

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2021



**POUDRE RIVER
PUBLIC LIBRARY**
DISTRICT

**CONNECT
TO CURIOSITY**



ACCOUNTABLE



COLLABORATIVE



CURIOUS



INNOVATIVE



INCLUSIVE

Poudre River Public Library District

Finance Office

301 East Olive Street

Fort Collins, Colorado 80524

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POUDRE RIVER PUBLIC LIBRARY DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED
December 31, 2021



CONNECT
TO CURIOSITY

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Executive Director

David Slivken

Prepared by:

Amy Lyons

Finance Manager

301 East Olive Street

Fort Collins, Colorado 80524

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POUDRE RIVER PUBLIC LIBRARY DISTRICT ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED December 31, 2021

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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 29, 2022

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 Annual Comprehensive Financial Report of Poudre River Public Library District (the District) for the year ended December 31, 2021.

An Annual Comprehensive Financial Report 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 include all of the financial statement data as historically reported, a Management Discussion and Analysis Section, expanded information in the letter of transmittal, and a Statistical Section that includes fifteen tables of information on financial trends, revenue capacity, debt capacity, demographic information, economic information and operating information.

The GFOA administers an award program for governments that prepare Annual Comprehensive Financial Reports in compliance with its guidelines. When successful, the submitting government is awarded a Certificate of Achievement for Excellence in Financial Reporting. The District received this award for 2020, and the District intends to submit the 2021 report to the GFOA for similar recognition.

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

Respectfully submitted,

Diane Lapierre
Executive Director

970.221.6740
www.PoudreLibraries.org

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**POUDRE RIVER
PUBLIC LIBRARY**
DISTRICT

June 29, 2022

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. Poudre River Public Library District (the District) publishes this report to fulfill that requirement for the fiscal year ended December 31, 2021. 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 FORVIS has issued an unmodified (“clean”) opinion on the District’s financial statements for the year ended December 31, 2021. 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 follow the independent auditor’s report and provide a narrative introduction as well as an 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 jointly appointed by 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 levy.

The District serves more than 208,000 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 and interests with exceptional opportunities for learning, intellectual stimulation and personal enjoyment. Library patrons are provided a wide range of library services including books, DVDs and other materials for business and pleasure, programming services for all ages, literacy services and meeting room availability.

The District’s operating departments, called Business Units, include Administration (the Executive Director’s office, Human Resources, Finance and the Answer Center), Combined Expenditures (Systems Administration and Facilities), Community Services, Communication, the operations of three library branches and Collection Services.

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 for the District's financial planning and control and is prepared by fund and Business Unit. The Executive Director is specifically authorized to make budget transfers between operating accounts within a fund. Any transfer of budgeted funds related to a specifically approved capital project and any change in a fund's total budget require Board of Trustees approval.

Local Economy

The District encompasses northern Larimer County, with the same boundaries as 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 Bellvue, LaPorte, Livermore, Lower Rist Canyon, Poudre Park, Stove Prairie, Upper Poudre Canyon, Virginia Dale and Waverly.

Fort Collins was recently ranked as the #5 Remote-Ready City in the United States by Livability.com (2020), as well as the best place to live in America by both MarketWatch (October 2020) and Livability.com (2020).

According to the 2022 Colorado Business Economic Outlook published by the University of Colorado, the leading industries in northern Colorado are retail, manufacturing, health care, construction, accommodations and food services. The local workforce is diverse and highly educated, with 48% of residents holding bachelors' degrees or higher. Colorado's unemployment rate has historically been one of the lowest in the country, though we were not immune to the economic impacts of the COVID-19 pandemic. The statewide unemployment rate in September 2021 was 4.7%. Within Larimer County, the unemployment rate fell from 6.1% in December 2020 to 3.6% in December 2021. Larimer County's per capita personal income was \$38,142 in 2021, down from \$40,582 in 2020.

Innovation, education and opportunity define Larimer County. The region is home to a variety of 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. Key technology and innovation manufacturers include 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.

More than 20% of the jobs in 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. 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.

According to the Colorado Association of Realtors, the Larimer County single-family home median sales price as of December 2021 was \$485,000, an 8.9% increase over the previous year. 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 in Fort Collins was \$1,440 in the second quarter of 2020, up from \$1,279 in the second quarter of 2016. Affordable local housing continues to be a concern as the population grows and housing availability declines.

Long-term Financial Planning

In 2019, management reviewed and updated the District's long-term Capital Replacement Plan. The purpose of this plan is to identify major capital replacement and repair needs for the District. Annual transfers from the District's General Fund to the Capital Projects Fund provide the primary funding.

The District also enacted 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 remains in the General Fund to provide for the cash flow needs of the District. The Capital Reserve policy requires the District to transfer a minimum of \$250,000 annually 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 that 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 2021, we commenced work on a remodeling project for Old Town's lobby and second floor that is scheduled to be completed in the Spring of 2022. We also hired a consultant to assist us with evaluating and preparing a request for proposal to replace the roof at Old Town Library. This work is scheduled to be performed during the Summer of 2022.

In January 2019, the Board of Trustees adopted a new Strategic Plan for years 2019-2022. The plan identifies three focus areas called Learn & Discover, Meet & Collaborate and Reimagine the Future. The Library Leadership Team has developed desired actions and community impacts for each focus area that will inform and guide our decisions and projects for the duration of the Plan. A critical part of the Plan is to identify facility needs for our growing population and find creative solutions to maximize our community reach and impact.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Poudre River Public Library District for its annual comprehensive financial report for the fiscal year ended December 31, 2020. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive 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 annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we will submit it to GFOA to determine its eligibility for another certificate.

I would like to thank Laura Carter, Tova Aragon and Matthew West of the District for their assistance in the preparation of this report and Ivana Ross for her ongoing contributions to the Finance Office. 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 service. Finally, I would like to thank the professionals from our external auditing firm, FORVIS.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Amy Lyons". The signature is written in a cursive, flowing style.

Amy Lyons
Finance Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Poudre River Public Library District
Colorado**

