

Pueblo City-County Library District is pleased to present its annual comprehensive financial report for the year ending December 31, 2023 in .pdf format.

Some of the financial statements are presented as facing pages. Therefore it should be viewed as facing pages in Adobe Acrobat. To set the page layout to facing pages do the following:

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PUEBLO CITY-COUNTY LIBRARY DISTRICT

For the fiscal year ended December 31

2023

Annual Comprehensive Financial Report



100 E. Abriendo Ave. | Pueblo, CO 81004 | (719) 562-5600 | www.pueblolibrary.org

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PUEBLO CITY-COUNTY LIBRARY DISTRICT

**Finance Office
100 E. Abriendo Avenue
Pueblo, Colorado 81004**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

For the fiscal year ended December 31, 2023

Board of Trustees

Fredrick Quintana, President
Dustin Hodge, Vice President
Iris Clark – Trustee
Jeffrey DeHerrera – Trustee
Stephanie Garcia, Trustee
Trisha Macias, Trustee
Doreen Martinez, Trustee

Executive Director

Sherri Baca

Prepared by:

**Ashley Huggins
Chief Financial Officer**

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100 E. Abriendo Ave.
Pueblo, CO 81004-4232
(719) 562-5600
www.pueblolibrary.org

July 24, 2024

Dear Trustees:

I am pleased to submit to you the Annual Comprehensive Financial Report for the Pueblo City-County Library District for the year ended December 31, 2023.

This is the fifteenth year that an annual financial report has been submitted to you in this format, in accordance with the guidelines of the Government Finance Officers Association (GFOA). The required components of an Annual Comprehensive Financial Report include all of the financial statement data as historically reported, as well as a Management Discussion and Analysis Section, a Statistical Section, which includes eighteen exhibits of information on financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information, and more expanded information in the letters of transmittal.

We submitted our 2009 - 2022 Annual Comprehensive Financial Report documents for review to the GFOA, and we were pleased and honored to receive the GFOA Award of Financial Reporting Achievement for each of these documents. It is our intent to submit the 2023 Annual Comprehensive Financial Report to the GFOA for review as well, where a panel of financial professionals will critique the document for thoroughness, accuracy, and presentation.

Thank you for your review of this document and for your continuing support and guidance.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Sherri Baca'.

Sherri Baca, Executive Director

LIBRARIES

Barkman Library
Greenhorn Valley Library
Lamb Library
Library @ the Y
Patrick A. Lucero Library
Pueblo West Library
Rawlings Library
Tom L & Anna Marie
Giodone Library

COMMUNITY SATELLITES

Avondale Elementary School
Beulah School of Natural Sciences
CSU Pueblo Library
Pueblo Community College Library



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INTRODUCTORY SECTION

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100 E. Abriendo Ave.
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July 24, 2024

To the Members of the Board of Trustees and the Citizens of the Pueblo City- County Library District:

I am pleased to submit to you the Annual Comprehensive Financial Report of Pueblo City-County Library District (the District) for the year ended December 31, 2023. This report was prepared by the Finance Office to provide citizens, investors, grantor agencies and other interested parties with information on the financial condition of the District. It has been prepared *in* accordance with generally accepted accounting principles for governmental units as defined by the Governmental Accounting Standards Board (GASB), and meets the requirements of the State of Colorado Auditor's Office.

To the best of our knowledge, the enclosed information is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the District. The accuracy of the District financial statements and completeness and fairness of their presentation is the responsibility of District management. The District maintains a system of internal accounting controls to ensure that assets are safeguarded *against* loss, and that financial records are properly maintained and can be relied upon to produce accurate financial statements.

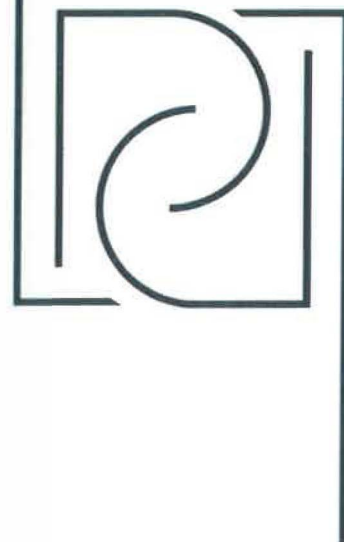
Colorado State Statutes require an annual audit by independent certified public accountants. This requirement is being met through engagement of the firm of DMC Auditing and Consulting to audit the 2023 financial statements of the District. The independent auditors' examination is conducted in accordance with generally accepted auditing standards and provides an independent assessment that helps assure fair presentation of the District's financial position and results of operations. The auditors' report on the basic financial statements is included in the financial section and reflects an unmodified opinion.

LIBRARIES

Barkman Library
Greenhorn Valley Library
Lamb Library
Library @ the Y
Patrick A. Lucero Library
Pueblo West Library
Rawlings Library
Tom L & Anna Marie
Giodone Library

COMMUNITY SATELLITES

Avondale Elementary School
Beulah School of Natural Sciences
CSU Pueblo Library
Pueblo Community College Library



PROFILE OF THE GOVERNMENT

Governmental Structure

The District, established on July 15, 1968, by joint resolution of the Pueblo City Council and the Pueblo Board of County Commissioners, is considered to be a “Library District” which is a separate legal entity, and was created through Colorado State Statute (C.R.S. 24-90-110). The District is not considered to be a component unit of either the City of Pueblo or of Pueblo County, Colorado, and is financially, managerially, and operationally independent, and meets the guidelines of GASB Statement No. 14, as amended by GASB Statement 39, The Financial Reporting Entity. The District does currently recognize one discretely presented component unit for inclusion in these financial statements, the Pueblo Library Foundation. Pueblo City-County Library District provides library service to all residents of the City and County of Pueblo, and the Foundation exists solely to provide support for those efforts.

There are seven library buildings in the District service area, which covers approximately 2,414 square miles. Six of these buildings are branch libraries: Frank & Marie Barkman Library, Frank I. Lamb Library, Greenhorn Valley Library, Tom and Anne Marie Giodone Library, Patrick A. Lucero Library, and Pueblo West Library. The main library, Robert Hoag Rawlings Library, is located downtown in a facility of approximately 109,000 square feet. The District also maintains two satellite libraries in local elementary schools, as well as the Library @ the Y, a small facility in the YMCA building, opened in November 2009. Administrative and support departments, including the Executive Director’s office, Human Resources, Community Relations/Development, Finance, Technical Services/Collection Development, Information Technology, Public Services, and Facilities are all housed together in the Rawlings Library. In 2018, PCCLD added two satellites, located at Colorado State University-Pueblo and Pueblo Community College.

