g. COP's) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of deferred amounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	9,332,344
Compensated absence expense reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in governmental funds	(61,194)
<u>Change in Net Position of Governmental Activities</u>	<u>\$ 11,459,367</u>

NOTE 12 – Contingencies:

During April 2014 several founding parties of the Weld Library District (now the High Plains Library District or HPLD) approved respective resolutions to remove all existing HPLD Board of Trustee members and approved appointment of nominees for the vacant positions. The HPLD Trustees brought suit seeking declaratory judgment and injunctive relief, which was granted by the District Court of Weld County, Colorado, as necessary and the only relief available under the law at this time. The founding parties have appealed this ruling. The current Board of Trustees is prohibited from entering into any new contracts without full agreement of all parties involved in this action, or without written Court approval if no agreement can be reached, after hearing. In February 2017, this suit was settled by the parties with no financial impact to the District.

HIGH PLAINS LIBRARY DISTRICT

BUDGETARY COMPARISON SCHEDULE - DEBT SERVICE FUND

Year Ended December 31, 2016	Actual	Original and Final Budget	Variance
Revenue:			
Earnings on investments	\$ 5,485	\$ 1,100	\$ 4,385
Total Revenue	5,485	1,100	4,385
Expenditures:			
Debt service	9,851,489	9,873,556	22,067
Total Expenditures	9,851,489	9,873,556	22,067
Revenue Under Expenditures	(9,846,004)	(9,872,456)	26,452
Other Financing Sources (Uses):			
Transfer from General Fund	9,867,286	9,873,556	(6,270)
Revenue and Other Financing Sources Over Expenditures	21,282	1,100	20,182
Fund Balance - Beginning	934,873	934,179	694
Fund Balance - Ending	\$ 956,155	\$ 935,279	\$ 20,876

STATISTICAL SECTION



STATISTICAL SECTION
(unaudited)

This part of the High Plains Library District’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the district’s overall financial health.

Contents	Pages
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the district’s financial performance and well-being have changed over time.....</i>	<i>41-46</i>
Revenue Capacity	
<i>These schedules contain information to help the reader assess the district’s most significant local revenue source, the property tax.....</i>	<i>47-49</i>
Debt Capacity	
<i>These schedules present information to help the reader assess the affordability of the district’s current levels of outstanding debt and the district’s ability to issue additional debt in the future.....</i>	<i>50-52</i>
Demographic and Economic Information	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the district’s financial activities take place.....</i>	<i>53-54</i>
Operating Information	
<i>These schedules contain service data to help the reader understand how the information in the district’s financial report relates to the services the district provides and the activities it performs.....</i>	<i>55-57</i>

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**High Plains Library District
Net Position by Component
Last Ten Years
(accrual basis of accounting)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities:										
Net investment in capital assets	\$ 7,494,429	\$ 9,056,248	\$ 11,402,832	\$ 12,011,872	\$ 12,298,749	\$ 13,537,209	\$ 15,481,507	\$ 22,620,113	\$ 22,839,391	\$ 31,182,064
Restricted for										
Debt service	982,877	968,184	972,355	916,009	929,937	930,828	931,956	933,107	934,901	956,155
Emergencies	437,649	464,902	451,652	555,749	449,770	515,291	598,917	684,707	862,082	1,123,404
Unrestricted	11,300,000	11,793,599	10,105,814	12,658,266	13,109,042	13,360,265	14,596,825	11,910,752	18,464,841	21,298,931
Total governmental activities net position	\$ 20,214,955	\$ 22,282,933	\$ 22,932,653	\$ 26,141,896	\$ 26,787,498	\$ 28,343,593	\$ 31,609,205	\$ 36,148,679	\$ 43,101,215	\$ 54,560,554
Primary government:										
Net investment in capital assets	7,494,429	9,056,248	11,402,832	12,011,872	12,298,749	13,537,209	15,481,507	22,620,113	22,839,391	31,182,064
Restricted	1,420,526	1,433,086	1,424,007	1,471,758	1,379,707	1,446,119	1,530,873	1,617,814	1,796,983	2,079,559
Unrestricted	11,300,000	11,793,599	10,105,814	12,658,266	13,109,042	13,360,265	14,596,825	11,910,752	18,464,841	21,298,931
Total primary government net position	\$ 20,214,955	\$ 22,282,933	\$ 22,932,653	\$ 26,141,896	\$ 26,787,498	\$ 28,343,593	\$ 31,609,205	\$ 36,148,679	\$ 43,101,215	\$ 54,560,554

