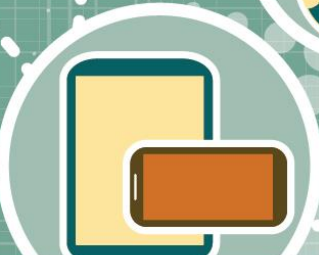


2018 Comprehensive Annual Financial Report



**POUDRE RIVER
PUBLIC LIBRARY**
DISTRICT

**CONNECT
TO CURIOSITY**



FOR THE YEAR ENDED DECEMBER 31, 2018
Fort Collins, Colorado

Finance Office
301 East Olive Street, Fort Collins, Colorado

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POUDRE RIVER PUBLIC LIBRARY DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
December 31, 2018



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TO CURIOSITY

Board of Trustees

(As of December 31, 2018)

Amanda Quijano, *President*

Becki Schulz, *Vice President*

Matt Schild, *Secretary/Treasurer*

Valerie Arnold

John Frey

Fred Colby

Joe Wise

Executive Director

David Slivken

Prepared by:

Rachel Miller, CPA

Director of Finance and Business Operations

Webster House Administration Center

301 East Olive Street

Fort Collins, Colorado 80524

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Poudre River Public Library District

Comprehensive Annual Financial Report

For the Year Ended December 31, 2018

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Introductory Section



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OLD TOWN LIBRARY 201 Peterson Street • Fort Collins, CO 80524

HARMONY LIBRARY 4616 S. Shields Street • Fort Collins, CO 80526

COUNCIL TREE LIBRARY 2733 Council Tree Ave. • Fort Collins, CO 80525

WEBSTER HOUSE ADMINISTRATION CENTER 301 E. Olive Street • Fort Collins, CO 80524



**POUDRE RIVER
PUBLIC LIBRARY**
DISTRICT

June 28, 2019

Members of the Board of Trustees
Poudre River Public Library District
301 East Olive Street
Fort Collins, Colorado 80524

Dear Trustees:

I am pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of Poudre River Public Library District (the District) for the year ended December 31, 2018.

A CAFR is an expanded annual financial report prepared in accordance with guidelines of the Government Finance Officers Association of the United States and Canada (GFOA). The required components of a CAFR include all of the financial statement data as historically reported, as well as a Management Discussion and Analysis Section, a Statistical Section which includes fifteen tables of information on financial trends, revenue capacity, debt capacity, demographic and economic information, operating information, and more expanded information in the letter of transmittal.

The GFOA administers an award program for governments that prepare CAFRs in compliance with its guidelines. When successful, the submitted government is awarded a Certificate of Achievement for Excellence in Financial Reporting. The District received this award for the 2017 CAFR and intends to submit the 2018 CAFR for recognition by the GFOA.

Thank you for your review of this report and for your stewardship of the District's fiscal activities.

Respectfully submitted,

David Slivken
Executive Director

970.221.6740
www.PoudreLibraries.org

OLD TOWN LIBRARY 201 Peterson Street • Fort Collins, CO 80524

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WEBSTER HOUSE ADMINISTRATION CENTER 301 E. Olive Street • Fort Collins, CO 80524



**POUDRE RIVER
PUBLIC LIBRARY**
DISTRICT

June 28, 2019

To the Board of Trustees and the Citizens of Poudre River Public Library District:

State law requires that local governments publish audited financial statements within seven months of the close of each fiscal year end. This report is published to fulfill that requirement for the fiscal year ended December 31, 2018. Management assumes full responsibility for the completeness and reliability of the information contained in the report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatements.

The certified public accounting firm of BKD, LLP has issued an unmodified (“clean”) opinion on Poudre River Public Library District’s financial statements for the year ended December 31, 2018. The independent auditor’s report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

Profile of the Government

Established in 2006 by voter approval in compliance with state statute CRS 24-90-110, the District is an independent political subdivision of the State of Colorado. The District is governed by a seven-member board of trustees which are jointly appointed by the Fort Collins City Council and Larimer County Board of County Commissioners. Trustees serve four year terms and are limited to two consecutive terms. The District is primarily supported by a 3-mill property tax. Library patrons are provided a wide range of library services including books, CDs, DVDs and other materials for business and pleasure, programming services for all ages, literacy services and meeting room availability.

The District serves more than 207,900 people across 1,800 square miles in northern Larimer County, Colorado. Anchored by three library branches in Fort Collins, the District is dedicated to matching diverse District patrons’ needs, interests and priorities with exceptional opportunities for learning, intellectual stimulation and personal enjoyment.

The District’s operating divisions include Administration (the Executive Director’s office, Human Resources, Finance and Communications); operations, public services and circulation of each library; Collection Services, Collection Development, Outreach, Programming, Answer Center, Systems Administration, Interlibrary Loan and Facilities.

The Board of Trustees is required to adopt a final budget no later than December 15th of each fiscal year. The annual budget serves as a foundation of the District's financial planning and control. The budget is prepared by fund and department. The Executive Director is specifically authorized to make budget transfers between operating accounts within a fund. Any transfer of budgeted funds to or from a specifically approved capital project and any change in the total budget for each fund require approval of the Board of Trustees.

Local Economy

The District encompasses northern Larimer County, with the same boundaries as the Poudre School District. Ninety-one percent of the District's population resides in Fort Collins. The remaining population resides in Timnath and the unincorporated rural and mountain communities of LaPorte, Bellvue, Waverly, Livermore, Lower Rist Canyon, Stove Prairie, Poudre Park, Upper Poudre Canyon and Virginia Dale.

The District area is consistently ranked as a top area to raise a family, attend college, grow a business, live a healthy lifestyle and retire. Fort Collins has been ranked the 9th best place for Millennials, 2nd best city for small business owners and 4th for Bloomberg's Brain Concentration Index (behind Boulder, CO, San Jose, CA, and San Francisco, CA). Northern Larimer County's per capita personal income was \$36,050 in 2018.

Innovation, education and opportunity define northern Larimer County. The region emphasizes technological innovation and entrepreneurship while maintaining a diverse and educated population. The area is home to a varied set of industries and companies from burgeoning startups supported by the area's tech incubator, Innosphere, to global leaders in food and agriculture, energy and advanced manufacturing. Target industries include bioscience, software, hardware, clean energy and water innovation. The companies that result from these targets contribute ideas, inventions and products that positively affect the local economy. Key technology and innovation manufacturers include the world headquarters for Woodward, Inc., top brewer Anheuser-Busch and top craft breweries New Belgium Brewing Company and Odell Brewing Company. Other global manufacturers include Hewlett-Packard Enterprise, Inc., Otter Products and Tolmar, a leading pharmaceutical company.

According to the 2019 Colorado Business Economic Outlook, the leading industries in northern Colorado are manufacturing, health care, education and accommodation and food services. A well-educated workforce and diverse employment base make the area attractive to businesses. The local workforce is highly educated with 47% of residents holding bachelor degrees or higher. The unemployment rate is one of the lowest in the country at 2.7% as of September 2018.

More than 23% of the jobs in northern Larimer County are in local, state or federal government, which includes a broad range of public institutions such as local schools, public universities and hospitals. The highest wages are in manufacturing (breweries, milk and malting) and professional, scientific, and technical services (research and development, computer programming, consulting and management).

Colorado State University, the District's largest employer, is one of the country's leading research universities with strong emphasis on energy management and renewables, agricultural technology, cancer in animals, infectious diseases and atmospheric science.

The Fort Collins median home price in 2018 was above \$400,000, and year over year sales through May 2018 dropped nine percent, according to the Colorado Board of Realtors. Housing affordability is becoming a growing concern, particularly since wage growth has not kept pace with home appreciation in the region. Colorado wage growth is projected to be above the national average in 2019 according to the 2019 Colorado Business Economic Outlook and home prices are projected to increase five percent.

According to the Colorado Multi-Family Housing Vacancy and Rental Survey conducted by the University of Denver for the state's Division of Housing, average rent for a Fort Collins one-bedroom apartment was \$1,197 in the fourth quarter of 2018, up from \$1,049 in the fourth quarter of 2015. Despite these housing challenges, Fort Collins remains a consistently top-ranked place to live, visit and retire.

Long-term Financial Planning

In 2013, management developed a long-term Capital Replacement Plan. The purpose of this plan was to identify major capital replacement and repair needs of the District. It is anticipated that funding for this plan will be provided by annual transfers from the District's General Fund to the Capital Projects Fund.

The District will also have a new Master Plan effective in 2019, which includes a comprehensive facility plan and elements of our new Strategic Plan.

Relevant Financial Policies

The Board of Trustees has adopted policies on working capital and Capital Projects Fund transfers. A Working Capital Operating Reserve has been established equal to 20% of budgeted revenue. This reserve will be maintained in the General Fund to provide for the cash flow needs of the District. The Capital Reserve policy requires that \$250,000 be transferred from the General Fund to the Capital Projects Fund to fund the Capital Replacement Plan and to accumulate funds for major repair or replacement of District facilities and equipment.

The Colorado Constitution places limits on the amount of revenue growth that state and local governments can retain. The approved ballot issue which authorized the formation of the District exempted the District from this constraint. However, the District is subject to other state constitution requirements, including the requirement to maintain an emergency reserve equal to 3% of annual spending and the requirement for an election to approve any tax increase.

Major Initiatives

In 2018, blinds were installed at the Council Tree Library and hearing loops were installed at the Old Town Library. We purchased and placed into service a Book Bike Trailer and updated the wireless network at the Old Town Library. We also began the process of replacing the damaged chiller at the Old Town Library by commissioning design work and selecting a vendor; the work will be completed in 2019.

In May 2015, the Board of Trustees adopted a new Strategic Plan for years 2016-2018. This plan identified three target audiences on which to focus effective program development, collection growth, modified services and facility usage to highlight a "continuous learning" brand for the District. The target audiences are birth-third grade for school readiness, tweens and teens, nonprofits, job seekers and the business community. We completed the key phases of this Strategic Plan in 2018.