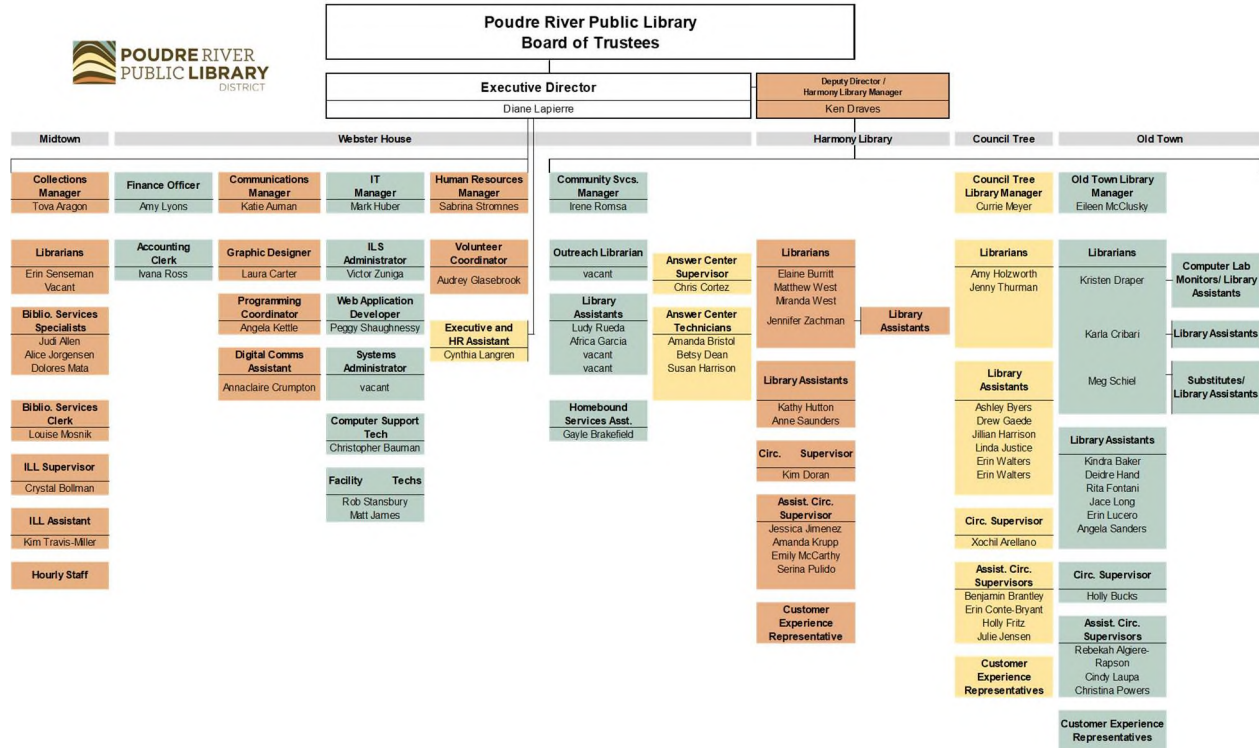
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO

Poudre River Public Library District Organization Chart (As of March 2022)



Poudre River Public Library District Library Leadership Team

David Slivken
Tova Aragon
Katie Auman
Ken Draves
Mark Huber
Amy Lyons
Eileen McCluskey
Currie Meyer
Sabrina Stromnes
Vacant

Executive Director
Collections Manager
Communications Manager
Deputy Director and Harmony Manager
IT and Facilities Manager
Finance Manager
Old Town Library Manager
Council Tree Library Manager
Human Resources Manager
Community Services Manager

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Financial Section



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FORVIS

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forvis.com

Independent Auditor's Report

Board of Trustees
Poudre River Public Library District
Fort Collins, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the 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, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 District as of December 31, 2021, and the respective changes in financial position, and the budgetary comparisons for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 capital projects fund schedule of revenues, expenditures, and changes in fund balance budget and actual, as listed in the table of contents is presented for purposes of additional analysis is not a required part of the basic financial statements. Such information 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. The 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, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report (ACFR). The other information comprises the introductory and statistical sections, and other schedules as listed in the table of contents, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

FORVIS, LLP

Denver, Colorado
June 29, 2022

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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, 2021. In addition to this overview and analysis based on currently known facts, decisions and conditions, the District encourages readers to consider the information presented in the District's financial statements, which begin on page 29 of this report.

Overall 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, 2021 by \$29,887,268 (net position). Of the net position balance, \$12,528,321 is unrestricted and available to meet the District's ongoing obligations in accordance with the District's fund designations and fiscal policies.

The District's overall net position increased by \$1,660,622 in 2021. The General Fund, the District's primary operating fund, reported a fund balance increase of \$345,812 on a current financial resource basis and an ending fund balance of \$4,567,263. The Capital Projects Fund reported a fund balance increase of \$1,651,315 on a current financial resource basis and an ending fund balance of \$8,608,057. The primary reason for the significant Capital Projects Fund balance increase was an inter-fund transfer of \$1,750,000 from the General Fund to the Capital Projects Fund for future facilities expansion, in addition to the annual transfer of \$250,000 in accordance with the Board approved capital reserve policy.

Overview of the Financial Statements

This analysis is 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 and Analysis

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 30 and 31 of this report, and an analysis and summary of the statements is provided here.

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. As of December 31, 2021, assets exceeded liabilities and deferred inflows of resources by \$29,887,268. The following table reflects a condensed Statement of Net Position as of December 31 of 2021 and 2020. For more detailed information, see the Statement of Net Position on page 29 of this report.

**Condensed Statement of Net Position
as of December 31, 2021 compared with 2020**

	2021	2020
Current and other assets	\$ 25,009,863	\$ 22,317,967
Capital assets	17,023,947	17,391,771
Total assets	42,033,810	39,709,738
Total liabilities	628,716	561,125
Deferred inflows of resources	11,517,826	10,921,967
Net Position:		
Invested in capital assets	17,023,947	17,391,771
Restricted	335,000	334,000
Unrestricted	12,528,321	10,500,875
Total net position	\$ 29,887,268	\$ 28,226,646

The investment in capital assets (e.g., land, library buildings, equipment and the collection of library materials) is the largest portion of the District’s net position, representing 57% 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 restricted portion of the District’s net position, representing 1% of the total net position, includes resources that are subject to external restrictions on how they may be used. For 2021, \$335,000 is specifically restricted by Colorado state statute under the Taxpayer Bill of Rights (TABOR) to be set aside for emergencies. This amount may fluctuate each year based on fiscal year spending. The District’s unrestricted net position of \$12,528,321 represents the remaining 42% of total net position. The District has internally committed \$11,206,057 of this balance, and the remaining amount is unassigned.

The District’s total net position increased by \$1,660,622 during 2021. This increase was due to an overall decrease in General Fund expenditures. General Fund expenditures were \$1,061,218 less than budgeted expenditures due to significant savings from facility closures, program and service cancellations and staff hour reductions as a result of the COVID-19 pandemic. The District transferred \$1,750,000 of the excess funds to the Capital Projects Fund to assist with future facility and equipment needs, in addition to \$250,000 under the capital reserve policy. For more detailed information, see the General Fund Statement of Revenues, Expenditures and Changes in Fund Balance Budget and Actual on page 31 of this report.

The table on the following page reflects a condensed summary of activities and changes in net position for the fiscal years ending December 31, 2021 and 2020. For more detailed information, see the Statement of Activities on page 30 of this report.

**Condensed Statement of Activities & Changes in Net Position
For the fiscal years ended December 31, 2021 and 2020**

	2021	2020
Program revenues:		
Charges for services	\$ 36,266	\$ 40,245
Operating grants and contributions	226,638	225,222
General revenues:		
Property and specific ownership taxes	11,765,584	11,654,708
Investment earnings	(60,551)	197,975
Miscellaneous	36,208	64,143
Total Revenues	12,004,145	12,182,292
Expenses:		
Library Services	7,330,213	7,669,008
Administration	1,781,570	1,710,171
Depreciation	1,231,740	1,238,306
Total expenses	10,343,523	10,617,484
Change in net position	1,660,622	1,564,808
Net position - beginning	28,226,646	26,661,838
Net position - ending	\$ 29,887,268	\$ 28,226,646

Fund Financial Statements and Analysis

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 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 in the notes to the financial statements beginning on page 32 of this report.

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 29-32 of this report and an analysis of the statements is provided here.

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 \$13,175,320. \$335,000 (3%) of the ending total fund balance is restricted to indicate that it is not available for new spending because it may only be spent for externally imposed specific purposes. \$12,840,320 (97%) of the ending total fund balance constitutes an unrestricted fund balance, which is available for spending at the government’s discretion.