**High Plains Library District
Changes in Net Position
Last Ten Years
(accrual basis of accounting)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental activities:										
General government	\$ 10,292,240	\$ 12,563,649	\$ 13,479,401	\$ 14,544,604	\$ 13,607,335	\$ 15,346,468	\$ 16,840,316	\$ 18,129,352	\$ 21,711,526	\$ 25,922,845
Interest on long term debt	1,015,541	956,850	927,203	772,337	734,515	704,412	665,007	622,536	580,418	519,145
Debt issuance costs	-	-	-	-	14,389	14,389	-	-	-	-
Total governmental activities expenses	\$ 11,307,781	\$ 13,520,499	\$ 14,406,604	\$ 15,316,941	\$ 14,356,239	\$ 16,065,269	\$ 17,505,323	\$ 18,751,888	\$ 22,291,944	\$ 26,441,990
Program Revenues										
Governmental activities:										
Charges for services:										
General government	179,480	167,380	195,387	197,986	178,005	201,749	176,750	174,026	156,912	101,381
Operating grants and contributions	246,986	553,113	113,750	138,750	113,750	126,248	185,227	137,247	192,479	122,808
Total governmental activities program revenues	\$ 426,466	\$ 720,493	\$ 309,137	\$ 336,736	\$ 291,755	\$ 327,997	\$ 361,977	\$ 311,273	\$ 349,391	\$ 224,189
Net (Expenses)/Revenue										
Governmental activities										
Total primary government net	\$ (10,881,315)	\$ (12,800,006)	\$ (14,097,467)	\$ (14,980,205)	\$ (14,064,484)	\$ (15,737,272)	\$ (17,143,346)	\$ (18,440,615)	\$ (21,942,553)	\$ (26,217,801)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 12,409,983	\$ 13,009,141	\$ 13,278,755	\$ 16,906,588	\$ 13,602,800	\$ 15,849,259	\$ 19,043,402	\$ 21,048,874	\$ 26,881,943	\$ 35,238,427
Specific ownership	1,230,703	1,211,207	1,048,351	1,044,416	979,076	1,280,320	1,298,477	1,784,930	1,854,124	2,223,890
Unrestricted investment earnings	1,110,903	647,636	420,081	238,444	128,210	163,788	167,822	146,285	159,022	214,921
Total governmental activities	14,751,589	14,867,984	14,747,187	18,189,448	14,710,086	17,293,367	20,509,701	22,980,089	28,895,089	37,677,238
Total primary government	\$ 14,751,589	\$ 14,867,984	\$ 14,747,187	\$ 18,189,448	\$ 14,710,086	\$ 17,293,367	\$ 20,509,701	\$ 22,980,089	\$ 28,895,089	\$ 37,677,238
Change in Net Position										
Governmental activities										
Total primary government	\$ 3,870,274	\$ 2,067,978	\$ 649,720	\$ 3,209,243	\$ 645,602	\$ 1,556,095	\$ 3,366,355	\$ 4,539,474	\$ 6,952,536	\$ 11,459,437
Total primary government	\$ 3,870,274	\$ 2,067,978	\$ 649,720	\$ 3,209,243	\$ 645,602	\$ 1,556,095	\$ 3,366,355	\$ 4,539,474	\$ 6,952,536	\$ 11,459,437

**High Plains Library District
Fund Balances of Governmental Funds
Last Ten Years**

(modified accrual basis of accounting)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund										
Restricted	\$ 437,649	\$ 464,902	\$ 451,652	\$ 555,749	\$ 449,770	\$ 515,291	\$ 598,917	\$ 684,707	\$ 862,082	\$ 1,123,404
Unrestricted, unassigned	11,504,420	12,021,916	10,339,711	12,800,520	13,278,254	13,541,761	14,250,893	12,287,812	13,710,589	16,348,874
Assigned	-	-	-	-	-	-	-	-	5,170,000	5,427,000
Total general fund	\$ 11,942,069	\$ 12,486,818	\$ 10,791,363	\$ 13,356,269	\$ 13,728,024	\$ 14,057,052	\$ 14,849,810	\$ 12,972,519	\$ 19,742,671	\$ 22,899,278
All other Governmental Funds										
Restricted	\$ 1,700,247	\$ 1,023,775	\$ 976,128	\$ 1,435,069	\$ 929,965	\$ 930,828	\$ 931,956	\$ 933,107	\$ 934,901	\$ 956,155
Total for all governmental funds	\$ 13,642,316	\$ 13,510,593	\$ 11,767,491	\$ 14,791,338	\$ 14,657,989	\$ 14,987,880	\$ 15,781,766	\$ 13,905,626	\$ 20,677,572	\$ 23,855,433