In preparation for the expiration of the 2016-2018 Strategic Plan, the Board in 2018 commissioned Group 4 and Carson Block Consulting to develop a comprehensive, long-range Master Plan that would help guide the next Strategic Plan. The Master Plan involved many hours of planning, discussion, workshops and focus groups within our staff and the community. The final Master Plan was given to the Board in January 2019.

For the sixth year, the District was recognized as a ClimateWise Platinum Partner. ClimateWise is a City of Fort Collins program designed to assist local businesses to reduce their greenhouse gas impact.

Platinum is the highest partner level and requires the achievement of set goals to reduce the business' greenhouse gas impacts, educational/informative meeting attendance and employee challenges.

Awards and Acknowledgements

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Poudre River Public Library District for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2017. 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 comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

I would like to thank Laura Carter, Tova Aragon and Anne Macdonald of the District for their assistance in the preparation of this report and Ivana Ross for her accurate and efficient contribution to the Finance Office throughout the year. I also thank the members of the Board of Trustees for their leadership and support. The District contracts with the City of Fort Collins for support services including accounting and treasury management, and I express my appreciation to the members of the City's Finance Office for their ongoing service. Finally, I would like to thank the professionals at BKD, LLP, our external auditing firm.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Rachel Miller', with a stylized, cursive script.

Rachel Miller, CPA
Director of Finance and Business Operations



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Poudre River Public Library District
Colorado**

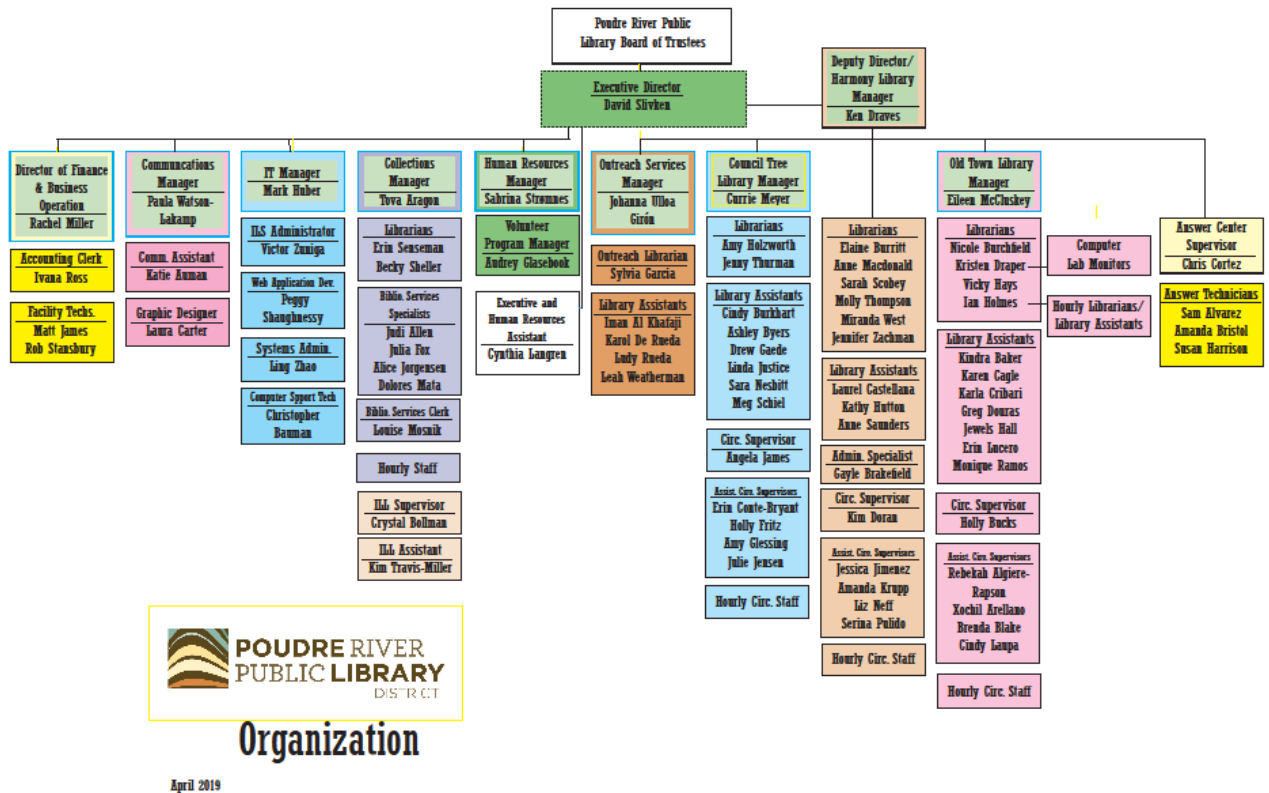
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morill

Executive Director/CEO

Poudre River Public Library District Organization Chart (As of April 2019)



Poudre River Public Library District Library Leadership Team (As of December 31, 2018)

David Slivken
Kenneth Draves
Tova Aragon
Jeff Barnes
Mark Huber
Eileen McCluskey
Currie Meyer
Sabrina Strommes
Johanna Ulloa
Paula Watson-Lakamp
Cynthia Langren

Executive Director
Deputy Director
Collections Manager
Finance Officer
Information Technology Manager
Old Town Library Manager
Council Tree Library Manager
Human Resources Manager
Outreach Services Manager
Communications Manager
Administrative Assistant

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Financial Section



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1801 California Street, Suite 2900 | Denver, CO 80202-2606
303.861.4545 | Fax 303.832.5705 | bkd.com

Independent Auditor's Report

Board of Directors
Poudre River Public Library District

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Poudre River Public Library District (the District), as of and for the year ended December 31, 2018 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 of America; 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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Poudre River Public Library District as of December 31, 2018, and the respective changes in financial position and the



Board of Directors
Poudre River Public Library District

budgetary comparisons for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents 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 of America, 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 sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of revenues, expenditures, and changes in fund balance, capital projects fund budget and actual, and the introductory and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of revenues, expenditures, and changes in fund balance, capital projects fund budget and actual is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections as listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

BKD, LLP

Denver, Colorado
June 28, 2019

Management's Discussion and Analysis (Unaudited)

Poudre River Public Library District (the District) offers the readers of the District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended December 31, 2018. In addition to this overview and analysis based on currently known facts, decisions and conditions, the District would encourage readers to consider the information presented in the District's financial statements, which begin on page 28 of this report.

Financial Highlights

The assets of the District exceeded its liabilities and deferred inflows of resources at the end of the fiscal year ended December 31, 2018 by \$26,101,934 (net position). Of the net position balance, \$7,350,926 is unrestricted and is available to meet the District's ongoing obligations in accordance with the District's fund designations and fiscal policies.

The District's net position decreased by \$157,573 in 2018.

The General Fund, the District's primary operating fund, reported a fund balance decrease of \$405,905 on a current financial resource basis. The General Fund had an ending fund balance of \$3,850,868.

The Capital Projects Fund reported a fund balance increase of \$1,262,275 in 2018. The Capital Projects Fund had an ending fund balance of \$4,059,114.

The primary reason for the General Fund decrease and Capital Projects Fund increase was an inter-fund transfer of \$1,000,000 in December 2018 to the Capital Projects Fund for future facilities expansion.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of the following three components:

- 1) Government-Wide Financial Statements
- 2) Fund Financial Statements
- 3) Notes to the Financial Statements

Government-Wide Financial Statements

The government-wide statements are designed to provide readers with a broad overview of the District's finances using the accrual basis of accounting, which is the basis of accounting used by most private-sector businesses.

The statement of net position presents information on all of the District's assets, liabilities and deferred inflows of resources. The difference between assets, liabilities and deferred inflows of resources is reported as net position. Over time, increases and decreases in net position may provide an indication of whether the District's financial position is improving or deteriorating.

The statement of activities presents information reflecting how the District's net position has 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 the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., earned

but unused vacation leave). The government-wide financial statements can be found on pages 28 and 29 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. The District accounts for all of its activities in two governmental funds, the General Fund and a Capital Projects Fund.

The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Governmental funds are used to report the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, the fund financial statements are prepared on the modified accrual basis. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available, and expenditures are recognized when the related fund liability is incurred, with the exception of long-term debt and similar long-term items which are recorded when due. Therefore, the focus of the governmental fund financial statements is on near-term inflows and outflows of spendable resources as well as on the balance of spendable resources available at the end of the fiscal year.

Since the focus of the governmental funds is on near-term resources, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. To facilitate this comparison, reconciliations are provided for both the governmental fund balance sheet and the governmental statement of revenues, expenditures and changes in fund balances.

The District adopts an annual appropriated budget for its governmental funds. Budgetary comparison statements have been provided for the District's two funds, the General Fund and the Capital Projects Fund, to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 28-30 of this report.

Notes to the Financial Statements

The notes to the financial statements are considered an integral part of the basic financial statements since they provide additional information needed to gain a full understanding of the data provided in both the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 31 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December 31, 2018, assets exceeded liabilities and deferred inflows of resources by \$26,101,934.

The following table reflects a condensed Statement of Net Position as of December 31 of 2018 and 2017. For more detailed information, see the Statement of Net Position on page 28 of this report.

**Condensed Statement of Net Position
as of December 31, 2018 compared with 2017**

	2018	2017
Current and other assets	\$ 18,012,742	\$ 17,098,707
Capital assets	18,441,288	19,434,854
Total assets	<u>36,454,030</u>	<u>36,533,561</u>
 Total liabilities	 699,048	 673,627
Deferred inflows of resources	9,653,048	9,600,427
 Net Position:		
Invested in capital assets	18,441,288	19,434,854
Restricted	309,720	350,097
Unrestricted	<u>7,350,926</u>	<u>6,474,556</u>
Total net position	<u>\$ 26,101,934</u>	<u>\$ 26,259,507</u>

The investment in capital assets (e.g., land, library buildings, the collection of library materials and equipment) is the largest portion of the District's net position, representing 71% of the total. The District uses these capital assets to provide library services to citizens; consequently, these assets are not available for future spending.