Within the unrestricted fund balance, the Board of Trustees has internally committed \$8,608,057 in the Capital Projects Fund for capital improvements and facilities expansion. In the General Fund, the Board has internally committed \$2,598,000 for the maintenance of adequate working capital/operating reserves. The remaining unrestricted fund balance is unassigned.

General Fund 2021 actual expenditures of \$9,682,136 were below total budgeted expenditures by \$1,061,218. The District’s operating segments, or Business Units, were all below their final expenditure budgets. Actual revenue exceeded budgeted revenue by \$158,474, with the biggest positive variances in property tax revenue, specific ownership taxes and fines and fees.

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 32 of this report.

Capital Assets

The District’s investment in capital assets as of December 31, 2021 was \$17,023,947. Capital assets, net of depreciation, decreased \$367,824 from 2020 to 2021 due to construction in progress versus regular asset depreciation. The following table summarizes capital assets by category for 2021 and 2020.

	2021	2020
Land	\$ 2,256,000	\$ 2,256,000
Construction in Progress	330,030	26,437
Buildings and Improvements	12,056,222	12,562,638
Machinery and Equipment	738,475	856,764
Library Materials Collection	1,643,220	1,689,933
Total Capital Asset Book Value	\$ 17,023,947	\$ 17,391,771

Significant Capital Asset activity in 2021 included additions to the District's library materials collection, the Old Town Library remodeling project in process and consulting work for the Old Town Library roof repair. We disposed of the 2015 materials collection. Additional information on the District's capital assets is located on page 42 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 2019 being the most recent reassessment year. In addition, Larimer County has seen an increase in building activity over the past several years, though some of the larger construction projects are subject to tax increment financing agreements. When tax increment financing agreements are in place, the District receives none or a portion of new tax revenue until the agreement is complete. The 2019 reassessment resulted in an overall 19% increase in gross taxable assessed property values within the District, reflected in 2021 property tax revenue. The total tax increment financing deducted from the District's revenue in 2020 was \$689,417.

In 2020, Colorado voted to repeal the Gallagher Amendment, which had set residential and non-residential property tax assessment rates in the state constitution since 1982. The vote allowed the Colorado State Legislature to freeze property tax assessments rates at the current rates of 7.15% for residential and 29% for non-residential properties. The vote also allowed the State Legislature to provide for future property tax assessment rate decreases through state law while requiring voter approval for any rate increases. The residential assessment rate had been consistently declining since the Gallagher Amendment passed, from 30% prior to 1983 to 7.15%, because the rate was structured to float against the 29% fixed non-residential assessment rate to achieve a specific balance. The disproportionate growth in Colorado residential property values over the past thirty years had forced the residential assessment rate to keep declining, which put a significant budget strain on smaller and rural communities and special districts. We believe that the repeal of the Gallagher Amendment will provide a more stable and consistent revenue stream for the District that better aligns with our population 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. The District collected \$51,858 more specific ownership tax in 2021 than in 2020.

As a result of the spread of the SARS-CoV-2 virus and the incidence of COVID-19, economic uncertainties have arisen which may negatively affect the financial position and results of operations of the District. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

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 can be addressed to District Finance Manager Amy Lyons, 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, 2021**

	General Fund	Capital Projects Fund	Total	Adjustments (Note II)	Statement of Net Position
ASSETS					
Cash and cash equivalents	\$ 1,521,757	\$ 2,792,467	\$ 4,314,224	\$ -	\$ 4,314,224
Investments	3,188,444	5,917,072	9,105,516	-	9,105,516
Receivables					
Property taxes	11,517,826	-	11,517,826	-	11,517,826
Accounts	51,366	-	51,366	-	51,366
Accrued interest	7,347	13,584	20,931		20,931
Land	-	-	-	2,256,000	2,256,000
Construction in Progress	-	-	-	330,030	330,030
Other capital assets, net of accum. depreciation	-	-	-	14,437,917	14,437,917
Total assets	\$ 16,286,740	\$ 8,723,123	\$ 25,009,863	\$ 17,023,947	\$ 42,033,810
LIABILITIES					
Accounts payable	\$ 108,927	\$ 115,066	\$ 223,993	\$ -	\$ 223,993
Accrued wages payable	76,203	-	76,203	-	76,203
Accrued compensated absences	-	-	-	311,999	311,999
Sales tax payable	-	-	-	-	-
Unearned revenue	16,521	-	16,521	-	16,521
Total liabilities	201,651	115,066	316,717	311,999	628,716
DEFERRED INFLOWS OF RESOURCES					
Property taxes	11,517,826	-	11,517,826	-	11,517,826
FUND BALANCES					
Restricted fund balance	335,000	-	335,000	(335,000)	-
Committed fund balance	2,598,000	8,608,057	11,206,057	(11,206,057)	-
Unassigned fund balance	1,634,263	-	1,634,263	(1,634,263)	-
Total fund balances	4,567,263	8,608,057	13,175,320	(13,175,320)	-
Total liabilities, deferred inflows of resources and fund balances	\$ 16,286,740	\$ 8,723,123	\$ 25,009,863		
NET POSITION					
Net Investment in Capital Assets				17,023,947	17,023,947
Restricted for Emergencies				335,000	335,000
Unrestricted				12,528,321	12,528,321
Total Net Position				\$ 29,887,268	\$ 29,887,268

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

Poudre River Public Library District
Statement of Activities and Governmental Funds Statement of Revenues, Expenditures and
Changes in Fund Balance
For the fiscal year ended December 31, 2021

	General Fund	Capital Projects Fund	Total	Adjustments (Note II)	Statement of Activities
Expenditures					
Personnel services	\$ 5,730,771	\$ -	\$ 5,730,771	\$ (41,140)	\$ 5,689,631
Contractual services					
City support services	571,336	-	571,336	-	571,336
Treasurer fees	-	-	-	-	-
Other contractual	1,793,886	-	1,793,886	-	1,793,886
Commodities					
Collection development	921,347	-	921,347	(921,347)	-
Other commodities and capital outlay	664,796	313,779	978,575	78,355	1,056,930
Depreciation	-	-	-	1,231,740	1,231,740
Total Expenditures/Expenses	9,682,136	313,779	9,995,915	347,608	10,343,523
Program Revenues					
Charges for services	36,266	-	36,266	-	36,266
Operating grants and contributions	226,638	-	226,638	-	226,638
Capital grants and contributions	-	-	-	-	-
Total Program Revenues	262,904	-	262,904	-	262,904
Net Program Expense					10,080,619
General Revenues					
Property taxes	10,887,726	-	10,887,726	-	10,887,726
Specific ownership taxes	877,858	-	877,858	-	877,858
Earnings on investments	(25,645)	(34,906)	(60,551)	-	(60,551)
Miscellaneous	25,105	-	25,105	-	25,105
Transfers	(2,000,000)	2,000,000	-	11,103	11,103
Total General Revenues and Transfers	9,765,044	1,965,094	11,730,138	11,103	11,741,241
Excess (Deficiency) of Revenues and Transfers					
In Over Expenditures and Transfers Out	345,812	1,651,315	1,997,127	(1,997,127)	-
Change in Net Position				1,660,622	1,660,622
Fund Balance / Net Position					
Beginning of year	4,221,451	6,956,742	11,178,193		28,226,646
End of year	\$ 4,567,263	\$ 8,608,057	\$ 13,175,320		\$ 29,887,268