High Plains Library District
Changes in Fund Balances, Governmental Funds
Last Ten Years

(modified accrual basis of accounting)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Taxes	\$ 13,640,686	\$ 14,220,348	\$ 14,327,106	\$ 17,951,004	\$ 14,581,876	\$ 17,129,579	\$ 20,341,879	\$ 22,823,587	\$ 28,750,311	\$ 37,462,247
Charges for services	19,346	25,878	27,436	23,787	21,504	25,106	-	-	-	-
Library fines	128,082	128,295	165,640	170,724	154,588	168,186	167,834	174,026	156,912	101,381
Earnings on investments	1,110,903	647,636	420,081	238,444	128,210	163,788	167,822	146,285	159,022	214,921
Contributions in kind - rent	113,750	113,750	113,750	113,750	113,750	113,750	113,750	113,750	113,750	47,395
Miscellaneous	165,288	394,024	2,311	28,475	1,913	20,955	80,393	33,714	64,485	75,413
Total revenues	15,178,055	15,529,931	15,056,324	18,526,184	15,001,841	17,621,364	20,871,678	23,291,362	29,244,480	37,901,357
Expenditures										
General government	10,605,257	12,339,574	12,617,493	13,602,384	12,573,567	14,237,613	15,651,701	16,982,271	20,271,134	24,501,391
Capital outlay	12,471,553	1,875,230	2,189,730	1,049,190	479,764	957,104	2,323,740	6,090,351	108,638	370,588
Debt issuance costs	-	-	-	129,523	-	-	-	-	-	-
Debt service										
Interest	1,015,541	956,850	927,203	772,337	676,859	646,756	607,351	564,880	522,762	461,489
Principal	550,000	570,000	1,065,000	1,235,000	1,405,000	1,450,000	1,495,000	1,530,000	1,570,000	9,390,000
Total expenditures	24,642,351	15,741,654	16,799,426	16,788,434	15,135,190	17,291,473	20,077,792	25,167,502	22,472,534	34,723,468
Excess of revenues over (under) expenditures	(9,464,296)	(211,723)	(1,743,102)	1,737,750	(133,349)	329,891	793,886	(1,876,140)	6,771,946	3,177,889
Other financing sources (uses)										
Transfers in	3,067,149	1,492,085	1,995,160	1,993,701	2,094,717	2,095,385	2,102,192	2,094,880	2,092,762	9,867,206
Transfers out	(3,067,149)	(1,492,085)	(1,995,160)	(1,993,701)	(2,094,717)	(2,095,385)	(2,102,192)	(2,094,880)	(2,092,762)	(9,867,206)
Proceeds of debt	-	-	-	9,580,000	-	-	-	-	-	-
Payment to refunded debt escrow agent	-	-	-	(8,293,903)	-	-	-	-	-	-
Sale of capital assets	-	80,000	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	80,000	-	1,286,097	-	-	-	-	-	-
Net change in fund balances	\$ (9,464,296)	\$ (131,723)	\$ (1,743,102)	\$ 3,023,847	\$ (133,349)	\$ 329,891	\$ 793,886	\$ (1,876,140)	\$ 6,771,946	\$ 3,177,889
Debt service as a percentage of noncapital expenditures	12.86%	11.01%	13.64%	12.75%	14.21%	12.84%	11.84%	10.98%	9.36%	28.68%