The District’s Board of Trustees consists of seven members. The members are appointed to five- year terms of office by the Board of Pueblo County Commissioners and the City Council of Pueblo. Each term is renewable; there are no term limits. The District’s Board convenes at monthly meetings, monthly work sessions, and at any special meetings when they are necessary. Although Board members are prohibited by law from receiving compensation for their services as trustees, they may be reimbursed for necessary travel, training, or miscellaneous expenses.

Motto. Mission. Vision. Goals and Objectives

MOTTO

Ideas, Imagination & Information

MISSION

We serve as a foundation for our community by offering welcoming, well equipped and maintained facilities, outstanding collections, and well-trained employees who provide expert service encouraging the joy of reading, supporting lifelong learning, and presenting access to information from around the world.

VISION

Books and Beyond

KEY RESULTS (GOALS)

- ❖ The number of library books and other materials checked out.
- ❖ The quantity of customers visiting PCCLD libraries.
- ❖ The size of attendance at library programs and events.
- ❖ The volume of use of library digital services.

The Key Results goals have been established in support of the Mission statement. We consider them critical to sustaining the organization's health, well-being, strength, viability, growth, and success, and in keep with the overarching aim to provide the best possible public library service for the community.

The annual objectives identified to meet these goals comprise the Annual Plan, which is summarized in the Plans for the Future section of this letter.

Major Initiatives

In 2023, we continued our focus on achieving four key results. The key results included:

- 1,388,640 checkouts.
- 617,262 visitors.
- 98,493 program participants.
- 476,481 digital uses

PCCLD has received a number of honors in recent years for exemplary library service to the local community. The library district has a long history as a *Star Library*, marking six consecutive years for the institution to receive this prestigious recognition. This designation is based upon widely acknowledged library industry performance standards and it places PCCLD among the top three percent among 5,846 public libraries operating in the United States. PCCLD has been accorded other distinguished awards in recent years, included among these being both the *2018 National Medal for Museum and Library Service* and America's *Best Public Library*. The November 2019 election to increase the library district's tax levy also is notable. The landslide "yes" vote for the 2019 PCCLD ballot measure not only affirms the high regard local residents have for PCCLD, but it also helps assure a sound financial footing for local libraries for the foreseeable future.

These distinctions demonstrate strength and achievement. PCCLD's practice of sound planning practices and internal accountability helps sustains its success. The library district continues its work driven by the strategic focus areas in its current 2021-2025 strategic plan. This strategic plan is based upon extensive background work that included stakeholder focus groups, a statistically significant survey of county residents about PCCLD; review of county demographics, community use of library district services and resources, examination of library industry trends, study of PCCLD financial, capital, and human resources; and analysis of the institution's strengths, weaknesses, threats, and opportunities. The outcome of this comprehensive effort resulted in the PCCLD Board of Trustees approving the 202-page document entitled *Growing Community Partnerships: The 2021-2025 Strategic Plan for the Pueblo City-County Library District*. This 2023 Annual Plan functions in support of the strategic plan.

It must be noted that the COVID-19 pandemic has impacted library operations in numerous ways. PCCLD quickly responded to the pandemic and it continues to have repercussions even now approximately four years since it commenced. Circulation of electronic resources has increased dramatically resulting in library collection development expenditures reflecting this change in information use by the public. This has led the library to focus on its digital library branch.

PCCLD continues to prioritize positive outcomes for the community it serves in the post-pandemic environment. This is occurring in conformity with the library mission to support reading, literacy, lifelong learning, and free and open access to information. PCCLD also has responded in new ways brought on by the enduring impacts of the health pandemic as well as the state of the national economy. The library was awarded an Emergency Connectivity Fund grant to provide Wi-Fi enabled devices for checkout. This critical program is focused on individuals in Pueblo County who would not have internet access otherwise. The library's digital branch and a focus on delivering high quality electronic resources is meeting the needs of the public. Saving households money is also a priority in these challenging economic times of high inflation and rising interest rates. These programs and others like them demonstrate how PCCLD has remained nimble in delivering great services to county residents.

PCCLD remains resilient and focused on providing the best possible library service to the community during this challenging period of time. The library district moved forward in a judicious manner in 2023 on key activities including expanding library services, continuing the implementation of its 2021-25 strategic plan, and substantially completing the renovation of the Robert Hoag Rawlings Public Library. Refurbishing the Rawlings Library is the first among several capital facilities upgrades scheduled to occur in the coming years as described in the 154-page *Pueblo City-County Library District: Library Master Facilities Vision*. The Barkman branch library renovation commenced in 2023 and is on track to be a wonderfully expanded and refreshed facility for the local neighborhood. The Lucero branch libraries is the next renovation project following the Barkman library renovation.

Factors like those outlined above confirm the importance of PCCLD's dedication to planning, accountability, and service-oriented action plus strong support for the institution from the community it serves. PCCLD's long-standing activities, tactics, and strategies have consistently aimed at providing the finest library service for local residents. This relates directly to its success. PCCLD will strive in 2024 to

implement specific objectives in further support of this. The objectives and action steps listed below are intended to accomplish this aim.

Plans for the future

PCCLD completed work on a new long-range strategic plan in 2020, which was officially adopted early in 2021. This new plan concentrates our attention on seven areas of focus for the district:

1. Access to services – inside and outside of the library
2. Culture and diversity – embracing opportunities
3. Education – encouraging lifelong learning
4. Employment – fostering economic and workforce development
5. Internal capacity – growing from within
6. Marketing and outreach – increasing awareness of library services
7. Technology – increasing digital access

The 2024 planning process has been thorough and includes considerations gained from ongoing consultation with PCCLD stakeholders. Each 2024 objective provided below is grouped according to these strategic areas of focus. This is not intended to be a comprehensive list of all that will happen at PCCLD in 2024. Rather, it includes objectives representing important new initiatives for 2024 along with others identified with notable bearing on institutional resources. This document is the outcome of considerable deliberation and effort, and it provides positive direction for PCCLD in fulfilling its overarching aim to provide the best possible public library service to the community.

Objectives that constitute new initiatives for the year in support of the key results and strategic focus areas are listed below.