The District's unrestricted net position represents 28% of total net position. The District has committed \$4,059,114 of this balance in the Capital Projects Fund for capital improvements and has committed \$2,188,712 in the General Fund for the maintenance of adequate operating reserves.

The remaining 1% portion of the District's net position represents resources that are subject to external restrictions on how they may be used. This number includes \$306,000 that is specifically restricted by Colorado state statute under the Taxpayer Bill of Rights (TABOR) to be set aside for emergencies as well as a \$3,720 donor-restricted donation.

The District's total net position decreased by \$157,573 during the current fiscal year. This decrease was due to a decrease in capital assets. Financial assets had an increase in value for the year.

The following table reflects a condensed summary of activities and changes in net position for the fiscal years ending December 31, 2018 and 2017. For more detailed information, see the Statement of Activities on page 29 of this report.

Condensed Statement of Activities & Changes in Net Position
For the Years Ended December 31, 2018 and 2017

	2018	2017
Program revenues:		
Charges for services	\$ 139,434	\$ 179,859
Operating grants and contributions	203,781	205,407
Capital grants and contributions	5,600	37,779
General revenues:		
Property and specific ownership taxes	10,455,268	9,542,783
Investment earnings	156,548	109,186
Total Revenues	<u>10,960,631</u>	<u>10,075,014</u>
Expenses:		
Library Services	7,702,573	7,218,382
Administration	1,839,528	1,693,926
Depreciation	1,576,103	1,296,769
Total expenses	<u>11,118,204</u>	<u>10,209,077</u>
Change in net position	(157,573)	(134,063)
Net position - beginning	<u>26,259,507</u>	<u>26,393,570</u>
Net position - ending	<u>\$ 26,101,934</u>	<u>\$ 26,259,507</u>

Governmental Funds Financial Analysis

As noted previously, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the District's governmental funds reported an ending total fund balance of \$7,909,982, which was an increase of \$856,370 over 2017. \$309,720 (4%) of the ending total fund balance is restricted to indicate that it is not available for new spending because it must only be spent for externally imposed specific purposes. \$7,600,262 (96%) of the ending total fund balance constitutes an unrestricted fund balance, which is available for spending at the government's discretion. The Board of Trustees has committed \$2,188,712 of the unrestricted fund balance as an operating/working capital reserve and committed \$4,059,114 as reserves for capital improvements and facilities expansion, of which \$40,377 is specifically committed for design or land purchase. The remainder of the unrestricted fund balance, \$1,352,436 (17%), is unassigned.

General Fund Budgetary Highlights

General Fund 2018 actual expenditures of \$10,055,940 were below total budgeted expenditures by \$288,405. All of the District's operating segments were under their final budget except for Library Administration, Collection Development and Programming. Library Administration expenditures exceeded budget due to unanticipated consulting costs for the Master Plan. Additional funds were required in Collection Development to purchase more electronic media than was anticipated at the time the budget was adopted, in order to meet patron demand. These additional costs were offset by personnel cost savings of \$335,874 for the year resulting from staff vacancies and unscheduled hours.

Capital Assets

The District's investment in capital assets as of December 31, 2018 was \$18,441,288. Capital assets, net of depreciation, decreased \$993,566 in 2018.

	2018	2017
Land	\$ 2,256,000	\$ 2,256,000
Construction in Process	4,150	7,350
Buildings and Improvements	13,564,506	13,872,299
Equipment and Furnishings	767,004	1,025,181
Library Materials Collection	1,849,628	2,274,024
Total Capital Asset Book Value	\$ 18,441,288	\$ 19,434,854

Significant Capital Asset activity in 2018 included additions to the District's library materials collection, the completion of the window blind installation at Council Tree Library, the installation of hearing loops at Old Town Library, the purchase of a book bike trailer, and a wireless network upgrade at Old Town Library. We disposed of the 2011 materials collection as well as the 2012 materials collection to reflect a change in their useful life to six years. Additional information on the District's capital assets can be found on pages 40-41 of this report.

Economic Factors

The District is dependent on property tax as its primary source of revenue. Property values are reassessed every two years, with 2017 being the most recent reassessment year. That reassessment resulted in a 10% increase in property values within the District, which is reflected in 2018 property tax revenue. In addition, Larimer County saw an increase in building activity, though some of the larger construction projects in process are subject to tax increment financing agreements. When tax increment financing agreements are in place, the District receives none or a portion of the new tax revenue until the agreement is complete. In 2018, the District had an overall 10.2% increase in property tax revenue due to increased property values and building growth.

Another significant source of revenue for the District is specific ownership tax, which is a portion of the fees paid on vehicle licensing. This revenue fluctuates based on the level of new vehicle sales and other factors. For 2018, the District collected 3.4% (\$28,948) more specific ownership tax than in 2017. These and other factors were considered when the District prepared its 2018 and 2019 budgets.

Financial Contact

The District's financial statements are designed to provide users (citizens, taxpayers, customers and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information presented in this report or requests for additional information should be addressed to the District Finance Officer, 301 E. Olive Street, Fort Collins, CO 80524.

Basic Financial Statements



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Poudre River Public Library District
Statement of Net Position and Governmental Funds Balance Sheet
December 31, 2018

	General Fund	Capital Projects Fund	Total	Adjustments (Note II)	Statement of Net Position
Assets					
Cash and cash equivalents	\$ 464,699	\$ 427,011	\$ 891,710	\$ -	\$ 891,710
Investments	3,780,038	3,616,824	7,396,862	-	7,396,862
Receivables					
Property taxes	9,653,048	-	9,653,048	-	9,653,048
Accounts	39,739	-	39,739	-	39,739
Accrued interest	16,104	15,279	31,383	-	31,383
Land	-	-	-	2,256,000	2,256,000
Construction in Progress	-	-	-	4,150	4,150
Other capital assets, net of accum. depreciation	-	-	-	16,181,138	16,181,138
Total Assets	\$ 13,953,628	\$ 4,059,114	\$ 18,012,742	\$ 18,441,288	\$ 36,454,030
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 136,204	\$ -	\$ 136,204	\$ -	\$ 136,204
Accrued wages payable	254,614	-	254,614	-	254,614
Accrued compensated absences	-	-	-	249,336	249,336
Sales tax payable	539	-	539	-	539
Unearned revenue	58,355	-	58,355	-	58,355
Total Liabilities	449,712	-	449,712	249,336	699,048
Deferred Inflows of Resources					
Property taxes	9,653,048	-	9,653,048	-	9,653,048
Fund balances					
Restricted fund balance	309,720	-	309,720	(309,720)	-
Committed fund balance	2,188,712	4,059,114	6,247,826	(2,229,089)	4,018,737
Unassigned fund balance	1,352,436	-	1,352,436	(5,371,173)	(4,018,737)
Total Fund Balance	3,850,868	4,059,114	7,909,982	(7,909,982)	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 13,953,628	\$ 4,059,114	\$ 18,012,742		
Net Position					
Investment in Capital Assets				18,441,288	18,441,288
Restricted for Emergencies				306,000	306,000
Restricted Donation				3,720	3,720
Unrestricted				7,350,926	7,350,926
Total Net Position				\$ 26,101,934	\$ 26,101,934

The notes to the financial statements are an integral part of this statement.

Poudre River Public Library District
Statement of Activities and Governmental Funds Revenue, Expenditures and Changes in Fund
Balance
December 31, 2018

	General Fund	Capital Projects Fund	Total	Adjustments (Note II)	Statement of Activities
Expenditures					
Current operating					
Personal services	\$ 6,135,800	\$ -	\$ 6,135,800	\$ 20,377	\$ 6,156,177
Contractual Services:					-
City Support Services	499,979	-	499,979	-	499,979
Treasurer's Fee	191,606	-	191,606	-	191,606
Other Contractual	1,655,133	-	1,655,133	-	1,655,133
Commodities			-		-
Collection Development	1,239,893	-	1,239,893	(533,194)	706,699
Other Commodities	289,847	-	289,847	42,660	332,507
Depreciation	-	-	-	1,576,103	1,576,103
Capital outlay	43,682	48,321	92,003	(92,003)	-
Total Expenditures/Expenses	10,055,940	48,321	10,104,261	1,013,943	11,118,204
Program Revenues					
Charges for services	139,434	-	139,434	-	139,434
Operating grants and contributions	203,781	-	203,781	-	203,781
Capital grants and contributions	-	5,600	5,600	-	5,600
Total Program Revenues	343,215	5,600	348,815	-	348,815
Net Program Expense					10,769,389
General Revenues					
Property taxes	9,578,657	-	9,578,657	-	9,578,657
Specific ownership taxes	876,611	-	876,611	-	876,611
Earnings on investments	101,552	54,996	156,548	-	156,548
Transfers	(1,250,000)	1,250,000	-	-	-
Total General Revenues and Transfers	9,306,820	1,304,996	10,611,816	-	10,611,816
Excess (Deficiency) of Revenues and Transfers					
In Over Expenditures and Transfers Out	(405,905)	1,262,275	856,370	(856,370)	-
Change in Net Position				(157,573)	(157,573)
Fund Balance / Net Position					
Beginning of year	4,256,773	2,796,839	7,053,612	19,205,895	26,259,507
End of year	\$ 3,850,868	\$ 4,059,114	\$ 7,909,982	\$ 18,191,952	\$ 26,101,934

The notes to the financial statements are an integral part of this statement.