**High Plains Library District
General Governmental Expenditures By Function
Last Ten Fiscal Years**

Fiscal Year	Salaries	Benefits	Administrative Services	Books; Resources	Facilities Operations	Grants In Aid	Capital Outlay	Debt Service	Totals
2007 ¹	3,765,283	820,520	1,115,606	2,090,301	565,929	2,247,618	12,471,553	1,565,541	24,642,351
2008	4,640,223	1,072,167	1,538,707	1,964,908	805,422	2,486,401	1,706,976	1,526,850	15,741,654
2009	4,943,865	1,100,470	1,664,117	1,333,189	868,594	2,707,258	2,189,730	1,992,203	16,799,426
2010	4,993,005	1,256,554	1,498,585	1,253,838	1,168,945	3,431,457	1,049,190	2,136,860	16,788,434
2011	4,972,908	1,270,033	1,691,690	1,056,746	996,174	2,586,016	479,764	2,081,859	15,135,190
2012	5,334,425	1,389,422	1,772,378	1,239,946	1,272,936	3,228,506	957,104	2,096,756	17,291,473
2013	5,644,619	1,306,285	2,056,482	1,248,730	1,315,355	4,080,230	2,323,740	2,102,351	20,077,792
2014 ²	6,120,836	1,675,209	1,780,284	1,238,798	1,598,867	4,577,277	6,090,351	2,094,880	25,176,502
2015	6,724,535	1,971,410	2,006,234	1,633,200	1,406,582	6,529,173	108,638	2,092,762	22,472,534
2016 ³	7,127,174	2,041,965	2,632,139	1,652,204	1,609,406	9,438,503	370,588	9,851,489	34,723,468

Note:

¹ The large increase in capital outlay reflects the construction costs of the Erie Community Library and the Carbon Valley Regional Library.

² The large increase in capital outlay reflects the construction costs of the Riverside Library and Cultural Center.

³ The large increase in debt service reflects the early repayment of the 2006 certificates of participation.

**High Plains Library District
General Governmental Revenues By Source
Last Ten Fiscal Years**

Fiscal Year	Property Taxes	Specific Ownership Taxes	Interest Income	Grants	Fines	Miscellaneous	Total
2007	12,394,319	1,230,703	1,110,903	133,236	128,082	180,812	15,178,055
2008	12,987,150	1,211,207	647,636	382,000	128,295	173,643	15,529,931
2009	13,254,718	1,048,351	420,081	-	165,640	167,534	15,056,324
2010	16,874,455	1,044,416	238,444	25,000	170,724	173,145	18,526,184
2011	13,602,800	979,076	128,210	-	154,588	137,167	15,001,841
2012	15,849,259	1,280,320	163,788	12,498	168,186	147,313	17,621,364
2013	19,043,402	1,298,477	167,822	71,477	167,834	122,666	20,871,678
2014	21,038,657	1,784,930	146,285	16,302	174,026	131,162	23,291,362
2015	26,881,943	1,854,124	159,022	55,436	156,912	137,043	29,244,480
2016	35,238,427	2,223,820	214,921	60,836	101,381	61,972	37,901,357

Source:
HPLD 2016 CAFR

**High Plains Library District
Property Tax Levies and Collections
Last Ten Fiscal Years
(amounts expressed in thousands)**

Levy Year	Collect Year	Total Tax Levy for Fiscal Year ¹	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ³	Total Collections to Date	
			Tax Amount	Percent of Levy		Tax Amount	Percent of Levy
2006	2007	12,394	12,394	100.0%	-	12,394	100.0%
2007	2008	13,028	12,987	99.7%	5	12,992	99.7%
2008	2009	13,321	13,255	99.5%	66	13,321	100.0%
2009	2010	16,934	16,874	99.6%	60	16,934	100.0%
2010	2011	13,609	13,581	99.8%	-	13,581	99.8%
2011	2012	15,880	15,832	99.7%	-	15,832	99.7%
2012	2013	19,074	19,023	99.7%	-	19,023	99.7%
2013	2014	21,063	21,038	99.9%	-	21,038	99.9%
2014	2015	27,320	26,882	98.4%	-	26,882	98.4%
2015	2016	35,255	35,223	99.9%	-	35,223	99.9%

Source:

¹ Final Budget

² YTD Treasurer's Tax Distribution

³ Not available for years not shown

High Plains Library District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)