2024 OBJECTIVES—Organized by Strategic Areas of Focus

ACCESS TO SERVICES	Assess future community needs for public library services which informs strategic planning to ensure the long-term success of PCCLD
	Utilize LibraryIQ collection development software to increase physical circulations
	Complete the renovation of the Barkman Library; plan and initiate the renovation and expansion of the Lucero Library as determined by budgetary resources
	Create, develop, and successfully launch a PCCLD-specific app that incorporates all digital library vendors and services. Evaluate outcomes.

	Plan and implement initiatives and objectives which increase library key results and concentrate on areas of strategic focus as contained in the library district's strategic plan—include work within the educational, employment and outreach areas of focus
	Implement electronic browsing capabilities at all locations for major newspaper subscriptions
	Develop a new, refreshed adult programming committee that can be used to steer district wide programming, including monthly thematic programs, current district wide efforts, and data driven programming
CULTURE & DIVERSITY	Engage the organization to create a 3–5-year organizational culture enhancement plan, launch the effort, and assess progress—include a focus on IDEA
	Continue planning, implementing, and supporting IDEA (inclusion, diversity, equity, and access) principles and practices
EDUCATION & LIFELONG LEARNING	Launch an updated version of Library Leadership Academy—a mentoring program to develop staff for librarian and leadership positions within the district
	Reinforce the support of intellectual freedom and the ideals of librarianship throughout the organization as well as communication with external stakeholders to educate and foster awareness
INTERNAL CAPACITY	Assess current paid time off employee benefits, compare to benchmarks, and make recommendations accordingly
	Assess current emergency preparedness and develop a cohesive plan which includes institutional goals/plans/policies/procedures to ensure safety and security, adequate infrastructure and resources, risk management, and business continuity
	Implement Phase 2 of the market wage study to ensure that the library remains competitive with market salaries—make necessary salary adjustments within budgeted resources and plan for future steps
	Initiate a \$2 million capital campaign for the renovation and expansion of the Barkman and Lucero Libraries: including a public launch of the campaign, donor solicitation, and foundation grant writing

	Ensure a smooth transition to new financial audit firm and reinforce effective fiscal management and audit outcomes
	Improve fiscal management through enhanced procedures and effective communication of expectations—including departmental training, outreach by finance staff to other library departments, reinforcement of internal controls
	Finance Department review of finance policies with quarterly goals for completion of updates as determined
	Evaluate the pursuit of the Distinguished Budget Presentation Award through GFOA for the 2025 Budget by engaging all Finance Department staff throughout 2024 for the 2025 presentation
	Update the library asset replacement plan for IT components
	3-year IT strategic plan which includes cyber security as a focus
	Increase the visibility of the library collection of materials and streamline cataloging processes by implementing an OCLC cataloging subscription
	Ensure compliance with Colorado laws and best practices for energy reporting and energy use reduction
	Accomplish operational goals which include upgrading/replacing physical assets and improving facilities infrastructure—including replacing the Chevy 2010 van and cargo trailer per the library asset replacement plan, installation of automatic door openers at Pueblo West Library, and other budgeted items
	Work to minimize risk and address physical plant needs of library buildings—including Pueblo West roof repairs, Lamb Library structural assessment, Rawlings HVAC systems, and Rawlings elevator refurbishment as budget allows
	Ensure acceptable outcomes through effective onsite project management of ongoing construction projects—Barkman and Lucero Libraries

	Plan and initiate activities to strengthen human resources operations including creating statements of procedures (SOPs), refinement of staff roles and duties, and other improvements as needed. Evaluate outcomes and make adjustments as needed.
MARKETING & OUTREACH	Forge a community/key stakeholder committee to develop a community history/legacy wall within the Lucero Library
	Refine the fundraising practices of the Pueblo Library Foundation to include profitable online giving, annual giving appeals, capital campaign gifts, and event fundraising. The actionable items include three annual giving campaign efforts, increase fundraising goal for Outstanding Women's Award, and creating a more sophisticated online giving experience
TECHNOLOGY	Further define the library's digital branch to include ease of access to e-content, data collection, initiatives and goals, and marketing to the public
	Update the library district's internet filter to enhance compliance with the Children's Internet Protection Act
	Assess IT Infrastructure and develop plans to ensure stabilization and improvements which ensure improved access to useful technology and adequate tools for library staff to carry out duties—includes critical upgrades and asset replacement

FACTORS AFFECTING FINANCIAL CONDITION

The District has established a 20-year Library Equipment Replacement Plan, as well as a 10-Year Financial Projection spreadsheet, to demonstrate use of available funding to provide the collections, facilities, staffing, and technology needs that have been identified. The Library Equipment Replacement Plan is budgeted in the Capital Project Fund, which is funded through annual transfers from the general fund. In 2023 a transfer of \$400,000 was made, and long-range plans include ongoing transfers in subsequent years to maintain sufficient resources for future repairs and replacement.

Long-range financial planning is the focus of the 10-Year Financial Projection, which includes assumptions for revenues, expenditures, and fund balances for both the General and Capital Projects funds. This projection is updated a minimum of two times a year – once following the audited financial statements, and again following the approval of the budget. This document is used extensively to project capital projects, ongoing commitments for new programs or services, impact of personnel initiatives, revenue forecasting, and the ongoing impact of those plans on the fiscal health of the District. In planning for the current capital building projects, the 10-Year Financial Projection was evaluated in depth to determine that the initial and ongoing costs of these projects could be supported by current and on-going revenues.

Management's Discussion and Analysis

Specific details of the overall economy for Pueblo County are highlighted in the Management's Discussion and Analysis section of this document. A narrative of specific financial outcomes, discussion of governmental and business activities, debt and capital assessment statistics, economic conditions, and information about how to contact the District's financial management can be found in this presentation.

Internal Controls

The District has a number of policies and procedures which govern the operations of the District to ensure effective cash management, compliance with governmental accounting regulations, and good business practice. The objectives of these policies and procedures are commensurate with our District-wide goals to effectively manage the current assets and resources of the District. The oversight responsibilities for the financial operations of the District rest with the Board of Trustees. Each month the Board is provided detailed financial information, prepared by the Finance staff, including financial statements, balance sheets, and summary information and disbursements reports for each fund. The financial report is an agenda item, presented by the Chief Financial Officer, and subject to a vote for approval. The Board is responsible for all budgetary resolutions and approvals, and for setting the mill levy annually. The Board is also responsible for approval of any real estate transactions, bonded debt, borrowing of funds, and major contracts. The Executive Director has the authority to negotiate and sign regular operational contracts, and to approve expenditure of funds.