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
Budget and Actual
For the fiscal year ended December 31, 2021

	Actual	Budget (Original)	Budget (Final)	Variance
Revenues				
Property taxes	\$ 10,887,726	\$ 10,814,709	\$ 10,814,709	\$ 73,017
Fines and fees	35,786	-	-	35,786
Intergovernmental grants	84,562	78,700	78,700	5,862
Specific ownership taxes	877,858	800,000	800,000	77,858
Charges for service	480	-	-	480
Earnings on investments	(25,645)	50,000	50,000	(75,645)
Donations	142,076	115,065	115,065	27,011
Miscellaneous	25,105	11,000	11,000	14,105
Total Operating Revenues	12,027,948	11,869,474	11,869,474	158,474
Expenditures				
Library Administration	1,781,570	1,877,030	1,877,030	95,460
Combined Operations	1,099,945	1,209,819	1,209,819	109,874
Community Services	248,270	478,464	478,464	230,194
Communication	322,309	366,228	366,228	43,919
Old Town Library	1,464,865	1,668,444	1,668,444	203,579
Collection Services	2,562,838	2,712,629	2,712,629	149,791
Harmony Library	1,042,182	1,251,705	1,251,705	209,523
Council Tree Library	1,160,157	1,179,035	1,179,035	18,878
Total Expenditures	9,682,136	10,743,354	10,743,354	1,061,218
Excess of Revenues Over Expenditures	2,345,812	1,126,120	1,126,120	1,219,692
Other Financing Sources (Uses)				
Transfers Out	(2,000,000)	(1,000,000)	(2,000,000)	-
Net Change in Fund Balance	345,812	126,120	(873,880)	1,219,692
Fund Balance - January 1	4,221,451	4,221,451	4,221,451	-
Fund Balance - December 31	\$ 4,567,263	\$ 4,347,571	\$ 3,347,571	\$ 1,219,692

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

Notes to the Financial Statements



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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, Title 24 of the Colorado Revised Statutes after a successful 2006 election to authorize 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, 2021, 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 the 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 susceptible to accrual. Other revenue items such as lost material fees are considered to be measurable and available only when the District receives the cash; as a result, they are not subject to accrual. 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 based on 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 holds resources that are internally committed for capital expansion, facility design, funding the Capital Replacement Plan and accumulating a capital reserve as established by the Board of Trustees. All other financial activity and resources are accounted for in the General Fund.

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

Assets – 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, the 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.

Assets – Capital Assets

The District reports capital assets at actual or estimated historical cost in the government-wide financial statements. A capital asset is an acquired or constructed asset with an initial individual cost of more than \$5,000 and an estimated useful life of greater than one year. The District capitalizes in aggregate the annual total addition of materials to the library collection and deletes it upon full depreciation in six years. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Normal maintenance and repair costs that do not add value or materially extend the lives of the assets are recorded as expenditures in the General Fund. All capital assets other than land, construction in progress and impaired assets are depreciated. Depreciation is computed using the straight-line method with the following estimated useful lives:

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

Assets – Property Taxes Receivable

Property taxes are levied for the following year no later than December 15 and are recorded as a receivable with a corresponding offset to deferred inflows of resources. Larimer County, Colorado bills and collects all property taxes for the District. Taxes are payable in the subsequent year as two installments in March and June or as one installment in April.

Liabilities

A significant portion of the District’s liabilities are compensated absences, which include earned but unused paid time off and earned but unused compensatory leave granted as a deferral of overtime pay. Compensated absences are reported as liabilities in the governmental funds only if they have matured. Unused sick pay is not reported as a liability in the governmental funds because it does not meet the criteria for accrual. The District considers compensated absences due within one year because the entire balance is available for unrestricted use or withdrawal by current employees at any time.

There are two methods to delete or use compensated absences:

1. A current employee may use their accrued compensated absences for paid time off.
2. When an employee separates from the District, the District pays out the full value of their remaining unused accrued compensated absences upon termination.

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 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 – Policies and Flow Assumptions

In the fund financial statements, fund balances of the District’s governmental funds are classified as non-spendable, restricted, committed, assigned or unassigned. Management has been granted the authority to make fund balance assignments by the Board of Trustees.

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 classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers or enabling legislation. The committed fund balance classification includes amounts that can be used only for 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. The assigned fund balance classification includes amounts that are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Finally, the unassigned fund balance classification includes any residual fund balance amounts.

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted (committed, assigned and unassigned) resources. In order to calculate how the amounts within each category will be reported, a flow assumption must be made about the order in which resources are considered to be applied. It is the District’s policy for all governmental funds to consider restricted fund balances to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance and finally unassigned fund balance.

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. An overview of the District’s current fund balance classifications is shown below.

	General Fund	Capital Projects Fund	Total
Fund Balances			
Restricted			
Restricted for emergencies	\$ 335,000	\$ -	\$ 335,000
Restricted donation	-	-	-
Total Restricted	335,000	-	335,000
Committed			
Working capital	2,598,000	-	2,598,000
Encumbrances	-	-	-
Capital replacement and expansion	-	8,608,057	8,608,057
Total Committed	2,598,000	8,608,057	11,206,057
Unassigned			
Unassigned	1,634,263	-	1,634,263
Total Fund Balance	\$ 4,567,263	\$ 8,608,057	\$ 13,175,320

Fund Balance – General Fund

In the General Fund, the 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. There are no other restricted funds in the General Fund as of December 31, 2021.

The Board of Trustees has established, by resolution, a reserve for working capital equal to 20% of the subsequent year’s budgeted revenue that must be maintained in the General Fund as a committed fund balance to provide for the cash flow needs of the District. This practice will continue until Board action is taken to change these amounts. For 2021, that amount is \$2,598,000.

All spendable amounts that are not contained within other classifications are categorized as unassigned. The General Fund is the only fund to report an unassigned fund balance.

Fund Balance – Capital Projects Fund

In the Capital Projects Fund, the entire unrestricted fund balance is committed by the Board for capital replacement and capital expansion projects, so no other classifications are currently in use. The Board of Trustees has established, by resolution, a minimum annual transfer of \$250,000 from the General Fund to the Capital Projects Fund as a capital reserve primarily to fund the District’s Capital Replacement Plan. This annual transfer occurs within the current fiscal year and is included in the committed fund balance.

F. 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.

G. Rounding

Due to rounding, some numbers may not appear to sum.

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

Fund balances per Balance Sheet	\$ 13,175,320
Inclusion of capital assets which are not financial resources and therefore not reported in the funds	17,023,947
Inclusion of liability for compensated absences budgeted in the fund in future years	(311,999)
Reconciliation of revenue that met criteria for full accrual but not modified accrual	-
Net Position per Statement of Net Position	<u>\$ 29,887,268</u>
Net change in Fund Balances per Statement of Revenue, Expenditures and Change in Fund Balance	\$ 1,997,127
Inclusion of liability for Compensated Absences	41,140
Capitalization of current year addition to the library materials collection	921,347
Net capitalization of commodities and other capital outlays	(78,355)
Current depreciation of capital assets	(1,231,740)
Reconciliation of revenue that met criteria for full accrual but not modified accrual	11,103
Change in Net Position per Statement of Activities	<u>\$ 1,660,622</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 that 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 by a resolution of the Board.