Levy Year	Vacant Land	Residential Property	Commercial Property	Industrial Property	Agricultural	Natural Resources	Oil & Gas	State Assessed	Total Taxable Assessed Value	Estimated Taxable Value	Total Direct Tax Rate	Assessed Value as a % of Actual Value
2007	95,329	1,000,203	533,940	97,007	89,879	13,275	1,685,509	400,731	3,915,873	18,946,262	3.249	20.668%
2008	89,085	1,028,385	555,777	98,813	91,031	13,620	1,643,986	475,737	3,996,434	20,513,872	3.249	19.482%
2009	80,401	923,754	601,990	144,788	93,731	14,798	2,728,330	520,780	5,108,572	19,995,658	3.249	25.548%
2010	76,597	935,623	612,171	191,689	93,792	11,881	1,593,865	573,725	4,089,343	19,166,061	3.249	21.336%
2011	59,313	893,155	600,970	207,560	109,046	12,221	2,338,283	593,893	4,814,441	19,664,487	3.249	24.483%
2012	55,684	902,490	637,249	279,787	111,959	11,555	3,225,865	625,554	5,850,143	21,467,579	3.249	27.251%
2013	49,578	897,581	613,627	325,483	132,082	14,056	3,750,013	678,356	6,460,770	22,463,026	3.249	28.762%
2014	46,605	915,284	620,508	430,782	138,769	14,625	5,544,193	710,011	8,420,777	25,523,496	3.249	32.992%
2015	55,985	1,146,858	655,020	525,734	168,228	18,440	7,374,473	740,461	10,685,229	31,560,980	3.249	33.856%
2016	48,576	1,192,400	677,672	680,033	172,787	18,137	4,708,785	771,524	8,269,964	29,936,864	3.249	27.625%

Source: Weld County Assessor's office

**High Plains Library District
Principal Taxpayers
December 31, 2016**

	2016			2007		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Kerr-Mcgee Oil & Gas Onshore LP	\$ 1,562,570,730	1	14.66%			
Noble Energy	1,085,199,900	2	10.18%	628,188,710	1	16.04%
Encana Oil & Gas (USA) Inc	414,759,270	3	3.89%	136,417,080	3	3.48%
PDC Energy	348,603,860	4	3.27%			
Bonanza Creek Energy	275,021,570	5	2.58%			
Public Service Co. (Xcel)	218,266,880	6	2.05%	93,813,600	5	2.40%
DCP Midstream LP	190,651,800	7	1.79%	48,205,900	9	
Whiting Oil & Gas	184,676,530	8	1.73%			
Kerr McGee Gathering LLC	181,226,040	9	1.70%			
Kerr McGee Gathering LLC	130,256,030	10	1.22%			
Petroleum Development Corp.				125,643,030	4	3.21%
Merit Energy				60,877,970	8	1.55%
Petro Canada Resources (USA) Inc.				78,071,550	7	1.99%
Rocky Mountain Energy Center				80,078,300	6	2.04%
Kerr-McGee Rocky Mtn. Corp.				538,938,330	2	13.76%
Owens-Brockway Glass Container				36,815,410	10	0.94%
	<u>\$ 4,591,232,610</u>		<u>43.08%</u>	<u>\$1,827,049,880</u>		<u>46.66%</u>

Source: Weld County Assessor

**High Plains Library District
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years**

Governmental Activities				
Fiscal Year	Certificates of Participation	Total Library District	Percentage of Personal Income ¹	Per Capita ¹
2007	21,050,000	21,050,000	0.34%	88.85
2008	20,480,000	20,480,000	0.31%	83.76
2009	19,415,000	19,415,000	0.26%	77.28
2010	19,466,100	19,466,100	0.28%	76.99
2011	18,118,756	18,118,756	0.26%	71.12
2012	16,726,412	16,726,412	0.22%	63.43
2013	15,635,000	15,635,000	0.21%	59.29
2014	14,105,000	14,105,000	0.19%	53.49
2015	12,535,000	12,535,000	0.17%	47.54
2016	3,145,000	3,145,000	0.04%	11.93

¹ Refer to Demographic and Economic Statistics schedule on page 53 of the CAFR.

Note: Details regarding the district's outstanding debt can be found in Note 5 page 32 of the CAFR.

Source: Current and prior year's financial statements.