Segregation of duties is a guiding principle in the Finance Office. For example, the staff members who count the cash and prepare the deposit slips do not take the deposits to the bank, nor are they authorized to record the deposits in the accounting system. Only the CFO and the Executive Director are authorized to initiate wire transfers or electronic banking transactions.

The CFO approves payment of invoices and journal entries. The accounting system is carefully set up to allow rights for certain functions to the appropriate staff members only. Bank reconciliations are processed by the Senior Accountant, and the CFO reviews and initials them to indicate agreement.

Limitations of the internal controls can occur internally due to the size of the Finance Office. Segregation of duties and careful identification of roles and permissions in the accounting software system have been carefully identified and implemented, but in a small office where cross-training and covering for other tasks is often essential, sometimes the internal controls are compromised for the greater need to get the payables processed, or make the deposit in a timely manner, or process the payroll expediently. We do have processes for checking procedures after the fact, although timeliness is often not possible due to other responsibilities.

Cash collection is accomplished through self-check terminals in all locations, reducing the amount of cash collected directly by staff throughout the District. As a result of a current systems upgrade, the finance office can remotely monitor the terminals and their cash activity. A locked bag collection process is in place to move funds to the main library for reconciliation and bank deposit preparation. The minimal amount of cash collected at each library location for the sale of items and small transactions which can't be processed through self-service is also sent to the main library. The accuracy and oversight of cash collections has been enhanced by these methods.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Pueblo City-County Library District for its annual comprehensive financial report for the fiscal year ended December 31, 2022. This was the fourteenth year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized annual comprehensive financial report. 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 GFOA requirements for excellence and we are submitting it for review to determine its eligibility for another certificate.

I would like to express my appreciation to the Finance team, who have consistently and accurately contributed to the efficient operation of the Finance Office. I would also like to extend special thanks to the dedicated professionals at DMC Auditing and Consulting., our external auditing firm. Finally, I wish to thank the members of the Board of Trustees for their leadership and support.

Respectfully submitted,



Ashley Huggins, Chief Financial Officer

Pueblo City-County Library District

ADMINISTRATIVE TEAM

Sherri Baca Executive Director

Ashley Huggins Chief Financial Officer

Terri Daly.....Director of Human Resources

Thomas DeFrates..... Director of Information Technology

Jill Kleven.....Director of Technical Services

Amy Nelson..... Associate Director of Public Services

Nick Potter..... Executive Director of the Foundation and Strategic Initiatives

Alan Rocco Facilities Superintendent

Kristi Roque Manager of Rawlings Library and Customer Experience

MANAGERS

Kayci Barnett..... Giodone Library Manager

Alicia Griebel Barkman Library Manager

Linda Lewis Greenhorn Valley Library Manager

Rebecca McGhee.....Manager of Adult Services

Aaron Ramirez Local History & Genealogy Manager

Sharon Rice Experiential Learning Manager

Rachel Salazar Manager of Youth Services

Jerry Vigil.....Lucero Library Manager

Crystal Talley Lamb Library/Library @ Y Manager

Heather Wilder Pueblo West Library Manager



Government Finance Officers Association

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

Presented to

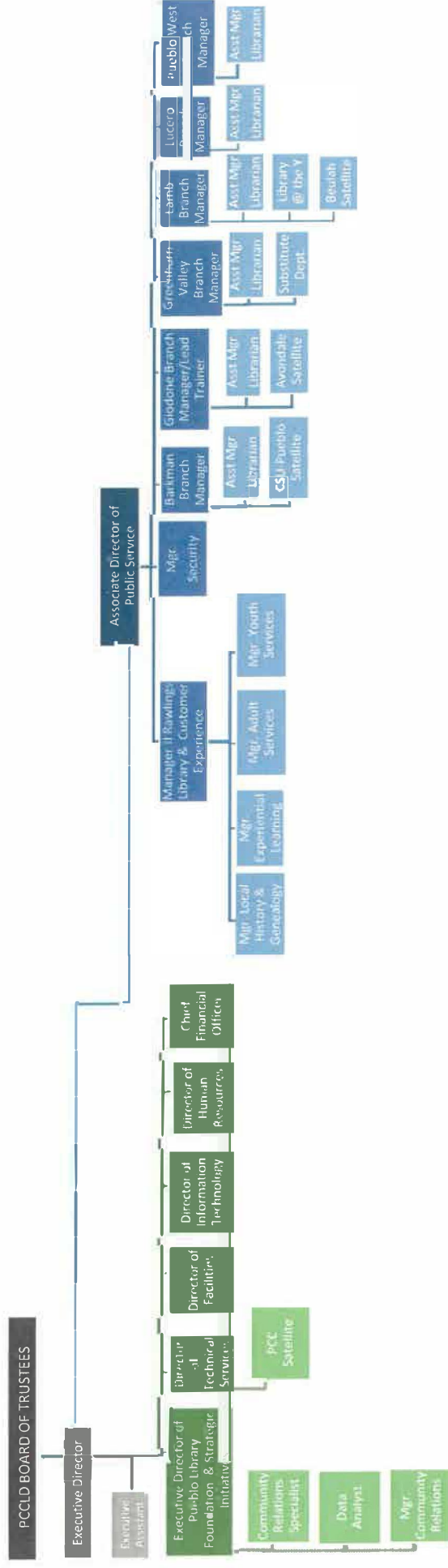
**Pueblo City-County Library District
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morill

Executive Director/CEO



Pueblo City-County Library District Organizational Chart

Updated: 06/01/2023

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Pueblo City-County Library District
Pueblo, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, discretely presented component unit, and each major fund of the Pueblo City-County Library District as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Pueblo City-County Library District, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, discretely presented component unit, and each major fund of the Pueblo City-County Library District as of December 31, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Pueblo City-County Library 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 these 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 Pueblo City-County Library District's ability to continue as a going concern for twelve 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 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk 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 Pueblo City-County Library 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 Pueblo City-County Library 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 the management's discussion and analysis and the required supplementary information 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 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 Pueblo City-County Library District's basic financial statements. The supplementary information, including the budget comparison schedule, listed in the table of contents is presented for purposes of additional analysis and 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 the 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, including the budgetary comparison schedule, 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 report. The other information comprises the introductory and statistical sections 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.