In 2021, the Board approved one supplemental budget resolution to transfer an additional \$1,500,000 from the General Fund to the Capital Projects Fund 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 had no open purchase orders at the end of 2021.

NOTE IV. DETAILED FUND NOTES

A. Cash deposits with financial institutions

The District's cash deposits are held in the name of and managed by the City of Fort Collins, with the exception of one District cash account that collects incoming cash and check deposits. This account is reconciled on a monthly basis, and balances exceeding \$20,000 are transferred to the City to be invested according to the City's standard investment process. All other cash deposits are included within the City's pooled cash accounts.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a failure of a financial institution or counterparty, the District would not be able to recover its deposits. Due to federal deposit insurance and the collateral used for the City's pooled cash accounts, no deposits for the District are exposed to custodial credit risk. At December 31, 2021, the bank balances and carrying amounts of the District's deposits were \$4,322,455 and \$4,314,224, respectively.

B. Investments

The District's 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. These investment disclosures are for the District's share of the City's pooled 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 loan institutions 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

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a failure of a financial institution or counterparty, the District would not be able to recover its investments. The District's investments are exposed to custodial credit risk, and the carrying amount of investments managed by the City of Fort Collins was \$9,105,516 as of December 31, 2021.

Credit Risk

The District's investment policy limits investment in corporate bonds to the top three ratings issued by nationally recognized statistical rating organizations (NRSROs) at the time of purchase. The District places maximum limits on the amount the District may invest in any one issuer. Limits vary by investment type. More than 77% of the District's investments are in the Federal Farm Credit Bank (FFCB), the Federal Home Loan Bank (FHLB), the Federal Home Loan Mortgage Corporation (FHLMC) and the Federal National Mortgage Association (FNMA). These investments were 24%, 38%, 5% and 11%, respectively, of the District's total investment as of December 31, 2021. All of these investments were rated AA+ by Standard and Poor's and AAA by Moody's.

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.

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. These pricing models incorporate trade, bid and other market information as well as evaluated pricing applications that utilize 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) that 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, 2021, the District had the following investments:

Investment Type	Credit Risk Rating S&P/Moody's	Fair Value Measurement Level	Fair Value	Investment Maturities		
				Up to 120 days	121 days to 5 years	More than 5 years
<i>Investments measured by fair value levels</i>						
Instrumentality						
Federal Farm Credit Bank (FFCB)	AA+/AAA	2	\$ 2,166,208	\$ 72,304	\$ 2,093,904	\$ -
Federal Home Loan Bank (FHLB)	AA+/AAA	2	3,438,640	-	3,438,640	-
Federal Home Loan Mortgage Corporation (FHLMC)	AA+/AAA	2	414,880	-	414,880	-
Federal National Mortgage Association (FNMA)	AA+/AAA	2	994,899	-	994,899	-
Corporate bonds	AA+/AA1	2	-	-	-	-
Corporate bonds	AAA/AAA	2	524,281	120,074	404,207	-
Corporate bonds	AA+/AA3	2	65,347	-	65,347	-
Corporate bonds	AA-/AA3	2	119,171	-	119,171	-
Corporate bonds	AA+/AA2	2	117,116	-	117,116	-
Corporate bonds	AA+/AAA	2	1,141,908	-	1,141,908	-
Corporate bonds	AA/AA2	2	98,002	-	98,002	-
Marketable Certificates of Deposit			25,063	-	25,063	-
<i>Investments measures at the NAV</i>						
			-	-	-	-
Total Library Share of City Investment Pool			\$ 9,105,515	\$ 192,378	\$ 8,913,137	\$ -
Percent of Total				2%	98%	

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

Cash and cash equivalents	\$ 4,314,224
Investments	\$ 9,105,516
Total deposits and investments	\$ 13,419,740

In addition to investments held by the District, the Community Foundation of Northern Colorado owns an endowment fund comprised of donations made directly to the Foundation, for the benefit of the District. The purpose of the fund is to support District adult literacy programs. The Community Foundation holds the fund and makes it available to the District only by specific request, with withdrawals limited to 4.5% of the balance annually. Withdrawals not taken in a year add to the available distribution balance. Since 2000, there have been eight withdrawals in the form of grants paid to the District, with the most recent grant paid in 2021. As of December 31, 2021, the balance in the endowment fund was \$291,460 and \$0 was available for distribution.

C. Capital Assets

A summary of changes in capital assets for the year ended December 31, 2021 is shown below.

2021 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	26,437	303,593	-	-	330,030
Total capital assets, not being depreciated	2,282,437	303,593	-	-	2,586,030
Capital assets, being depreciated					
Buildings & Improvements	17,691,478	-	-	-	17,691,478
Machinery & Equipment	2,727,983	-	-	-	2,727,983
Library Materials Collection	3,611,314	560,323	-	(702,715)	3,468,922
Total capital assets, being depreciated	24,030,775	560,323	-	(702,715)	23,888,383
Less accumulated depreciation					
Buildings & Improvements	(5,128,840)	(506,416)	-	-	(5,635,256)
Machinery & Equipment	(1,871,218)	(118,290)	-	-	(1,989,508)
Library Materials Collection	(1,921,382)	(607,035)	-	702,715	(1,825,702)
Total accumulated depreciation	(8,921,440)	(1,231,741)	-	702,715	(9,450,466)
Total capital assets being depreciated, net	15,109,335	(671,418)	-	-	14,437,917
Capital assets, net	\$ 17,391,772	\$ (367,825)	\$ -	\$ -	\$ 17,023,947

D. Inter-fund Transfers

In 2021, \$250,000 was transferred from the General Fund to the Capital Projects Fund for the annual transfer based on the Board approved Capital Reserve Policy. The Board of Trustees also approved an additional transfer of \$1,750,000 to be used for future facilities expansion.

E. Liabilities

The District had no long-term liabilities as of December 31, 2021. A significant portion of the District’s current liabilities consists of compensated absences, for which a summary is shown below.

2021 Changes in Compensated Absences					
Beginning of Year	Additions Earned	Deletions Used	End of Year	Due Within One Year	
\$ 353,139	\$ 203,406	\$ (244,546)	\$ 311,999	\$ 311,999	

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 2019, 2020 or 2021.

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 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. District and employee contributions to the plan were \$234,583 and \$98,064, respectively, for the year ended December 31, 2021.

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, human resources, purchasing and information technology. In 2021, the District paid the City \$353,490 for these services. The District also contracts with the City to provide operations services for janitorial and facilities maintenance billed on a usage basis.

Health Insurance

The District participates in the City of Fort Collins's self-insured health program, allowing District employees to pay the same benefit premiums as City employees. The District cost for employee health insurance, dental insurance, life insurance and disability insurance benefits in 2021 was \$758,372. All claims are paid by the City, and unpaid claims or claims incurred but not paid as of December 31, 2021 are recognized by the City and not passed through to the District.

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.

E. Relevant Accounting Standards

The District plans to implement GASB Statement No. 87 *Leases* as well as its Implementation Guide 2019-3 *Leases* in 2022.