Poudre River Public Library District
General Fund Statement of Revenues, Expenditures and Changes in Fund Balance
Actual and Budget
For the Year Ended December 31, 2018

	Actual	Budget (Original)	Budget (Final)	Variance
Revenues				
Property taxes	\$ 9,569,291	\$ 9,480,300	\$ 9,480,300	\$ 88,991
Specific ownership taxes	876,611	725,000	725,000	151,611
Property tax interest	9,366	-	-	9,366
Intergovernmental	51,373	78,700	78,700	(27,327)
Fees and charges for services	28,343	20,000	20,000	8,343
Extended use fees	111,091	150,000	150,000	(38,909)
Earnings on investments	101,552	50,000	50,000	51,552
Donations	147,577	141,000	141,000	6,577
Miscellaneous	4,830	-	-	4,830
Total Operating Revenues	10,900,035	10,645,000	10,645,000	255,035
Expenditures				
Library Administration	1,839,528	1,796,375	1,796,375	(43,153)
Collection Services	818,182	876,295	876,295	58,113
Systems Administration	700,611	707,240	707,240	6,629
Facilities	387,717	426,670	426,670	38,953
Combined Operations	213,142	261,420	261,420	48,278
Answer Center	200,306	204,565	204,565	4,259
Outreach Services	363,206	374,470	374,470	11,264
Interlibrary Loan	175,036	185,280	185,280	10,244
Old Town Operations	232,530	258,785	258,785	26,255
Old Town Public Service	737,837	792,295	792,295	54,458
Old Town Circulation	480,577	533,605	533,605	53,028
Collection Development	1,455,516	1,344,750	1,344,750	(110,766)
Programming	169,000	152,700	152,700	(16,300)
Harmony Operations	116,968	129,445	129,445	12,477
Harmony Public Service	622,892	661,530	661,530	38,638
Harmony Circulation	419,974	449,365	449,365	29,391
Council Tree Operations	260,858	269,875	269,875	9,017
Council Tree Public Service	381,879	394,400	394,400	12,521
Council Tree Circulation	436,498	475,280	475,280	38,782
Capital Outlay	43,682	50,000	50,000	6,318
Total Expenditures	10,055,940	10,344,345	10,344,345	288,405
Excess of Revenues Over Expenditures	844,095	300,655	300,655	543,440
Other Financing Sources (Uses)				
Transfers Out	(1,250,000)	(250,000)	(1,250,000)	-
Net Change in Fund Balance	(405,905)	50,655	(949,345)	543,440
Fund Balance - January 1	4,256,773	3,378,715	3,378,715	878,058
Fund Balance - December 31	\$ 3,850,868	\$ 3,429,370	\$ 2,429,370	\$ 1,421,498

The notes to the financial statements are an integral part of this statement.

Notes to the Financial Statements



CONNECT
TO CURIOSITY

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Poudre River Public Library District (the District) was created in 2007 as the Fort Collins Regional Library District under the provisions of Article 90 of Title 24 of the Colorado Revised Statutes after a successful election in 2006 to authorize the District formation. The District name was changed to Poudre River Public Library District in January 2009.

The District is administered by a governing Board of Trustees whose seven members are appointed by the City of Fort Collins and Larimer County. The accompanying financial statements present all of the financial activity for which the District is financially accountable.

The District is considered a stand-alone government for financial reporting purposes. As such, it follows the same principles as if it were a primary government as defined by Governmental Accounting Standards Board Statements (GASB) No. 14 and 39.

The reporting entity of the District consists of its own legal entity and those organizations for which it is financially accountable. Entities for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are included in the reporting entity. As of December 31, 2018, no legal entities meet this criterion.

B. Government-wide 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 government. Governmental activities are supported by taxes and intergovernmental revenue.

The statement of activities demonstrates the degree to which the direct expenses of a given function or program are offset by program revenues. Direct expenses are those that are clearly associated with a specific function or program. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Investment earnings and other items not properly included among program revenues are reported instead as general revenues.

C. Measurement Focus and Basis of Accounting

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. Grants and similar items are recognized as revenue as soon as all eligibility requirements 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 the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Charges for services, amounts due from other governments and earnings on investments

associated with the current fiscal period are all considered to be susceptible to accrual. Other revenue items such as fines are considered to be measurable and available only when the cash is received by the District; as a result, they are not susceptible to accrual. As under accrual accounting, expenditures are generally recorded when a liability is incurred. However, compensated absences and incurred claims and judgments are recorded only when payment is due.

D. Financial Statement Presentation

The accounts of the District are organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities and deferred inflows of resources, fund balances, revenues and expenditures.

The District reports all of its financial activity in two Governmental Funds, the General Fund and a Capital Projects Fund. The Capital Projects Fund is holding resources that are restricted for either land acquisition or facility design, for funding the Capital Replacement Plan and for the accumulation of a capital reserve established by the Board of Trustees. All other financial activity and resources are accounted for in the General Fund.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first and then unrestricted resources as they are needed.

E. Assets, Liabilities, Deferred Inflows of Resources and Fund Balance

Cash and Investments

The District has stated certain investments at fair value in accordance with GASB Statement No. 72. Fair value is determined utilizing the third party custodian's statements, Wall Street Journal, Bloomberg and other recognized pricing services.

The District's cash and investments are held in the name of and managed by the City of Fort Collins. Whenever possible, cash is pooled from the District's funds to enhance investment capabilities and maximize investment income. Investments are made taking into consideration cash flow needs, market conditions and contingency plans. On behalf of the District, the City's investment policies prescribe eligible investments, investment diversification and maturity and liquidity guidance, which are utilized in managing the investment portfolio.

Capital Assets

Capital assets, which are acquired or constructed, are reported at historical cost or estimated historical cost in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of five years or greater. In addition, materials added annually to the library materials collection are capitalized in the aggregate. Once fully depreciated, an annual addition to the collection is deleted. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Capital assets other than land, construction-in-progress and impaired assets are depreciated. Depreciation is computed using the straight-line method with estimated useful lives as shown on the following page.

Buildings.....	30-50 years
Furnishings and equipment.....	5-15 years
Library materials collection.....	6 years

Compensated Absences

The District allows employees to accumulate unused vacation pay and defer overtime pay by accumulating compensatory leave up to maximum limits. The liability associated with these benefits is reported in the government-wide financial statements as a current liability because the entire balance is immediately available to be withdrawn and used by the employee, without limit. Unused sick pay is not recognized as a liability in the governmental funds because it does not meet the criteria for accrual.

Deferred Inflows of Resources

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds and the government-wide statements report a deferred inflow of resources for the property taxes receivable that will become an inflow in the year for which the taxes are levied.

Fund Balance

In the fund financial statements, fund balances of the District's governmental funds are classified as non-spendable, restricted, committed, assigned or unassigned.

The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers or enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action (resolution) of the government's highest level of decision-making authority, which is the District's Board of Trustees. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Management has been granted the authority by the Board of Trustees to make fund balance assignments. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. Unassigned fund balance is the residual classification for the government's General Fund and includes all spendable amounts not contained in the other classifications. The General Fund is the only fund to report an unassigned fund balance. If resources are available for the same purpose in different fund balance classifications, the most restrictive classification is used first.

The District's restricted fund balance includes an emergency reserve that is required to be set aside by the Colorado Taxpayer Bill of Rights (TABOR). This emergency reserve equals 3% of fiscal year spending; the actual restricted amount may fluctuate each year.

The Board of Trustees has established, by resolution, a reserve for working capital equal to 20% of annual revenue and an annual transfer of \$250,000 as a capital reserve primarily to fund the District's Capital Replacement Plan. The working capital reserve is to be maintained in the General Fund as a committed fund balance to provide for the cash flow needs of the District. The annual transfer occurs within the current fiscal year. This practice will continue until Board action is taken to change these amounts.

GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions”, establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. The detail for the District’s fund balances is as follows:

	General Fund	Capital Projects Fund	Total
Fund Balances			
Restricted			
Restricted for emergencies	\$ 306,000	\$ -	\$ 306,000
Restricted donation	3,720	-	3,720
Total Restricted	309,720	-	309,720
Committed			
Working capital	2,188,712	-	2,188,712
Land and design services	-	4,059,114	4,059,114
Total Committed	2,188,712	4,059,114	6,247,826
Unassigned			
Unassigned	1,352,436	-	1,352,436
Total Fund Balance	\$ 3,850,868	\$ 4,059,114	\$ 7,909,982

In previous years, the District reported a restricted fund balance in the Capital Projects Fund related to a transfer of assets from the City of Fort Collins to the District upon its formation. The funds (\$40,377 as of 12/31/17) were reported as restricted although there was no restriction that met the required reporting criteria. The funds were fees collected by the City on behalf of the District that did not carry any constitutional, legislative or externally-imposed stipulations for use. These funds have been reclassified as part of the committed fund balance for 2018 and going forward.

Property Taxes Receivable

Property taxes are billed and collected by Larimer County, Colorado. Taxes are payable in the subsequent year in two installments on February 28 and June 15, or in total on April 30. Taxes for the following year are levied no later than December 15 and are recorded as a receivable with a corresponding offset to deferred inflows of resources.

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE II. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Fund balances per Balance Sheet	\$ 7,909,982
Inclusion of Capital Assets which are not financial resources and therefore not reported in the Funds	18,441,288
Inclusion of liability for compensated absences budgeted in the fund in future years	(249,336)
Net Position per Statement of Net Position	<u>\$ 26,101,934</u>
Net change in Fund Balances per Statement of Revenue, Expenditures and Change in Fund Balance	\$ 856,370
Capitalization of current year addition to the library materials collection	533,194
Net capitalization of commodities and other capital outlays	49,343
Current depreciation of capital assets	(1,576,103)
Inclusion of liability for Compensated Absences	(20,377)
Change in Net Position per Statement of Activities	<u>\$ (157,573)</u>

NOTE III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Budgetary Accounting and Control

The budget for the General Fund is adopted on a basis which is consistent with generally accepted accounting principles (GAAP).

Legal Level of Control

The legal level of budgetary control is at the individual fund level.