DMC Auditing and Consulting, LLC

July 24, 2024
Bailey, Colorado

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the Pueblo City-County Library District (the District) annual comprehensive financial report, the District's management is pleased to provide this narrative discussion and analysis of the financial activities of the District for the calendar year ended December 31, 2023. The District's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$31,597,259 (net position) for the calendar year reported.
- Total net position is comprised of the following:
 - (1) Net Investment in Capital Assets of \$26,932,889 includes property, materials and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 - (2) Net position of \$422,963 is restricted by constraints imposed from outside the District such as grantors, laws, or regulations.
 - (3) Unrestricted net position of \$4,241,407 represents the portion available to maintain the District's continuing obligations to citizens and creditors.
- The District's general fund reported total ending fund balance of \$2,715,786 this year. This compares to the prior year ending fund balance of \$3,595,952 showing a decrease of \$880,166 during the current year.
- At the end of the current calendar year, total fund balance for all governmental funds was \$7,743,506 or 52% of the current year's total governmental fund expenditures.
- Overall, the District continues to maintain a strong financial position.

These financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the District's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The District also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The District's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the District's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the District's assets and liabilities and deferred inflows of resources and deferred outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of Library District infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the District's net position changed during the current calendar year. All current year revenues and expenses are included regardless of when the District receives or pays cash. An important purpose of the design of the statement of activities is to show the financial reliance of the District's distinct activities or functions on revenues provided by the District's taxpayers.

Both government-wide financial statements distinguish governmental activities of the District that are principally supported by property taxes. Governmental activities include general library operations.

The government-wide financial statements are presented immediately following this analysis.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's two major funds. Each fund is separately reported.

The District has the following fund type:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental funds financial statements are presented on pages 28-31 of this report.

Notes To The Basic Financial Statements - The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 32 of this report.

Required Supplementary Information - On page 53, the budget to actual comparison for the general fund is presented as required supplementary information. On pages 54-57 the net pension liability and net OPEB liability related schedules are presented as required supplementary information.

Supplementary Information - As discussed, the District reports major funds in the basic financial statements. The budgetary comparison for the capital projects fund is presented in a supplementary information section of this report beginning on page 59.

The District's net position at December 31, 2023, is \$31,597,259. The following table provides a summary of the District's net position:

Governmental Activities					
2023			2022		
	Amount	Percentage of Total		Amount	Percentage of Total
Revenues:					
Program:					
Charges for Services	\$ 56,843	0.4%	\$ 52,067		0.3%
Operating Grants	558,127	3.8%	1,216,479		7.6%
Capital Grants	199,995	1.3%	1,097,785		6.9%
General:					
Taxes	13,491,632	90.7%	13,405,933		84.0%
Other	572,766	3.8%	190,760		1.2%
Total Revenues	<u>14,879,363</u>	<u>100.0%</u>	<u>15,963,024</u>		<u>100.0%</u>
Program Expenses:					
Library Services	12,724,945	96.8%	11,512,163		97.1%
Interest on Long-Term Debt	417,565	3.2%	346,736		2.9%
Total Expenses	<u>13,142,510</u>	<u>100.0%</u>	<u>11,858,899</u>		<u>100.0%</u>
Change in Net Position	1,736,853		4,104,125		
Beginning Net Position	<u>29,860,406</u>		<u>25,756,281</u>		
Ending Net Position	<u>\$31,597,259</u>		<u>\$29,860,406</u>		

The District continues to maintain a high current ratio. The current ratio is a liquidity and efficiency ratio that measures ability to pay off short-term liabilities with current assets. To make the ratio more meaningful, property taxes receivable and net pension liability can be eliminated for governmental activities resulting in current assets of \$9,058,915. Current liabilities are \$2,648,642, including the current portion of long-term liabilities. As a result, the current ratio for the District overall is 3.42 to 1 at December 31, 2023, compared with 3.93 to 1 at December 31, 2022.

The District reported positive balances in total net position for governmental activities in the current and prior year. Net position increased by \$1,736,853 for governmental activities in the current year, including the effect of the change in the net pension liability. The District's overall financial position decreased during fiscal year 2023 by 57.7%.

Approximately 62.5% of the District's total assets are comprised of capital assets at December 31, 2023, compared to 64.9% at December 31, 2022. The District uses these capital assets to provide services to its citizens.

The following table provides a summary of the District's changes in governmental activities net position:

Governmental Activities					
2023			2022		
Percentage			Percentage		
Amount	of Total		Amount	of Total	
Non-Depreciable Assets					
Land	\$ 2,216,490	46.8%	\$ 2,216,490	72.2%	
Construction in Process	2,406,128	50.8%	734,765	23.9%	
Artwork and Collectibles	117,276	2.5%	117,276	3.8%	
Total Non-Depreciable	4,739,894	100.0%	3,068,531	100.0%	
Depreciable / Amortized Assets					
Buildings	44,822,372	81.7%	44,822,372	81.6%	
Right-to-Use Building	145,389	0.3%	139,889	0.3%	
Furniture & Fixtures	1,340,312	2.4%	1,378,295	2.5%	
Vehicles	179,440	0.3%	142,255	0.3%	
Computer Equipment	2,880,893	5.3%	2,820,180	5.1%	
Other Equipment	143,473	0.3%	96,948	0.2%	
Library Books and AV Materials	5,344,001	9.7%	5,550,215	10.1%	
Total Depreciable / Amortized Assets	54,855,880	100.0%	54,950,154	100.0%	
Less Accumulated Depreciation / Amortization	19,256,587		18,238,422		
Book Value - Depreciable / Amortized Assets	35,599,293		36,711,732		
Percentage Depreciated	35%		33%		
Book Value - All Assets	\$40,339,187		\$39,780,263		

Revenues

The District is heavily reliant on taxes to support governmental operations. Taxes provided 82.6% of the District's total revenues in 2023, as compared to 76.9% in 2022. Total revenues decreased by \$1,083,661 in 2023 compared to 2022, mostly due to a significant decrease in grant funds received. The increase in tax revenue of \$85,699 relates to an increase in the assessed valuation of property within the District's tax boundaries along with an increase in vehicle ownership taxes. Investment Earnings were up significantly due to higher than previous interest earning rates.

Also, note that program revenues, including grants and contributions, cover only 5.5% of governmental operating expenses. This means that the District's taxpayers and the District's other general revenues fund 94.5% of the governmental activities. As a result, the general economy and the changes in both residential and commercial property values have a significant impact on the District's revenue streams.