F. Significant Events

As a result of the spread of the SARS-CoV-2 virus and the incidence of COVID-19, economic uncertainties have arisen which may negatively affect the financial position and results of operations of the District. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

Supplementary Information



CONNECT
TO CURIOSITY

Poudre River Public Library District
Capital Projects Fund Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the fiscal year ended December 31, 2021

	2021 Actual	Project to Date	Budget (Original)	Budget (Final)	Budget Variance \$
Revenues					
Investment earnings	\$ (34,906)	\$ -	\$ -	\$ -	\$ (34,906)
Total Revenue	(34,906)	-	-	-	(34,906)
Expenditures / Expenses					
Capital Replacement Plan - 2019	-	208,046	125,000	125,000	(70,667)
Capital Replacement Plan - 2020	13,678	101,235	580,000	580,000	478,765
Capital Replacement Plan - 2021	300,101	189,509	429,679	429,679	240,170
Total Expenditures	313,779	498,790	1,134,679	1,134,679	820,900
Excess Revenue over Expenditures	(348,685)	-	(1,134,679)	(1,134,679)	785,994
Other Financing Sources (Uses)					
Transfers In	2,000,000	-	1,000,000	2,000,000	-
Net Change in Fund Balance	1,651,315	-	(134,679)	865,321	785,994
Fund Balance - January 1	6,956,742	-	6,956,742	6,956,742	-
Fund Balance - December 31	\$ 8,608,057	-	6,822,063	7,822,063	785,994

Statistical Section



CONNECT
TO CURIOSITY

Statistical Section (Unaudited)

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

Contents	Page(s)
Financial Trends, Tables I – IV These schedules contain trend information to help the reader understand how the District’s financial performance and well-being have changed over time.	48-51
Revenue Capacity, Tables V – VIII These schedules contain information to help the reader assess the District’s most significant revenue source, local property tax.	52-55
Debt Capacity, Table IX These schedules present information to help the reader assess the affordability of the District’s current levels of outstanding debt and the government’s ability to issue debt in the future.	56
Demographic and Economic Information, Tables X – XI These schedules offer demographic and economic indicators to help the reader understand the environment within which the District’s financial activities take place.	57-58
Operating Information, Tables XII – XV These schedules contain service and infrastructure data to help the reader understand how the information in the District’s financial report relates to the services the District provides and the activities it performs.	59-62

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

Table I

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

Year	Invested in Capital Assets	Restricted	Unrestricted	Total
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
2019	18,084,345	302,000	8,275,493	26,661,838
2020	17,391,771	334,000	10,500,875	28,226,646
2021	17,023,947	335,000	12,528,321	29,887,268

Table II

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses - Governmental Activities										
Administration	\$ 1,485,636	\$ 1,418,876	\$ 1,469,167	\$ 1,573,383	\$ 1,783,039	\$ 1,873,137	\$ 2,060,211	\$ 1,907,063	\$ 1,814,598	\$ 1,740,430
Combined Operations	2,392,320	2,600,986	2,704,706	2,643,214	2,671,937	2,585,779	2,920,233	2,607,226	2,401,626	2,723,819
Community Services	206,805	184,361	281,610	292,020	323,357	323,501	363,206	352,853	394,328	248,270
Communication (1)	-	-	-	-	-	-	-	-	236,303	322,309
Branch Operations & Services	3,542,410	3,437,871	3,195,668	3,283,506	3,619,046	3,575,903	3,690,015	3,815,534	3,684,522	3,667,204
Collection Services	1,037,774	1,102,184	1,203,493	1,421,889	1,521,889	1,700,585	1,915,540	1,801,551	2,086,107	1,641,491
Programming (2)	126,713	121,506	102,846	85,261	127,442	150,172	169,000	168,178	-	-
Total Expenses	8,791,658	8,865,784	8,957,490	9,299,273	10,046,710	10,209,077	11,118,204	10,652,406	10,617,484	10,343,523
Program Revenues - Governmental Activities										
Charges for Services	217,689	216,511	199,289	213,039	188,905	179,859	139,434	128,888	40,245	36,266
Operating Grants and Contributions	861,196	855,039	921,593	929,501	176,598	205,407	203,781	181,990	225,222	226,638
Capital Grants and Contributions	319,935	477,844	80,953	407,798	13,549	37,779	5,600	10,100	-	-
Total Program Revenues	1,398,820	1,549,394	1,201,835	1,550,338	379,052	423,045	348,815	320,979	265,466	262,904
Net Program Expense	(7,392,838)	(7,316,390)	(7,755,655)	(7,748,935)	(9,667,658)	(9,786,032)	(10,769,389)	(10,331,427)	(10,352,018)	(10,080,619)
General Revenues										
Property Taxes	6,903,435	6,889,765	7,150,978	7,389,426	8,365,443	8,695,120	9,578,657	9,630,069	10,828,707	10,887,726
Specific Ownership Taxes	489,732	526,141	610,183	672,359	706,176	847,663	876,611	880,989	826,000	877,858
Earnings on Investments	66,036	7,950	74,480	83,997	33,066	109,186	156,548	307,603	197,975	(60,551)
Miscellaneous	-	-	-	-	-	-	-	72,670	64,143	36,208
Total General Revenue	7,459,203	7,423,856	7,835,641	8,145,782	9,104,685	9,651,969	10,611,816	10,891,332	11,916,825	11,741,241
Net Change in Financial Position	\$ 66,365	\$ 107,466	\$ 79,986	\$ 396,847	\$ (562,973)	\$ (134,063)	\$ (157,573)	\$ 559,905	\$ 1,564,808	\$ 1,660,622

(1) Prior to 2020, Communication expenses were included in the Administration budget.

(2) Beginning in 2020, Programming expenses are allocated to individual Business Units instead of utilizing a separate Business Unit.

Table III

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

General Fund					
Fiscal Year	Non-spendable	Restricted	Committed	Unassigned	Total
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
2019	-	302,000	2,421,590	998,459	3,722,049
2020	-	334,000	2,385,125	1,502,326	4,221,451
2021	-	335,000	2,598,000	1,634,263	4,567,263

Capital Projects Fund					
Fiscal Year	Non-spendable	Restricted	Committed	Unassigned	Total
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
2019	-	-	5,104,155	-	5,104,155
2020	-	-	6,956,742	-	6,956,742
2021	-	-	8,608,057	-	8,608,057