Lapsing Appropriations

All unexpended annual appropriations for operating and capital replacement funds lapse at year-end. Appropriations for capital projects continue until completion of the specific project.

Budgetary Procedures

The District's budget is approved by the governing board prior to the commencement of the fiscal year. The District's management may transfer any unused budgeted amount or portion thereof from one budget category to any other budget category at the legal level of budgetary control without Board approval. Other budget amendments must be approved in the form of a resolution by the Board.

In 2018, one supplemental budget resolution was approved for the General Fund adding an additional transfer to the Capital Projects Fund of \$1,000,000 to add to the reserve for future facilities.

Encumbrances

Encumbrance accounting is utilized by the District to record purchase orders, contracts and other commitments for the expenditure of monies to assure effective budgetary control and accountability. The District did not have any outstanding encumbrances at the fiscal year end.

NOTE IV. DETAILED FUND NOTES

A. Deposits and Investments

The District's deposits and investments are held in the name of and managed by the City of Fort Collins. As such, they are not evidenced by accounts or securities in the District's name that exist in physical or book entry form. The District has adopted the same investment policy as the City. The following deposit and investment disclosures are for the District's share of the City's pooled cash and investments.

Custodial Credit Risk – Deposits

For deposits, custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be returned. Due to the federal deposit insurance and the collateral, no deposits for the District were exposed to custodial credit risk. The bank balance of the District's deposits as of December 31, 2018 was \$1,036,105.

Investments

Investment policies are governed by Colorado statute and the District's own investment policies and procedures. District investments may include the following types of investments:

- Legal investments for municipalities under state statutes
- Interest-bearing accounts or certificates of deposit at banks or savings and loans in Colorado which are eligible public depositories (including CDARS)
- Obligations of the United States Government, its agencies or instrumentalities
- Debt of U.S. corporations
- Obligations issued by or on behalf of the District
- State or local government obligations having an investment grade rating
- Prime rated banker's acceptances
- Prime rated commercial paper
- Guaranteed investment contracts
- Repurchase and reverse repurchase agreements of any marketable security described above which afford the District a perfected security interest in such security
- Local government investment pools authorized under the laws of the State of Colorado
- Shares in any money market fund or account, unit investment trust or open or close-end investment company, all of the net assets of which are invested in securities described above
- Mutual funds that include eligible investments found above

The District's investments are subject to interest rate risk and credit risk.

Interest Rate Risk

The District's investment policy limits its exposure to fair value losses arising from rising interest rates with the following practices:

- Whenever possible, holding investments to their stated maturity dates
- Investing a portion of the operating funds in shorter-term securities, money market mutual funds, or local government investment pools

Based on the current rate environment, the District assumes all callable securities may not be called on the first call date.

The District invests in various mortgage-backed securities and bonds in order to maximize yields. Mortgage-backed securities are based on cash flows from interest payments on underlying mortgages. Therefore, they are sensitive to prepayments by mortgagees, which may result from a decline in interest rates. If interest rates decline and homeowners refinance mortgages, thereby prepaying the mortgages underlying these securities, the cash flows from interest payments are reduced and the value of these securities declines. Likewise, if homeowners pay on mortgages longer than anticipated, the cash flows are greater and the return on the initial investment would be higher than anticipated.

Credit Risk

The District's investment policy limits investments in corporate bonds to the top three ratings issued by nationally recognized statistical rating organizations (NRSROs) at the time of purchase.

Concentration of Credit Risk

The District places maximum limits on the amount the District may invest in any one issuer. Limits vary by investment type. More than 94% of the District's investments are in the Federal Farm Credit Bank (FFCB), the Federal Home Loan Bank (FHLB), the Federal Home Loan Mortgage Corp (FHLMC) and the Federal National Mortgage Association (FNMA). These investments were 38%, 18%, 8% and 30%, respectively, of the District's total investment. All of these investments were rated AA+ by Standard and Poor's and AAA by Moody's.

Fair Value Measurements

The District categorizes its assets and liabilities measured at fair value within the hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Investment prices for the District's securities are reported by US Bank, the District's custodial bank. US Bank acquires its pricing data from Interactive Data, a third party provider, which provides global security evaluations and fair value pricing for fixed income securities. Their evaluations represent a good faith opinion as to what a buyer in the marketplace would pay for a security in a current sale.

Interactive Data's evaluations are based on market data and evaluated pricing models that vary by asset class and incorporate trade, bid and other market information as well as evaluated pricing applications utilizing benchmark curves, benchmarking of like securities, sector groupings and matrix pricing to prepare evaluations. In addition, model processes such as the Option Adjusted Spread model are used to assess interest rate impacts and develop prepayment scenarios. For each asset class, teams of evaluators gather information from market sources and integrate relevant credit information, perceived market movements, and sector news into the evaluated pricing applications and models. The District invests primarily in fixed income securities. The investments are valued at fair value at least monthly.

The following fair value techniques were utilized in measuring the fair value of the District's investments:

- **U.S. Government Agency securities:** U.S. Government Agency securities are reported at fair value based on a multi-dimensional relational model and Option Adjusted Spread model. The model inputs include benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and other reference data including TRACE reported trades. TRACE is a program developed by the National Association of Securities Dealers (NASD) which allows for the reporting of over-the counter transactions for eligible fixed-income securities.
- **Corporate securities:** Corporate securities are reported at fair value based on a multi-dimensional relational model and Option Adjusted Spread model. The model inputs include benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and other reference data including TRACE reported trades.
- **Mortgage-backed securities:** Mortgage-backed securities are reported at fair value based on Electronic Communication Networks and Broker feeds. Inputs include benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and other reference data including vendor trading platform data.

The District has no other investments meeting the fair value disclosure requirements of GASB Statement No. 72. As of December 31, 2018, the District had the following investments:

<u>Investment Type</u>	<u>Credit Risk Rating</u> <u>S&P/Moody's</u>	<u>Fair Value</u> <u>Measurement</u> <u>Level</u>	<u>Fair</u> <u>Value</u>	<u>Investment Maturities</u>		
				<u>Up to</u> <u>120 days</u>	<u>121 days</u> <u>to 5 years</u>	<u>More than</u> <u>5 years</u>
Instrumentality						
Federal Farm Credit Bank (FFCB)	AA+/AAA	2	\$ 2,815,921	\$ 103,869	\$ 2,664,917	\$ 47,135
Federal Home Loan Bank (FHLB)	AA+/AAA	2	1,350,835	93,897	1,256,938	-
Federal Home Loan Mortgage Corporation (FHLMC)	AA+/AAA	2	624,771	-	624,771	-
Federal National Mortgage Association (FNMA)	AA+/AAA	2	2,191,315	153,707	2,037,608	-
Corporate bonds	AA+/AA1	2	216,182	19,214	196,968	-
Corporate bonds	AAA/AAA	2	67,730	-	67,730	-
Corporate bonds	AA-/AA3	2	67,268	-	67,268	-
Corporate bonds	AA+/AA2	2	62,840	-	62,840	-
Total Library Share of City Investment Pool			\$7,396,862	\$370,687	\$6,979,040	\$ 47,135
Percent of Total				5%	94%	1%

The carrying amounts of deposits and investments are reflected in the accompanying government-wide statement of net position as follows:

Cash and cash equivalents	\$ 891,710
Investments	7,396,862
Total deposits and investments	\$ 8,288,572

In addition to investments held by the District, the Community Foundation of Northern Colorado owns a fund which holds donations made directly to the Foundation, for the benefit of the District. These funds are available to the District only by specific request, and withdrawals are limited to five percent of the balance annually. Withdrawals not taken in a year add to the available distribution balance. Since the inception of the fund, there has never been a fund withdrawal. As of December 31, 2018, the balance in the Library Fund was \$257,438 and \$43,988 was available for distribution.

B. Capital Assets

A summary of changes in capital assets for the year is shown below.

	Changes in Capital Assets				
	Beginning of Year	Additions	Transfers	Deletions	End of Year
Capital assets, not being depreciated					
Land	\$ 2,256,000	\$ -	\$ -	\$ -	\$ 2,256,000
Construction in process	7,350	42,033	(45,233)	-	4,150
Total Capital assets, not being depreciated	2,263,350	42,033	(45,233)	-	2,260,150
Capital assets, being depreciated					
Buildings & Improvements	17,453,730	7,312	221,671	-	17,682,713
Equipment and furnishings	2,583,442	-	(176,438)	-	2,407,004
Library Materials Collection	4,535,126	533,193	-	(1,331,811)	3,736,508
Total Capital Assets, being depreciated	24,572,298	540,505	45,233	(1,331,811)	23,826,225
Less accumulated depreciation					
Buildings & Improvements	(3,581,431)	(514,760)	(22,016)	-	(4,118,207)
Equipment and furnishings	(1,558,261)	(103,755)	22,016	-	(1,640,000)
Library Materials Collection	(2,261,102)	(957,589)	-	1,331,811	(1,886,880)
Total Accumulated Depreciation	(7,400,794)	(1,576,104)	-	1,331,811	(7,645,087)
Total capital assets being depreciated, net	17,171,504	(1,035,599)	45,233	-	16,181,138
Capital Assets, net	\$ 19,434,854	\$ (993,566)	\$ -	\$ -	\$ 18,441,288

C. Inter-fund Transfers

In 2018, \$250,000 was transferred from the General Fund to the Capital Projects Fund as the annual transfer based on the board approved capital reserve policy. In addition, the Board of Trustees approved an additional transfer of \$1,000,000 to be used for future facilities expansion.

D. Liabilities

The District did not have any long-term liabilities in 2018. A significant portion of the District's current liabilities consists of compensated absences, for which a summary is shown below.