Expenses

As a single-purpose governmental entity, there is really only one function of the Pueblo City-County Library District, and all internal departments serve to support that function – library service to the public. The only functional category segregated for purposes of the Statement of Activities is interest expense, relating to the debt service of the Certificates of Participation.

The 2023 interest on long-term debt amounted to 2.4% of the total District expenses. Depreciation and amortization expenses of \$1,751,795 on the District's capital assets is included in total expenses.

Financial Analysis of the District's Funds

Governmental Funds

Governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$7,743,506 in 2023. Of this year-end total, \$1,999,107 is unassigned, indicating availability for continuing District service requirements. The total fund balance at the end of 2022 was \$7,678,699. The increase in fund balance from 2022 to 2023 is \$64,807 and can be attributed to level expenses and a non-revaluation year for property tax assessments.

Nonspendable fund balance of \$293,716 is available only for prepaid items. The restricted fund balance includes \$418,000 emergency reserve requirement pursuant to the TABOR constitutional amendment, \$186 in distributions from the Chamberlain Fund to purchase books and equipment, and \$4,777 in contributions restricted to employee activities. Committed fund balance of \$2,461,114 holds Replacement Plan funding for future building, equipment and technology upgrades and improvements. Assigned fund balance contains the remainder of the fund balance for the Capital Projects Fund that is not committed to the Replacement Plan which is designated for future capital expenditures. The unassigned fund balance holds the remainder of funds available for operating the library. The total combined fund balance represents 52% of annual combined expenditures. This is a very healthy fund balance. For 2022, that percentage is 34.9%.

General Fund

The general fund is the District's primary operating fund and the largest source of day-to-day service delivery. The general fund balance at December 31, 2023, is \$2,715,786, a decrease of \$880,166 from the previous year. Expenditures show a decrease of \$46,586 or -.36% from the prior year.

Capital Projects Fund

The capital projects fund holds all expenditure activity for purchase of capital assets through the library replacement plan, including furniture, fixtures, and equipment, major building repair and improvements, and computer equipment. Purchase of land, construction of buildings and related expenses are also included in this fund, as well as renovations and upgrades to the InfoZone News Museum which is moving to the first floor of the Rawlings Library.

Fund balance at December 31, 2023, is \$5,027,720, an increase of \$944,973.

Budgetary Highlights – General Fund

Actual revenues were over budget by \$228,807. Specific Ownership Taxes were \$125,505 higher than anticipated, due to additional vehicle ownership taxes collected, which is outside of the District's control. Investment earnings were over budget by \$198,703 primarily due to significantly increased interest yields available from investments in local government investment pools. In total, revenue for 2023 came in 2% over budgeted projections. In 2022, revenues were under budget by 0.9%.

Actual operating expenditures were \$266,779 less than appropriated expenditures, or 2% of the budget. More detailed information about budget to actual comparisons can be found in the section entitled REQUIRED SUPPLEMENTARY INFORMATION, beginning on page 53.

Excluding other financing uses, The District budgeted for an excess of revenues over expenditures of \$1,130,382 and had actual excess of revenues over expenditures of \$1,625,968.

Capital Assets and Debt Administration

Capital Assets

The District's investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2023, was \$35,599,293. See Note 4 for additional information about changes in capital assets during the calendar year and outstanding at the end of the year. The following table provides a summary of capital asset activity:

		Governmental Activities			
		2023		2022	
		Percentage		Percentage	
		Amount	of Total	Amount	of Total
Non-Depreciable Assets					
Land	\$ 2,216,490	46.8%	\$ 2,216,490	72.2%	
Construction in Process	2,406,128	50.8%	734,765	23.9%	
Artwork and Collectibles	117,276	2.5%	117,276	3.8%	
Total Non-Depreciable	4,739,894	100.0%	3,068,531	100.0%	
Depreciable Assets					
Buildings	44,822,372	81.7%	44,822,372	81.6%	
Right-to-Use Building	145,389	0.3%	139,889	0.3%	
Furniture & Fixtures	1,340,312	2.4%	1,378,295	2.5%	
Vehicles	179,440	0.3%	142,255	0.3%	
Computer Equipment	2,880,893	5.3%	2,820,180	5.1%	
Other Equipment	143,473	0.3%	96,948	0.2%	
Library Books and AV Materials	5,344,001	9.7%	5,550,215	10.1%	
Total Depreciable Assets	54,855,880	100.0%	54,950,154	100.0%	
Less Accumulated Depreciation	19,256,587		18,238,422		
Book Value - Depreciable Assets	35,599,293		36,711,732		
Percentage Depreciated	35%		33%		
Book Value - All Assets	\$40,339,187		\$39,780,263		

At December 31, 2023, the depreciable / amortized capital assets for governmental activities were depreciated/amortized 33%, as compared to 39% at December 31, 2022.

Long-Term Debt

In September of 2012, the District issued \$11,410,000 in Certificates of Participation to refund the remaining amount from the 2007 certificates of participation and secure an additional \$5,410,000 to design, build, and furnish three new library buildings. In November of 2020, the District issued \$15,040,000 to refund the remaining amount from the 2012 Certificates of Participation and secure an additional \$7,500,000 to finance renovations to the Rawlings Library and other District owned facilities. The coupon rate on the 2020 Certificates of Participation ranges from 2.00% to 4.00% which translates to a savings on future interest payments of approximately \$1,257,297 from the 2012 Certificates of Participation. See Note 5 for outstanding long-term debt issues and annual requirements.

Economic Conditions Affecting the District

Information included in this section was compiled from several sources, including the Bureau of Labor Statistics, the Colorado Department of Labor and Employment, the US Dept. of Commerce, the Colorado Department of Local Affairs, and the Pueblo County GIS Department.

The population of Pueblo County was 161,434 in the year 2014 and increased to 170,941 in 2023, an increase of 5.9% in that 10-year span. Pueblo County is ranked 10th among the top ten most populous counties in Colorado.

In 2023, the unemployment rate in Pueblo, Colorado Metropolitan Statistical Area was 4.5%, the average unemployment rate for 2023 increased .2% from the previous year and was higher than the state of Colorado and the national rate. The average unemployment rate in Colorado in 2023 was 3.1%, and the national average unemployment rate was 3.6%. The Western Census Region of the United States, consisting of the 13 western most states, posted an unemployment rate of 4.0% at the end of 2023. The labor force in Pueblo at the end of December 2023 totaled 76,425—2.4% of the 3,205,413 in Colorado.