Note: The restricted amount shown in the Capital Projects Fund beginning in 2012 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**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes	\$ 7,393,167	\$ 7,415,906	\$ 7,761,161	\$ 8,061,785	\$ 9,071,619	\$ 9,542,783	\$ 10,455,268	\$ 10,511,059	\$ 11,654,708	\$ 11,765,584
Intergovernmental	829,248	1,061,307	821,037	855,778	73,185	89,115	51,373	79,707	85,753	84,562
Charges for services	207,656	204,353	191,453	209,159	187,951	175,760	139,434	128,888	40,245	36,266
Investment earnings	66,036	7,950	74,480	83,997	33,066	109,186	156,548	307,603	197,975	(60,551)
Donations	351,883	271,576	181,509	481,521	116,962	154,071	153,177	112,383	139,469	142,076
Miscellaneous	10,033	12,158	7,836	3,880	954	4,099	4,831	72,670	54,321	25,105
Total Revenues	8,858,023	8,973,250	9,037,476	9,696,120	9,483,737	10,075,014	10,960,631	11,212,310	12,172,470	11,993,042
Expenditures										
Administration	1,470,350	1,411,388	1,461,214	1,578,332	1,779,396	1,869,478	2,039,834	1,907,688	1,710,171	1,781,570
Combined Operations & Capital Outlay	3,822,129	1,841,188	1,312,378	1,891,908	1,321,016	1,400,714	1,393,473	1,700,063	1,186,200	1,413,724
Community Services	206,805	184,361	281,610	292,020	323,357	323,501	363,206	352,853	394,328	248,270
Communication (1)	-	-	-	-	-	-	-	-	236,303	322,309
Branch Operations & Services	3,542,410	3,437,871	3,195,668	3,283,506	3,619,046	3,575,903	3,690,015	3,815,534	3,684,522	3,667,204
Collection Services	1,718,437	1,664,788	1,839,154	2,124,604	2,207,337	2,317,471	2,448,734	2,351,772	2,608,958	2,562,838
Programming (2)	126,713	121,506	102,846	85,261	127,442	150,172	169,000	168,178	-	-
Total Expenditures	10,886,844	8,661,102	8,192,870	9,255,631	9,377,594	9,637,239	10,104,261	10,296,088	9,820,482	9,995,915
Excess (Deficiency) of Revenue over Expenditures	(2,028,821)	312,148	844,606	440,489	106,143	437,775	856,370	916,223	2,351,988	1,997,127
Other Financing Sources										
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Net Change in Fund Balances	\$ (2,028,821)	\$ 312,148	\$ 844,606	\$ 440,489	\$ 106,143	\$ 437,775	\$ 856,370	\$ 916,223	\$ 2,351,988	\$ 1,997,127

(1): Prior to 2020, Communication expenditures were included in the Administration budget.

(2): Beginning in 2020, Programming expenditures are allocated to individual Business Units instead of utilizing a separate Business Unit.

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
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
2018	2019	1,879,970,106	26,110,697,600	995,779,568	3,433,722,190	329,150,483	1,135,001,600
2019	2020	2,203,845,074	30,822,796,300	1,105,313,974	3,811,426,960	333,779,821	1,150,964,850
2020	2021	2,239,598,125	31,322,835,100	1,101,217,438	3,797,301,070	317,531,646	1,094,936,670

Assess. Collection		Other Values (1)		Total Values		Ratio of Assessed to	
Year	Year	Assessed	Est. Actual	Assessed	Est. Actual	Est. Actual Value	Total Mill Levy
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%	3.000
2014	2015	170,823,340	566,894,245	2,526,777,230	20,980,908,435	12%	3.013
2015	2016	190,203,402	646,809,432	2,916,159,858	24,443,022,512	12%	3.024
2016	2017	178,711,811	614,648,749	3,005,780,000	25,087,537,219	12%	3.016
2017	2018	203,037,119	699,037,539	3,364,850,540	30,765,746,619	11%	3.034
2018	2019	189,696,155	651,818,292	3,394,596,312	31,331,239,682	11%	3.000
2019	2020	198,487,601	680,953,766	3,841,426,470	36,466,141,876	11%	3.000
2020	2021	190,828,568	655,801,305	3,849,175,777	36,870,874,145	10%	3.000

(1) Other Values includes agricultural, natural resources, oil and gas, state assessed and vacant properties.

The actual value of property is reappraised every two years in odd-numbered years. The assessment rate is set by Colorado legislature.

Non-residential property is currently assessed at 29% of actual value and residential property is assessed at 7.15% of actual value.

Source: Larimer County Assessor's Office "2020 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	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Direct											
Poudre River Public Library District	3.000	3.000	3.000	3.013	3.024	3.016	3.024	3.000	3.000	3.000	3.000
Overlapping Governments											
Larimer County	22.666	22.614	22.662	22.424	22.459	21.882	22.521	22.092	22.403	21.863	22.458
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	9.797
Loveland	9.564	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	6.749	6.749	6.749	6.688	6.688	6.688	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	12.030
School District											
Poudre R-1	47.989	51.000	54.868	52.763	52.630	52.630	52.630	52.630	52.630	56.000	55.000
Thompson R2-J	41.643	42.310	40.884	40.416	40.268	38.393	38.349	36.315	47.428	43.838	44.578
Fire Districts											
	5.000 - 21.142	5.000 - 21.142	5.000 - 21.151	5.000 - 21.199	5.000 - 21.142	6.522 - 21.142	6.522 - 21.142	6.522 - 21.142	6.522 - 21.142	6.520 - 21.142	6.520 - 21.142
Other Special Districts											
	0.398 - 35.000	0.463 - 35.000	0.472 - 45.000	0.142 - 45.000	0.142 - 60.000	0.142 - 60.611	0.142 - 60.222	0.142 - 60.110	0.142 - 60.351	0.142 - 67.512	0.142 - 91.328

Source: Larimer County Assessor's Office "2020 Mill Levies by Tax Area and Authority"

Table VII

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

Principal Taxpayer	2021			2012		
	Assessed Valuation	Rank	Percent of Total Assessed Valuation	Assessed Valuation	Rank	Percent of Total Assessed Valuation
Avago Technologies	\$ 93,646,211	1	2.4%	\$ 20,679,337	3	0.9%
Anheuser-Busch, Inc.	50,867,933	2	1.3%	72,695,070	1	3.1%
Public Service Company of Colorado	29,359,605	3	0.8%	17,962,900	6	0.8%
RPT Realty LP	26,238,420	4	0.7%	-	0	0.0%
MXD Fort Collins LLC	22,036,085	5	0.6%	-	0	0.0%
Anheuser-Busch Commercial	21,037,412	6	0.5%	-	0	0.0%
Woodward Governor Company	15,342,859	7	0.4%	-	0	0.0%
BNSF Railway Company	14,854,655	8	0.4%	7,262,000	10	0.3%
AMCAP Harmony LLC	14,248,454	9	0.4%	9,279,913	8	0.4%
Woodward Inc.	14,160,050	10	0.4%	-	0	0.0%
Qwest Corporation	N/A			21,321,200	2	
Poudre Valley Health Care Inc	N/A			10,679,172	7	
Front Range Retail Company	N/A			19,734,430	4	
Hewlett Packard Co	N/A			18,329,952	5	
Dillon Companies Inc.	N/A			8,027,072	9	

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
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%	(13,912)	10,055,502	99.6%
2018	2019	10,183,789	10,162,816	99.8%	(23,392)	10,139,424	99.6%
2019	2020	11,524,279	11,449,440	99.4%	-	11,449,440	99.4%
2020	2021	11,547,527	11,516,745	99.7%	-	11,516,745	99.7%

Source: Larimer County Assessor's Office "2020 Abstract of Assessments" and Treasurer's Office "2021 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 Years**

	2012	2013	2014	2015	2016
Assessed valuation	\$ 2,361,295,852	\$ 2,367,925,398	\$ 2,466,082,805	\$ 2,526,777,230	\$ 2,916,159,858
Debt limitation - 1.5% of assessed value	35,419,438	35,518,881	36,991,242	37,901,658	43,742,398
Total debt, excluding compensated absences	-	-	-	-	-
Legal debt margin	\$ 35,419,438	\$ 35,518,881	\$ 36,991,242	\$ 37,901,658	\$ 43,742,398