**High Plains Library District
Legal Debt Margin Calculation for Fiscal Year 2016**

Assessed Valuation	\$ 8,223,072,040
Debt Limit 1.5% of Assessed Value ¹	123,496,081
Certificates of Participation ²	3,145,000
Legal Debt Margin	120,351,081

**Legal Debt Margin Information
Last Ten Fiscal Years**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt limit	\$ 58,738,118	\$ 59,946,492	\$ 76,527,915	\$ 60,781,581	\$ 71,333,143	\$ 86,294,415	\$ 95,350,662	\$ 125,437,455	\$ 159,863,784	\$ 123,496,081
Total net debt applicable to limit	21,050,000	20,480,000	19,415,000	19,466,100	18,118,756	16,726,412	15,635,060	14,145,000	12,535,000	3,145,000
Legal debt margin	\$ 37,688,118	\$ 39,466,492	\$ 57,112,915	\$ 41,315,481	\$ 53,214,387	\$ 69,568,003	\$ 79,715,602	\$ 111,292,455	\$ 147,328,784	\$ 120,351,081
Total net debt applicable to the limit as a percentage of debt limit	35.84%	34.16%	25.37%	32.03%	25.40%	19.38%	16.40%	11.28%	7.84%	2.55%

Note:

¹ Debt Limitation: Under Section 22-42-104, Colorado Revised Statutes, 1973, the High Plains Library District may incur indebtedness of general District purposes in an amount not to exceed 1.5% of assessed valuation of all taxable property.

² Certificates of Participation are not generally included as debt for purposes of calculating legal debt limit (Colorado Revised Statute 22-42-104). However, they are presented here to give the most conservative analysis of debt allowable that remains available.

**High Plains Library District
Direct and Overlapping Governmental Activities Debt
As of December 31, 2016**

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to Government ¹	Amount Applicable to Government
HPLD COP's	\$ 3,145,000	100.00%	\$ 3,145,000
Cities and Towns	45,109,281	82.03%	37,002,312
Schools	1,287,763,497	53.54%	689,467,937
Special Districts	117,348,667	57.35%	67,303,550
Total Overlapping	<u>\$1,450,221,445</u>		<u>\$ 793,773,799</u>
	<u><u>\$1,453,366,445</u></u>		<u><u>\$ 796,918,799</u></u>

Source: Weld County CAFR

Note:

¹ Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the district. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by residents and businesses located within the district's boundaries. This process recognizes that, when considering the district's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

**High Plains Library District
Demographic and Economic Statistics
Last Ten Fiscal Years**

Year	High Plains Library District Population	Weld County Population	Total Personal Income (\$ billions)	Per Capita Income	Unemployment Rate
	2007	215,128	236,908	6.23	26,280
2008	229,010	244,515	6.66	27,238	6.30%
2009	237,214	251,220	7.38	27,788	8.16%
2010	235,511	252,825	7.07	28,503	9.80%
2011	236,815	254,759	6.93	27,186	9.10%
2012	236,815	263,691	7.76	25,233	8.70%
2013	245,989	263,691	8.35	29,986	6.70%
2014	251,308	269,785	8.35	31,657	3.90%
2015	257,157	274,487	8.35	27,047	3.80%
2016	259,688	284,876	8.35	42,787	2.60%

Source: Upstate Colorado Economic Development
in cooperation with the University of
Northern Colorado and the State of Colorado
demographic.
Library Research Service State of Colorado for HPLD population

Note: The HPLD population is shown as compared to the Weld
County population as the District's service area
approximates the boundary of Weld County.

**High Plains Library District
Principal Employers
December 31, 2016**

	2016			2007		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
JBS Swift Beef Company	4,620	1	3.25%	3,650	1	3.55%
Banner Health: Northern Colorado Medical Center	3,450	2	2.42%	2,700	2	2.62%
State of Colorado (includes UNC)	1,623	3	1.14%	1,159	7	1.13%
Weld County Government	1,615	4	1.13%	1,490	4	1.45%
Greeley Evans School District 6	1,609	5	1.13%	2,307	3	2.24%
State Farm Insurance Companies	1,400	6	0.98%	1,322	5	1.28%
Teletech	830	7	0.58%			
City of Greeley	812	8	0.57%	1,306	6	1.27%
Halliburton Energy Services	690	9	0.62%			
Anadarko Petroleum	610	10	0.50%			
Star-Tek Inc.				906	8	0.88%
Wal-Mart Super Center				856	9	0.83%
Carestream Helath				800	10	0.78%
Total Principal Employers	17,259		12.13%	16,496		16.03%
Other Employers	125,055		87.87%	86,395		83.97%
Total County Employment	142,314		100.00%	102,891		100.00%