The American Community Survey (ACS) conducted by the US Census Bureau shows the median household income for Colorado was \$85,656 for the 2023 year. The median household income in Pueblo County was \$57,429. The percentage of Pueblo County residents estimated to be below the poverty level is 23.7% and Colorado is at 12.2%, Pueblo remains at a lower income level than most of the counties throughout the state. However, a bright spot continues to be Pueblo County's low cost of living. Livability.com is a website that celebrates America's best cities to live and visit. Pueblo has been listed in the top 7 best cities for first time home buyers. Although these metrics are not scientifically or quantitatively measured, they do point to the fact that Pueblo is a solid community that is vigorous and viable. The top 8 reasons to move to Pueblo include: climate, outdoor recreation, local parks, Pueblo Riverwalk, Pueblo chilies, the Sangre de Cristo Arts Center, Colorado State University-Pueblo, and affordable real estate. Typically, Pueblo ranks in the top 5 least expensive urban areas in the cost of living index—\$290,493 median price of homes currently listed for sale as reported by Zillow.com.

Primarily property tax revenues fund the District, and 2023 was not a revaluation year for property taxes. Overall, property taxed collected increased by 0.7% in 2023 over 2022.

Overall, the economic health of Pueblo County is relatively stable. Perhaps the biggest indicator for Pueblo City- County Library District is the confidence and encouragement of our patrons, who continue to acknowledge and appreciate the services provided to them by our District.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances, comply with finance-related laws and regulations, and demonstrate the District's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the District's Finance Office at 100 E. Abriendo Avenue, Pueblo, Colorado 81004.

BASIC FINANCIAL STATEMENTS

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PUEBLO CITY-COUNTY LIBRARY DISTRICT

STATEMENT OF NET POSITION

December 31, 2023

	PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES	COMPONENT UNIT PUEBLO LIBRARY FOUNDATION
ASSETS		
Cash and Investments	\$ 8,653,583	\$ 570,777
Accounts Receivable	111,616	6,464
Taxes Receivable	15,142,669	-
Prepaid Expenses	293,716	-
Capital Assets, <i>Not Being Depreciated</i>	4,739,894	-
Capital Assets, <i>Net of Accumulated Depreciation</i>	35,599,293	-
TOTAL ASSETS	64,540,771	577,241
DEFERRED OUTFLOWS OF RESOURCES		
Pensions, <i>Net of Accumulated Amortization</i>	2,986,299	-
OPEB, <i>Net of Accumulated Amortization</i>	100,355	-
Loss on Refunding, <i>Net of Accumulated Amortization</i>	331,168	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,417,822	-
LIABILITIES		
Accounts Payable	580,497	19,657
Retainage Payable	494,857	-
Accrued Liabilities	253,818	-
Accrued Interest Payable	43,127	-
Unearned Revenue	77,954	-
Noncurrent Liabilities		
Due Within One Year	1,198,389	-
Due in More Than One Year	12,273,033	-
Net Pension Liability	5,650,487	-
Net OPEB Liability	371,129	-
TOTAL LIABILITIES	20,943,291	19,657
DEFERRED INFLOWS OF RESOURCES		
Pensions, <i>Net of Accumulated Amortization</i>	201,509	-
OPEB, <i>Net of Accumulated Amortization</i>	165,582	-
Property Taxes	15,050,952	-
TOTAL DEFERRED INFLOWS OF RESOURCES	15,418,043	-
NET POSITION		
Net Investment in Capital Assets	26,932,889	-
Restricted for:		
Emergencies	418,000	-
Books and Equipment (Chamberlain Fund)	186	73,300
Employee Activities (Nesbitt)	4,777	-
Capital Projects	-	74,616
Foundation Programs	-	409,668
Unrestricted	4,241,407	-
TOTAL NET POSITION	\$ 31,597,259	\$ 557,584

PUEBLO CITY-COUNTY LIBRARY DISTRICT
STATEMENT OF ACTIVITIES
Year Ended December 31, 2023

FUNCTIONS / PROGRAMS	PROGRAM REVENUES					NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION	
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT ACTIVITIES	COMPONENT UNIT	PUEBLO LIBRARY FOUNDATION
PRIMARY GOVERNMENT							
Governmental Activities							
Library Services	\$ 12,724,945	\$ 56,843	\$ 558,127	\$ 199,995	\$ (11,909,980)	\$ -	-
Interest on Long-Term Debt	<u>417,565</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(417,565)</u>	<u>-</u>	<u>-</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 13,142,510</u>	<u>\$ 56,843</u>	<u>\$ 558,127</u>	<u>\$ 199,995</u>	<u>(12,327,545)</u>	<u>-</u>	<u>-</u>
COMPONENT UNIT							
	<u>\$ 116,518</u>	<u>-</u>	<u>\$ 157,293</u>	<u>-</u>	<u>-</u>	<u>40,775</u>	<u>-</u>
GENERAL REVENUES							
Property Taxes					12,366,312	-	-
Specific Ownership Taxes					1,125,320	-	-
Investment Earnings					526,117	61,107	61,107
Miscellaneous					46,649	-	-
TOTAL GENERAL REVENUES					<u>14,064,398</u>	<u>61,107</u>	<u>-</u>
CHANGE IN NET POSITION					<u>1,736,853</u>	<u>101,882</u>	<u>-</u>
NET POSITION, Beginning					<u>29,860,406</u>	<u>455,702</u>	<u>-</u>
NET POSITION, Ending					<u>\$ 31,597,259</u>	<u>\$ 557,584</u>	<u>-</u>