	Beginning of Year	Additions (Earned)	Deletions (Used)	End of Year	Due Within One Year
Compensated absences	\$ 228,959	\$ 301,341	\$ 280,963	\$ 249,336	\$ 249,336

Because the entire balance is available for withdrawal by the employees without restriction, all compensated balances are considered due within one year. Compensated absences are generally liquidated by the General Fund.

NOTE V. OTHER INFORMATION

A. Risk Management

Property, Liability, and Workers Compensation

The District is exposed to various risks of loss related to theft, damage and destruction of assets, torts, errors and omissions, injuries to employees and natural disasters. The District purchases commercial insurance for risks of loss in excess of deductible amounts. Settlements did not exceed insurance coverage in 2016, 2017 or 2018.

The District participates in the City of Fort Collins' self-insured health program. The District is charged a premium, but all claims are paid by the City and any unpaid claims or claims incurred but not paid as of December 31, 2018 are recognized by the City, and not passed through to the District.

B. Retirement Commitment

Money Purchase Plan 401(a)

The District's benefited employees participate in the Poudre River Public Library District 401(a) Money Purchase Plan. As a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate six months from the date of employment and are fully vested upon initial participation. The plan requires both employer contributions of 6.5% and employee contributions of 3% of base salary each pay period. Employee contributions are made with pretax or after tax dollars. Contributions made by the District as well as earnings on District and employee contributions are not taxable to the employee until they are withdrawn. Plan provisions and contribution requirements are established and may be amended by the District's Board of Trustees. The plan is administered by ICMA Retirement Corporation. 2018 District and employee contributions to the plan were \$244,622 and \$102,027, respectively.

C. Related Party Transactions

Pursuant to an intergovernmental agreement with the City of Fort Collins, the District contracts for support services including accounting, budgeting, treasury management, accounts payable, payroll, facility maintenance, human resources, purchasing, and information technology. In 2018, the District paid the City \$499,979 for these services. The City also provides employee benefits to the District's employees through the City's Human Resources Department. The District and its employees pay the same benefit premiums as the City and its employees.

D. Legal Matters

Tax, Spending, and Debt Limitations

Article X, Section 20, of the State Constitution has several limitations, including those for revenues, expenditures, property taxes and issuance of debt. The Amendment is complex and subject to judicial interpretation. As part of the ballot language that formed the District, permission was given to retain all revenue generated by the current mill levy and other operating revenues. The District is required to comply with all other aspects of this amendment including needing voter approval to increase tax rates or issue debt.

Supplementary Information



CONNECT
TO CURIOSITY

Poudre River Public Library District
Capital Projects Fund Schedule of Revenues, Expenditures and Changes in Fund Balance
Actual and Budget
For the Year Ended December 31, 2018

	2018 Actual	Project to Date	Budget (Original)	Budget (Final)	Budget Variance \$
Revenues					
Investment earnings	\$ 54,996	\$ -	\$ -	\$ -	\$ 54,996
Library Trust donations	-	-	-	-	-
Intergovernmental	5,600	-	-	-	5,600
Donations	-	-	-	-	-
Total Revenue	60,596	-	-	-	60,596
Expenditures / Expenses					
Capital Outlay					
Library Trust expenditures	10,235	10,236	10,100	10,100	(135)
Capital Replacement Plan - 2016	2,715	182,339	165,000	165,000	162,285
Capital Replacement Plan - 2017	11,500	58,269	142,500	142,500	131,000
Capital Replacement Plan - 2018	23,871	23,871	275,000	275,000	251,129
Total Expenditures	48,321	274,715	592,600	592,600	544,279
Excess Revenue over Expenditures	12,275				
Other Financing Sources (Uses)					
Transfers In	1,250,000		250,000	1,250,000	-
Net Change in Fund Balance	1,262,275				
Fund Balance - January 1	2,796,839				
Fund Balance - December 31	\$ 4,059,114				

Statistical Section



CONNECT
TO CURIOSITY

Statistical Section Information (Unaudited)

This part of the 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 government’s overall financial health.

Contents	Page(s)
Financial Trends, Tables I – IV <i>These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.</i>	47-50
Revenue Capacity, Tables V – VIII <i>These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax.</i>	51-54
Debt Capacity, Table IX <i>These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue debt in the future.</i>	55
Demographic and Economic Information, Tables X – XI <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.</i>	56-57
Operating Information, Tables XII – XV <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.</i>	58-61

Sources: unless otherwise noted, the information in these schedules is derived from the audited financial reports for the relevant year.

Table I

**Poudre River Public Library District
Government-wide Net Position by Component
Last Ten Years**

Year	Invested in Capital Assets	Restricted	Unrestricted	Total
2009	17,929,415	2,646,271	4,238,766	24,814,452
2010	17,567,817	2,900,757	5,304,879	25,773,453
2011	19,560,485	1,116,351	5,629,043	26,305,879
2012	21,670,957	1,173,865	3,527,422	26,372,244
2013	21,473,763	1,169,916	3,836,031	26,479,710
2014	20,717,096	1,214,284	4,628,316	26,559,696
2015	20,668,506	1,325,805	4,962,232	26,956,543
2016	20,003,033	637,533	5,753,004	26,393,570
2017	19,434,854	350,097	6,474,556	26,259,507
2018	18,441,288	309,720	7,350,926	26,101,934

Note: In 2009, library assets being held by the City of Fort Collins were transferred to the District.

Table II

**Poudre River Public Library District
Government-wide Changes in Net Position
Last Ten Years**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses - Governmental Activities:										
Administration	\$ 1,325,648	\$ 1,302,888	\$ 1,273,742	\$ 1,320,536	\$ 1,258,664	\$ 1,299,749	\$ 1,415,033	\$ 1,781,942	\$ 1,694,343	\$ 1,859,905
Systems Administration	590,770	603,214	579,158	601,972	640,304	671,201	673,353	720,549	704,170	725,116
Collection Services - Development	1,252,386	1,292,609	1,745,196	1,872,074	1,939,725	1,891,774	2,090,705	2,101,764	2,190,088	2,539,123
Outreach Services	-	-	-	206,805	184,361	281,610	294,677	328,672	328,816	363,206
Programming	130,363	115,278	134,757	126,713	121,506	102,846	85,261	127,442	150,172	169,000
Building Operations	1,257,722	1,683,901	1,329,693	1,443,326	1,521,716	1,565,624	1,497,468	1,620,585	1,629,169	1,793,715
Public Service	1,910,526	1,759,113	1,717,619	1,839,627	1,923,165	1,848,590	1,900,993	1,963,490	2,058,703	2,156,056
Circulation	1,275,058	1,250,127	1,390,063	1,380,605	1,276,343	1,296,096	1,341,783	1,402,266	1,453,616	1,512,085
Total Expenses	7,742,473	8,007,130	8,170,228	8,791,658	8,865,784	8,957,490	9,299,273	10,046,710	10,209,077	11,118,204
Program Revenues - Governmental Activities:										
Charges for Services	222,401	257,517	263,225	217,689	216,511	199,289	213,039	188,905	179,859	139,434
Operating Grants and Contributions	970,379	898,492	816,946	861,196	855,039	921,593	929,501	176,598	205,407	203,781
Capital Grants and Contributions	16,341,714	202,857	121,217	319,935	477,844	80,953	407,798	13,549	37,779	5,600
Total Program Revenue	17,534,494	1,358,866	1,201,388	1,398,820	1,549,394	1,201,835	1,550,338	379,052	423,045	348,815
Net Revenues (Expenses)	9,792,021	(6,648,264)	(6,968,840)	(7,392,838)	(7,316,390)	(7,755,655)	(7,748,935)	(9,667,658)	(9,786,032)	(10,769,389)
General Revenues:										
Property Taxes	6,779,584	6,984,721	6,894,331	6,903,435	6,889,765	7,150,978	7,389,426	8,365,443	8,695,120	9,578,657
Specific Ownership Taxes	512,828	479,329	450,904	489,732	526,141	610,183	672,359	706,176	847,663	876,611
Earnings on Investments	134,742	143,215	156,031	66,036	7,950	74,480	83,997	33,066	109,186	156,548
Total General Revenue	7,427,154	7,607,265	7,501,266	7,459,203	7,423,856	7,835,641	8,145,782	9,104,685	9,651,969	10,611,816
Net Change in Financial Position	\$ 17,219,175	\$ 959,001	\$ 532,426	\$ 66,365	\$ 107,466	\$ 79,986	\$ 396,847	\$ (562,973)	\$ (134,063)	\$ (157,573)

Note: In 2009, library assets held by the City of Fort Collins were transferred to the District. The value of these transfers was included in Capital Grants and Contributions.

Table III

**Poudre River Public Library District
Governmental Funds Fund Balances
Last Ten Years**

General Fund					
Fiscal Year	Non-spendable	Restricted	Committed	Unassigned	Total
2009	-	758,271	1,701,800	2,122,482	4,582,553
2010	-	843,841	1,684,300	1,490,813	4,018,954
2011	-	974,701	1,672,900	1,679,052	4,326,653
2012	-	1,078,640	1,679,500	1,844,840	4,602,980
2013	-	1,126,931	1,748,600	1,950,516	4,826,047
2014	-	1,173,907	1,783,100	2,572,554	5,529,561
2015	-	1,285,428	1,817,600	2,924,557	6,027,585
2016	-	597,156	1,916,300	3,433,099	5,946,555
2017	-	309,720	2,119,000	1,828,053	4,256,773
2018	-	309,720	2,188,712	1,352,436	3,850,868

Capital Projects Fund					
Fiscal Year	Non-spendable	Restricted	Committed	Unassigned	Total
2009	-	1,888,000	635,936	-	2,523,936
2010	-	2,056,916	2,323,067	-	4,379,983
2011	-	141,650	2,472,969	-	2,614,619
2012	-	95,225	214,246	-	309,471
2013	-	42,985	355,567	-	398,552
2014	-	40,377	499,267	-	539,644
2015	-	40,377	441,732	-	482,109
2016	-	40,377	628,905	-	669,282
2017	-	40,377	2,756,462	-	2,796,839
2018	-	-	4,059,114	-	4,059,114

Note: The Capital Projects Fund was created in 2009. The restricted amount shown in the Capital Projects Fund beginning in 2010 was found to be not restricted but committed in 2018 based on an analysis of the source of funding and has therefore been restated as committed for 2018 and going forward. See Note I, Section E for more information.