	2017	2018	2019	2020	2021
Assessed valuation	\$ 3,005,780,000	\$ 3,364,850,540	\$ 3,394,596,312	\$ 3,841,426,470	\$ 3,849,175,777
Debt limitation - 1.5% of assessed value	45,086,700	50,472,758	50,918,945	57,621,397	57,737,637
Total debt, excluding compensated absences	-	-	-	-	-
Legal debt margin	\$ 45,086,700	\$ 50,472,758	\$ 50,918,945	\$ 57,621,397	\$ 57,737,637

Source: Assessed valuation - Larimer County Assessor's Office "2019 Report of Authorities by Value Type"

Source: Debt limitation - Colorado Revised Statutes 22-42-104

Table X

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

Larimer County								
Year	Demographic and Economic Information				Household Information			
	Population	Per Capita Personal Income	Total Personal Income	Unemployment Rate	Total Households	Average Size	Median Age	K-12 School Enrollment
2011	305,350	29,170	8,907,059,500	5.6%	122,711	2.4	35.7	43,392
2012	310,960	29,818	9,272,205,280	5.5%	124,974	2.4	35.8	44,340
2013	316,357	30,279	9,578,973,603	5.6%	127,082	2.4	35.9	45,090
2014	324,149	30,422	9,861,260,878	5.2%	130,097	2.4	35.6	45,745
2015	333,473	30,768	10,260,297,264	5.2%	133,697	2.4	35.6	46,313
2016	339,182	32,047	10,869,765,554	4.4%	135,999	2.4	35.9	46,713
2017	344,267	32,658	11,243,071,686	3.3%	137,987	2.4	36.0	47,115
2018	350,842	36,050	12,647,854,100	2.9%	140,596	2.4	36.4	47,438
2019	356,938	37,711	13,460,488,918	2.7%	142,596	2.4	36.4	47,773
2020	359,066	40,582	11,344,431,120	6.1%	146,056	2.4	36.1	48,068
2021	362,533	38,142	13,827,733,686	3.8%	146,638	2.5	36.2	45,404

Sources: Colorado State Demography Office, Colorado Department of Education, Colorado LMI Gateway and US Census Bureau QuickFacts: Larimer County

Table XI

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

Employer	2021			2012		
	Employees	Rank	% of Total Employment	Employees	Rank	% of Total Employment
Colorado State University	8,100	1	7.8%	6,753	1	7.8%
UC Health: Poudre Valley Hospital	6,100	2	6.2%	3,100	3	3.6%
Poudre School District	4,000	3	4.0%	3,957	2	4.6%
City of Fort Collins	2,000	4	2.0%	2,000	4	2.3%
Larimer County	1,900	5	1.9%	1,910	5	2.2%
Woodward, Inc.	1,300	6	1.3%	1,302	6	1.5%
Avago	1,100	7	1.1%	-	-	0.0%
U.S. Department of Agriculture	1,100	8	1.1%	-	-	0.0%
Otter Products	890	9	9.0%	468	10	0.5%
Dillon Companies Inc. (King Soopers)	690	10	0.7%	-	-	0.0%
Center Partners	-	-	0%	1,112	7	1.3%
Hewlett Packard Company	-	-	0%	927	8	1.1%
Employment Solutions Personnel Serv.	-	-	0%	713	9	0.8%

Sources: BizWest Publications, City of Fort Collins, Colorado Department of Education and Colorado LMI Gateway

Table XII

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Old Town Library	24.50	27.00	26.70	28.25	27.30	26.95	30.60	25.52	25.51	19.20
Harmony Library	24.50	24.00	22.50	22.88	23.00	23.70	21.30	19.52	20.52	16.30
Council Tree Library	17.50	19.75	18.50	18.62	18.40	17.90	18.90	17.69	17.69	15.40
Administration	7.75	7.75	9.20	9.20	10.25	11.15	11.30	9.46	8.46	10.20
Facilities & Systems Administration	6.00	6.50	7.00	7.00	7.00	7.00	7.00	7.61	7.61	7.00
Communications	-	-	-	-	-	-	-	3.00	3.51	4.00
Community Services	3.00	3.00	4.50	5.25	5.50	5.00	5.65	5.95	7.96	5.90
Collection Services	8.00	8.00	8.50	8.80	8.80	8.80	10.30	11.41	11.41	10.00
Total FTE Employees	91.25	96.00	96.90	100.00	100.25	100.50	105.05	100.16	102.67	88.00

Source: Poudre River Public Library District

Note: Prior to 2012, Community Services was included in Old Town Library staffing. Prior to 2019, Communications was included in Administration staffing.

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	Total Circulation	Turnover Rate (1)	Acquisition Cost	Net Book Value of Collections
2012	349,047	53,306	402,353	3,208,389	7.97	680,663	2,989,090
2013	349,535	52,251	401,786	3,133,110	7.80	562,604	2,714,929
2014	315,187	85,663	400,850	3,132,584	7.81	635,661	2,514,404
2015	362,411	109,555	471,966	3,226,900	6.84	834,577	2,382,542
2016	340,445	48,803	389,248	3,164,856	8.13	685,448	2,316,625
2017	316,480	49,333	365,813	3,041,983	8.32	659,487	2,261,102
2018	299,241	40,708	339,949	2,986,721	8.79	533,194	1,849,629
2019	293,058	39,448	332,506	2,916,869	8.77	550,221	1,778,368
2020	291,515	32,004	323,519	2,007,577	6.21	522,851	1,689,933
2021	292,809	27,239	320,048	2,354,054	7.36	921,347	1,703,826

Source: Poudre River Public Library District

(1): Turnover rate is calculated as Total Circulation divided by Total Items Owned.

Table XIV

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

Fiscal year	Collection Department (1)	Old Town Library	Harmony Library	Council Tree Library	Remote Renewals	eMedia	Total Circulation
2012	0	775,408	794,935	814,133	729,527	94,386	3,208,389
2013	0	877,587	648,186	744,830	720,788	141,719	3,133,110
2014	23,790	751,524	642,710	672,284	716,255	326,021	3,132,584
2015	24,062	715,319	619,467	645,091	763,623	459,338	3,226,900
2016	22,675	676,610	577,602	605,961	773,501	508,507	3,164,856
2017	21,147	632,869	536,906	577,094	749,261	524,706	3,041,983
2018	21,539	613,733	495,767	557,614	697,206	600,862	2,986,721
2019	57,615	574,959	440,548	537,601	658,715	647,431	2,916,869
2020	35,720	297,754	213,123	290,879	374,224	795,877	2,007,577
2021	50,916	506,778	248,072	419,040	423,203	706,045	2,354,054

Source - Poudre River Public Library District

(1): Prior to 2014, circulation processed by the Collection Department was included in Old Town Library's circulation.

Table XV

**Poudre River Public Library District
Service Location Information
As of December 31, 2021**

Location Name	Address	Sq. Ft.	Number of Full-time Equivalent Employees
Libraries			
Old Town Library	201 Peterson St. Fort Collins, CO 80524	39,400	19.20
Harmony Library	4616 South Shields Dr. Fort Collins, CO 80526	31,100	16.30
Council Tree Library	2733 Council Tree Ave. Fort Collins, CO 80525	16,600	15.40
Administration			
Webster House Administration Center	301 East Olive St. Fort Collins, CO 80524	10,550	27.10
Midtown	2401 Research Blvd Ste 101 Fort Collins, CO 80526	4,720	10.00
	Total	102,370	88.00