Source: Upstate Colorado Economic Development
Total Employment from Colorado Department of Labor
State of Colorado figures for 2016 include only UNC

**High Plains Library District
Library Materials Purchased and Circulated
Last Ten Fiscal Years**

Fiscal Year	Number of Volumes Owned (1)	Number of Audio/Visual Items Owned (2)	Total Items Owned	Number of Items Circulated*
2007	558,157	73,868	632,025	1,713,594
2008	588,748	90,252	679,000	2,309,741
2009	612,332	103,306	715,638	2,709,365
2010	613,815	111,641	725,456	2,774,312
2011	637,087	111,048	748,135	2,761,638
2012	652,019	104,427	756,446	2,746,572
2013	615,874	111,046	726,920	2,879,953
2014	673,140	128,416	801,556	2,749,021
2015	683,682	131,135	814,817	2,781,499
2016	636,645	602,207	1,238,852	2,640,378

Source: High Plains Library District IT department.

Note:

(1) Volumes include books, book club bags, new books, Paperbacks, Large Print, Kits, Inter Library Loan, member books, new periodicals, periodicals, and references, and express books.

(2) Audio/visual items include audio books, MP3, Blu-Ray, cassettes, CD's, DVD's, E-books, equipment, short check out equipment, software, member audio, member video, net library, recordings, and video cassettes.

* The number of items circulated includes the HPLD six branch locations; two Outreach vehicles; Member Libraries - Eaton Public Library, Fort Lupton Public & School Library, Glenn A Jones, M.D. Memorial Library, Hudson Public Library, Northern Plains Public Library, and Platteville Public Library.

**High Plains Library District
Service Locations
December 31, 2016**

Libraries	Address	Square Footage	Number of Employees
Carbon Valley Regional	7 Park Avenue Firestone, CO 80504	34,000	24
Centennial Park Library	2227 23rd Avenue Greeley, CO 80634	29,610	36
Administrative and Support Services Building*	2650 W. 29th Street Greeley, CO 80631	23,903	60
Erie Community	400 Powers Street Erie, CO 80516	20,000	23
Farr Regional Library**	1939 61st Avenue Greeley, CO 80634	38,000	34
Lincoln Park Library	1012 11th Street, Suite B Greeley, CO 80631	6,195	25
Kersey Library	413 First Street Kersey, CO 80644	800	2
Riverside Library and Cultural Center	3700 Golden Street Evans, CO 80620	13,806	23

* The Administration and Support Services building houses the District Support Services staff, Collection Resources department and Outreach department staff.

** The Virtual Library department consisting of 3 employees is located at the Farr Regional Library (FRL) and included in the number of employees listed for the FRL.

This information is presented on an annual year end basis, to highlight the number of employees at each location.

**High Plains Library District
Circulation Summary by Location
Last Ten Fiscal Years**

Fiscal Year	Carbon Valley ¹	Centennial Park	Erie ²	Farr	Kersey ³	Lincoln Park	Riverside Library and Cultural Center⁴	Outreach Services	Total
2007	142,423	403,580	8,828	569,154		166,030		81,667	1,371,682
2008	328,473	485,661	274,667	551,880		199,280		64,440	1,904,401
2009	431,063	557,161	360,777	613,829		230,495		66,912	2,260,237
2010	460,549	544,937	394,194	633,278		210,738		63,808	2,307,504
2011	447,547	531,887	390,389	584,903		220,894		59,341	2,234,961
2012	442,864	598,032	408,498	556,127		247,896		64,949	2,318,366
2013	416,713	612,407	410,951	568,357	7,537	267,543		62,786	2,346,294
2014	382,228	558,494	394,962	550,391	11,090	234,827	24,519	68,480	2,224,991
2015	290,955	395,511	296,969	432,621	10,431	174,416	123,496	79,522	1,803,921
2016	272,125	399,477	281,932	405,275	7,917	97,700	106,282	89,766	1,660,474

Note:

¹ The Carbon Valley Regional Library opened in March 2008.

² Erie activity occurred at the Lorraine David Children's Library which ceased its operations with the new Erie Community Library opening on January 12, 2008.

³ The Kersey mini-branch opened in January 2013.

⁴The Riverside Library and Cultural Center opened on October 18, 2014.

Source: High Plains Library District IT department.