Table IV

**Poudre River Public Library District
Change in Total Governmental Fund Balances
Last Ten Years**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues:										
Taxes	\$ 7,292,412	\$ 7,464,050	\$ 7,345,235	\$ 7,393,167	\$ 7,415,906	\$ 7,761,161	\$ 8,061,785	\$ 9,071,619	\$ 9,542,783	\$ 10,455,268
Intergovernmental	1,746,085	957,005	773,657	829,248	1,061,307	821,037	855,778	73,185	89,115	51,373
Charges for Services	214,188	248,592	223,857	207,656	204,353	191,453	209,159	187,951	175,760	139,434
Investment Earnings	134,742	143,215	156,031	66,036	7,950	74,480	83,997	33,066	109,186	156,548
Donations	263,294	112,070	164,506	351,883	271,576	181,509	481,521	116,962	154,071	153,177
Miscellaneous	8,213	8,925	39,368	10,033	12,158	7,836	3,880	954	4,099	4,831
Total Revenues	9,658,934	8,933,857	8,702,654	8,858,023	8,973,250	9,037,476	9,696,120	9,483,737	10,075,014	10,960,631
Expenditures:										
Administration (1)	1,318,465	1,306,100	1,273,448	1,318,792	1,257,810	1,298,842	1,415,598	1,781,526	1,693,926	1,839,528
Systems Administration	558,935	564,911	538,054	560,508	601,044	611,252	604,431	648,930	652,425	700,611
Collection Services Development	1,307,244	1,266,666	1,580,149	1,718,437	1,664,788	1,690,425	1,959,355	2,035,470	2,147,108	2,273,699
Outreach Services	-	-	-	206,805	184,361	281,610	292,020	323,357	323,501	363,206
Programming	130,363	115,278	134,757	126,713	121,506	102,846	85,261	127,442	150,172	169,000
Building Operations	960,565	1,165,380	822,976	830,367	854,611	863,654	904,818	1,005,254	995,990	998,074
Public Service	1,885,913	1,770,116	1,716,612	1,833,652	1,920,237	1,845,480	1,902,928	1,962,066	2,057,273	2,156,056
Circulation	1,259,814	1,256,942	1,389,439	1,376,904	1,274,530	1,290,755	1,342,981	1,401,384	1,452,730	1,512,085
Capital Outlay	923,159	196,016	2,704,884	2,914,666	782,215	208,006	748,239	92,165	164,114	92,003
Total Expenditures	8,344,458	7,641,409	10,160,319	10,886,844	8,661,102	8,192,870	9,255,631	9,377,594	9,637,239	10,104,261
Excess (Deficiency) of Revenue over Expenditures	1,314,476	1,292,448	(1,457,665)	(2,028,821)	312,148	844,606	440,489	106,143	437,775	856,370
Other Financing Sources:										
Sale of Capital Assets	905,900	-	-	-	-	-	-	-	-	-
Net Change in Fund Balances	\$ 2,220,376	\$ 1,292,448	\$ (1,457,665)	\$ (2,028,821)	\$ 312,148	\$ 844,606	\$ 440,489	\$ 106,143	\$ 437,775	\$ 856,370

(1): The large increase in Administration expenditures in 2016 is due to election costs of \$166,882.

Table V

Poudre River Public Library District
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Years

Assess. Collection		Residential Values		Commercial Values		Industrial Values	
Year	Year	Assessed	Est. Actual	Assessed	Est. Actual	Assessed	Est. Actual
2008	2009	1,216,575,890	15,283,537,830	696,057,640	2,400,186,140	243,483,540	839,598,180
2009	2010	1,248,961,450	15,690,397,200	750,241,240	2,587,024,970	237,587,030	819,265,060
2010	2011	1,259,202,080	15,819,034,900	732,166,260	2,524,697,200	228,702,680	788,629,200
2011	2012	1,248,223,550	15,681,472,500	720,259,430	2,483,639,490	224,725,190	774,913,690
2012	2013	1,259,178,730	15,819,107,400	730,268,070	2,518,152,190	217,196,580	748,953,130
2013	2014	1,314,078,500	16,508,716,500	739,226,900	2,549,046,660	246,953,580	851,563,680
2014	2015	1,347,244,860	16,925,375,200	736,629,610	2,550,434,310	272,079,420	938,204,680
2015	2016	1,579,496,347	19,842,902,800	856,105,958	2,952,089,110	290,354,151	1,001,221,170
2016	2017	1,615,484,343	20,295,013,700	863,693,386	2,978,252,560	347,890,460	1,199,622,210
2017	2018	1,835,515,094	25,493,267,100	979,154,351	3,376,393,840	347,143,976	1,197,048,140

Assess. Collection		Other		Total		Ratios	Total
Year	Year	Assessed	Est. Actual	Assessed	Est. Actual	Assessed to Est. Actual Value	Mill Levy
2008	2009	195,165,044	664,692,515	2,351,282,114	19,188,014,665	12%	3.000
2009	2010	197,405,878	670,517,553	2,434,195,598	19,767,204,783	12%	3.000
2010	2011	186,789,980	640,087,805	2,406,861,000	19,772,449,105	12%	3.000
2011	2012	168,087,682	571,762,307	2,361,295,852	19,511,787,987	12%	3.000
2012	2013	161,282,018	546,845,650	2,367,925,398	19,633,058,370	12%	3.000
2013	2014	165,823,825	561,194,367	2,466,082,805	20,470,521,207	12%	3.013
2014	2015	170,823,340	566,894,245	2,526,777,230	20,980,908,435	12%	3.024
2015	2016	190,203,402	646,809,432	2,916,159,858	24,443,022,512	12%	3.016
2016	2017	178,711,811	614,648,749	3,005,780,000	25,087,537,219	12%	3.034
2017	2018	203,037,119	699,037,539	3,364,850,540	30,765,746,619	11%	3.000

The actual value of property is reappraised every two years in odd-numbered years. The assessment rate is also set every two years by Colorado legislature. Currently, non-residential property is fixed at 29% of actual value and residential property is assessed at 7.2% of actual value.

Source: Larimer County Assessor's Office "2017 Report of Authorities by Value Type"

Table VI

Poudre River Public Library District
Direct and Overlapping Property Tax Rates per \$1,000 of Assessed Value
Last Ten Years

Taxing Authority	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Direct										
Poudre River Public Library District	3.000	3.000	3.000	3.000	3.000	3.013	3.024	3.016	3.024	3.000
Overlapping Governments										
Larimer County	22.537	22.577	22.666	22.614	22.662	22.424	22.459	21.882	22.521	22.092
Cities and Towns										
Fort Collins	9.797	9.797	9.797	9.797	9.797	9.797	9.797	9.797	9.797	9.797
Loveland	9.564	9.564	9.564	9.564	9.564	9.564	9.564	9.564	9.564	9.564
Timnath	6.932	6.932	6.932	6.932	6.932	6.749	6.749	6.749	6.688	6.688
Windsor	12.030	12.030	12.030	12.030	12.030	12.030	12.030	12.030	12.030	12.030
School District										
Poudre R-1	47.989	47.989	47.989	51.000	54.868	52.763	52.630	52.630	52.630	52.630
Thompson R2-J	40.974	41.295	41.643	42.310	40.884	40.416	40.268	38.393	38.349	36.315
Fire Districts	5.00 - 15.65	5.00 - 21.142	5.00 - 21.142	5.00 - 21.142	5.00 - 21.151	5.00 - 21.199	5.00 - 21.14	6.522 - 21.142	6.522 - 21.142	6.522 - 21.142
Other Special Districts	0.383 - 35.00	0.387 - 35.00	0.398 - 35.00	.0463 - 35.00	0.472 - 45.00	0.142 - 45.00	0.142 - 60.00	0.142 - 60.611	0.142 - 60.222	0.142 - 60.110

Source: Larimer County Assessor's Office "2017 Mill Levies by Tax Area and Authority"

Table VII

**Poudre River Public Library District
Top 10 Principal Property Taxpayers
Current and Ten Years Ago, Based on Collection Year**

Principal Taxpayer	2018			2009		
	Assessed Valuation	Rank	Percent of Total Assessed Valuation	Assessed Valuation	Rank	Percent of Total Assessed Valuation
Avago Technologies	\$ 120,211,549	1	3.6%	\$ 4,655,109	3	0.2%
Anheuser-Busch, Inc.	49,523,171	2	1.5%	26,621,420	1	1.1%
Ramco-Gershenson Properties	32,151,140	3	1.0%	N/A		
Walton Foothills Holdings VI LLC	29,812,177	4	0.9%	N/A		
Public Service Company of Colorado	27,283,373	5	0.8%	N/A		
Anheuser-Busch Commercial	22,910,000	6	0.7%	N/A		
Qwest Corporation	15,713,427	7	0.5%	N/A		
Amcap Harmony LLC	15,705,327	8	0.5%	N/A		
Woodward Governor	14,810,608	9	0.4%	2,205,798	4	0.1%
New Belgium Brewing Co	14,539,788	10	0.4%	N/A		
Advanced Energy Industry Inc	N/A			6,515,624	2	0.3%
Tolmar Inc	N/A			855,454	5	0.0%
Poudre Valley Healthcare	N/A			576,288	6	0.0%
GCP Skyline LLC	N/A			290,214	7	0.0%
Everitt Enterprises / Harmony Hotels	N/A			260,156	8	0.0%
Holter, George A	N/A			249,371	9	0.0%
Harman Management Corp	N/A			217,790	10	0.0%

Source: Larimer County Assessor's Office

Table VIII

**Poudre River Public Library District
Property Tax Levies and Collections
Last Ten Years**

Assess. Year	Collect. Year	Total Tax Levy	Tax Collected within Fiscal Year Levied	Percent of Levy	Tax Collected in Subsequent Years	Total Tax Collected to Date	Percent of Levy
2008	2009	6,799,174	6,773,932	99.6%	(9,700)	6,764,232	99.5%
2009	2010	7,030,254	6,979,507	99.3%	7,193	6,986,700	99.4%
2010	2011	6,940,049	6,918,670	99.7%	(1,739)	6,916,931	99.7%
2011	2012	6,931,819	6,892,356	99.4%	(2,231)	6,890,125	99.4%
2012	2013	6,910,059	6,883,346	99.6%	(20,952)	6,862,394	99.3%
2013	2014	7,217,549	7,169,472	99.3%	(4,871)	7,164,601	99.3%
2014	2015	7,640,772	7,627,598	99.8%	(13,686)	7,613,912	99.6%
2015	2016	8,454,597	8,378,925	99.1%	(9,682)	8,369,243	99.0%
2016	2017	8,726,722	8,692,531	99.6%	(7,476)	8,685,055	99.5%
2017	2018	10,094,552	10,069,415	99.8%	-	10,069,415	99.8%

Source: Larimer County Assessor's Office "2017 Abstract of Assessments" and "2018 Statement of Collections"

Note: Tax Collected in Subsequent Years is net of corrections to prior tax roles.

Table IX

**Poudre River Public Library District
Legal Debt Margin Information
Last Ten Fiscal Years**

	2018	2017	2016	2015	2014
Assessed valuation	\$ 3,364,850,540	\$ 3,005,780,000	\$ 2,916,159,858	\$ 2,526,777,230	\$ 2,466,082,805
Debt limitation - 1.5% of assessed value	50,472,758	45,086,700	43,742,398	37,901,658	36,991,242
Total debt, excluding compensated absences	-	-	-	-	-
Legal debt margin	\$ 50,472,758	\$ 45,086,700	\$ 43,742,398	\$ 37,901,658	\$ 36,991,242

	2013	2012	2011	2010	2009
Assessed valuation	\$ 2,367,925,398	\$ 2,361,295,852	\$ 2,406,861,000	\$ 2,434,195,598	\$ 2,351,282,114
Debt limitation - 1.5% of assessed value	35,518,881	35,419,438	36,102,915	36,512,934	35,269,232
Total debt, excluding compensated absences	-	-	-	-	-
Legal debt margin	\$ 35,518,881	\$ 35,419,438	\$ 36,102,915	\$ 36,512,934	\$ 35,269,232

Source: Assessed valuation - Larimer County Assessor's Office, Debt limitation - Colorado Revised Statutes 22-42-104

Table X

**Poudre River Public Library District
Demographic and Economic Information
Last Ten Years**

Year	Larimer County Data				Household Data			
	Population	Per Capita Personal Income	Total Personal Income	Unemployment Rate	Total	Average Size	Median Age	School Enrollment
2009	175,331	28,417	4,982,381,000	4.9%	69,874	2.4	30.8	61,084
2010	179,859	29,020	5,219,508,000	5.1%	71,860	2.4	31.8	61,944
2011	182,600	29,170	5,326,442,000	5.6%	72,491	2.4	31.7	63,475
2012	185,494	29,818	5,531,060,000	5.5%	73,338	2.4	32.1	63,873
2013	188,934	30,279	5,720,733,000	5.6%	73,751	2.5	32.4	64,911
2014	191,740	30,422	5,833,114,000	5.2%	73,731	2.5	31.9	65,857
2015	195,460	30,768	6,013,913,000	5.2%	75,071	2.5	31.6	67,132
2016	199,364	32,047	6,389,018,000	4.4%	76,528	2.5	31.8	66,638
2017	207,898	32,658	6,789,533,000	3.3%	83,092	2.4	31.8	65,920
2018	210,923	36,050	7,603,774,000	2.9%	84,216	2.4	31.9	N/A

Source: Population, Per Capita Personal Income, Unemployment Rate and Household Data - US Census Bureau, American FactFinder and Advanced Search

Table XI

**Poudre River Public Library District
Principal Employers
Current Fiscal Year and Ten Years Ago**

Employer	2018			2008		
	Employees	Rank	% of Total Employment	Employees	Rank	% of Total Employment
Colorado State University	6,701	1	4.2%	6,249	1	4.3%
University of Colorado Health	5,500	2	3.4%	-----	-----	-----
Poudre School District	3,752	3	2.3%	3,546	3	2.4%
UC Health: Poudre Valley Hospital	2,569	4	1.6%	4,206	2	2.9%
City of Fort Collins	2,400	5	1.5%	1,150	6	0.8%
Larimer County	1,639	6	1.0%	1,593	4	1.1%
Woodward, Inc.	1,307	7	0.8%	925	7	0.6%
Columbine Health Systems	1,059	8	0.7%	1,250	5	0.9%
Otter Products	1,000	9	0.6%	-----	-----	-----
Front Range Community College	944	10	0.6%	586	8	0.4%

Source: BizWest Book of Lists 2019 and 2009

Table XII

**Poudre River Public Library District
Full-time Equivalent District Employees by Function
Last Ten Years**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Public Service - Old Town	18.00	14.00	12.85	11.00	13.50	15.70	17.00	14.10	13.75	16.05
Public Service - Harmony	7.50	7.50	7.50	9.00	9.75	11.00	11.38	9.50	10.20	8.95
Public Service - Council Tree	6.50	7.50	7.50	5.50	6.75	9.50	9.62	7.40	7.40	6.00
Outreach	-	-	-	3.00	3.00	4.50	5.25	5.50	5.00	5.65
Circulation - Old Town	16.00	16.00	16.00	13.50	13.50	11.00	11.25	13.20	13.20	14.55
Circulation - Harmony	16.00	15.50	15.50	15.50	14.25	11.50	11.50	13.50	13.50	12.35
Circulation - Council Tree	10.00	11.00	11.00	12.00	13.00	9.00	9.00	11.00	10.50	12.90
General Administration	5.25	5.25	5.25	5.25	5.25	6.50	6.50	7.50	8.40	8.15
Collection Development	4.00	4.00	7.00	8.00	8.00	8.50	8.80	8.80	8.80	10.30
Systems Administration	6.00	6.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Answer Center	-	-	-	2.50	2.50	2.70	2.70	2.75	2.75	3.15
Facilities	1.00	1.00	1.00	1.00	1.50	2.00	2.00	2.00	2.00	2.00
Total FTE's	90.25	87.75	88.60	91.25	96.00	96.90	100.00	100.25	100.50	105.05

Note: Prior to 2012, Outreach and Answer Center staff were included in Old Town Library staffing.

Source: Library District

Table XIII

**Poudre River Public Library District
Library Materials Purchased and Circulated
Last Ten Years**

Fiscal Year	Number of Volumes Owned	Number of AV Items Owned	Total Items Owned	Acquisition Cost (1)	Net Book Value of Collections	Number of Items Circulated	Turnover Rate (2)
2009	410,211	49,986	460,197	1,809,154	3,334,782	3,042,448	6.61
2010	386,268	54,741	441,009	779,464	3,305,923	3,303,958	7.49
2011	351,661	52,977	404,638	651,148	3,141,143	3,275,627	8.10
2012	349,047	53,306	402,353	680,663	2,989,090	3,208,389	7.97
2013	349,535	52,251	401,786	562,604	2,714,929	3,133,110	7.80
2014	315,187	85,663	400,850	635,661	2,514,404	3,132,584	7.81
2015	362,411	109,555	471,966	834,577	2,382,542	3,226,900	6.84
2016	340,445	48,803	389,248	685,448	2,316,625	3,164,856	8.13
2017	316,480	49,333	365,813	659,487	2,261,102	3,041,983	8.32
2018	299,241	40,708	339,949	533,194	1,849,629	2,986,721	8.79

Source: Library District

(1): 2009 acquisitions included the opening day collection of \$1,100,000 for Council Tree Library.

(2): Turnover rate was recalculated for all years 2009-2018 as Number of Items Circulated divided by Total Items Owned.

Table XIV

**Poudre River Public Library District
Circulation by Location
Last Ten Years**

Fiscal year	Old Town Library	Harmony Library	Council Tree Library	Remote Renewals	Emedia	Total Circulation
2009	979,021	836,501	640,669	578,031	8,226	3,042,448
2010	947,373	789,376	866,319	682,531	18,359	3,303,958
2011	844,906	816,749	855,844	707,672	50,456	3,275,627
2012	775,408	794,935	814,133	729,527	94,386	3,208,389
2013	877,587	648,186	744,830	720,788	141,719	3,133,110
2014	775,314	642,710	672,284	716,255	326,021	3,132,584
2015	739,381	619,467	645,091	763,623	459,338	3,226,900
2016	699,285	577,602	605,961	773,501	508,507	3,164,856
2017	654,016	536,906	577,094	749,261	524,706	3,041,983
2018	635,272	495,767	557,614	697,206	600,862	2,986,721

Source - Library District

Table XV

**Poudre River Public Library District
Service Location Information
As of December 31, 2018**

Location Type	Address	Square Feet	Number of Full-time Equivalent Employees
Libraries			
Old Town Library	201 Peterson St. Fort Collins, CO 80524	39,400	30.60
Harmony Library	4616 South Shields Dr. Fort Collins, CO 80526	31,100	21.30
Council Tree Library	2733 Council Tree Ave. Fort Collins, CO 80525	16,600	18.90
Administration			
Webster House Administration Center	301 East Olive St. Fort Collins, CO 80524	10,550	23.95
Midtown	2401 Research Blvd Ste 101 Fort Collins, CO 80526	4,720	10.30