PUEBLO CITY-COUNTY LIBRARY DISTRICT

BALANCE SHEET

GOVERNMENTAL FUNDS

December 31, 2023

	<u>GENERAL</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>
ASSETS			
Cash and Investments	\$ 2,729,919	\$ 5,923,664	\$ 8,653,583
Accounts Receivable	111,616	-	111,616
Taxes Receivable	15,142,669	-	15,142,669
Interfund Receivable	401,087	-	401,087
Prepaid Expenditures	<u>293,716</u>	<u>-</u>	<u>293,716</u>
 TOTAL ASSETS	 <u>\$ 18,679,007</u>	 <u>\$ 5,923,664</u>	 <u>\$ 24,602,671</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 580,497	\$ -	\$ 580,497
Retainage Payable	-	494,857	494,857
Accrued Liabilities	253,818	-	253,818
Interfund Payable	-	401,087	401,087
Unearned Revenue	<u>77,954</u>	<u>-</u>	<u>77,954</u>
 TOTAL LIABILITIES	 <u>912,269</u>	 <u>895,944</u>	 <u>1,808,213</u>
 DEFERRED INFLOWS OF RESOURCES			
Property Taxes	<u>15,050,952</u>	<u>-</u>	<u>15,050,952</u>
 FUND BALANCES			
Nonspendable:			
Prepaid Expenditures	293,716	-	293,716
Restricted for:			
Emergencies	418,000	-	418,000
Books and Equipment (Chamberlain Fund)	186	-	186
Employee Activities (Nesbitt)	4,777	-	4,777
Committed for Library Replacement Plan	-	2,461,114	2,461,114
Assigned to Capital Projects		2,566,606	2,566,606
Unassigned	<u>1,999,107</u>	<u>-</u>	<u>1,999,107</u>
 TOTAL FUND BALANCES	 <u>2,715,786</u>	 <u>5,027,720</u>	 <u>7,743,506</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	 <u>\$ 18,679,007</u>	 <u>\$ 5,923,664</u>	 <u>\$ 24,602,671</u>

PUEBLO CITY-COUNTY LIBRARY DISTRICT
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
December 31, 2023

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE
STATEMENT OF NET POSITION ARE DIFFERENT BECAUSE:

Total Fund Balances of Governmental Funds	\$ 7,743,506
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.	40,339,187
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds:	
Accrued Interest Payable	(43,127)
Certificates of Participation Liability	(12,410,000)
Certificates of Participation Premium, Net of Accumulated Amortization	(581,510)
Certificates of Participation Discount, Net of Accumulated Amortization	4,041
Certificates of Participation Loss on Refunding, Net of Accumulated Amortization	331,168
Accrued Compensated Absences	(388,797)
Lease Liability	(95,156)
Net Pension Liability	(5,650,487)
Pension-Related Deferred Outflows of Resources	2,986,299
Pension-Related Deferred Inflows of Resources	(201,509)
Net OPEB Liability	(371,129)
OPEB-Related Deferred Outflows of Resources	100,355
OPEB-Related Deferred Inflows of Resources	(165,582)
Total Net Position of Governmental Activities	\$ <u><u>31,597,259</u></u>

PUEBLO CITY-COUNTY LIBRARY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2023

	GENERAL	CAPITAL PROJECTS	TOTAL
REVENUES			
Property Taxes	\$ 12,366,312	\$ -	\$ 12,366,312
Specific Ownership Tax	1,125,320	-	1,125,320
Grants and Contributions	518,019	315,103	833,122
Fees, Fines, and Sales	56,843	-	56,843
Investment Earnings	247,248	278,869	526,117
Miscellaneous	46,649	-	46,649
	<u>14,360,391</u>	<u>593,972</u>	<u>14,954,363</u>
TOTAL REVENUES			
EXPENDITURES			
Current			
Library Support	11,455,896	18,711	11,474,607
Capital Outlay	-	2,136,422	2,136,422
Debt Service			
Principal	924,354	-	924,354
Interest and Fiscal Charges	354,173	-	354,173
	<u>12,734,423</u>	<u>2,155,133</u>	<u>14,889,556</u>
TOTAL EXPENDITURES			
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>1,625,968</u>	<u>(1,561,161)</u>	<u>64,807</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	2,506,134	2,506,134
Transfers Out	(2,506,134)	-	(2,506,134)
	<u>(2,506,134)</u>	<u>2,506,134</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)			
CHANGE IN FUND BALANCES	(880,166)	944,973	64,807
FUND BALANCES, Beginning	<u>3,595,952</u>	<u>4,082,747</u>	<u>7,678,699</u>
FUND BALANCES, Ending	<u>\$ 2,715,786</u>	<u>\$ 5,027,720</u>	<u>\$ 7,743,506</u>

PUEBLO CITY-COUNTY LIBRARY DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2023

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE
STATEMENT OF ACTIVITIES ARE DIFFERENT BECAUSE:

Net Change in Fund Balances of Governmental Funds	\$ 64,807
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as:	
Depreciation Expense	(1,751,795)
Loss on Disposal of Capital Assets	(994)
Capital Outlay	2,311,713
Revenues that do not provide current financial resources are deferred in the governmental fund financial statements but are recognized in the government-wide financial statements. This amount represents grants collected outside of the period of availability.	(75,000)
The repayment of long-term debt principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not affect the statement of activities. The repayment includes the following:	
Certificates of Participation, Series 2020	905,000
Lease Liability	19,354
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities. This is the effect of these differences in the treatment of long-term debt and related items:	
Amortization of COP Premium	52,269
Amortization of COP Discount	(965)
Amortization of Loss on Refunding	(100,320)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This includes the changes in the following:	
Accrued Interest Payable	(14,376)
Accrued Compensated Absences	16,110
Net Pension Liability	(6,177,529)
Pension-Related Deferred Outflows of Resources	2,067,279
Pension-Related Deferred Inflows of Resources	4,366,313
Net OPEB Liability	40,837
OPEB-Related Deferred Outflows of Resources	15,137
OPEB-Related Deferred Inflows of Resources	(987)
Change in Net Position of Governmental Activities	\$ <u><u>1,736,853</u></u>

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 1: Summary of Significant Accounting Policies

The Pueblo City-County Library District (the District) was established July 15, 1968, through a joint resolution of the City of Pueblo and Pueblo County, Colorado. Prior to this time, the City of Pueblo was maintaining and operating a public library. On January 27, 1969, a resolution was passed ratifying the original resolution, and setting forth an agreement, which transferred use of the land, building, plants, equipment, facilities, books, periodicals, and other library materials to the District. Members of the Board of Trustees of the District are appointed by the City Council and the Board of County Commissioners. The Board of Trustees is comprised of seven members. Each year, the Board of Trustees certifies the mill levy to the Board of County Commissioners, who then levy taxes upon the area encompassed by the District.

The accounting policies of the District conform to generally accepted accounting principles as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the District's more significant policies.

Reporting Entity

The financial reporting entity consists of the District, organizations for which the District is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the District. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the District. Legally separate organizations for which the District is financially accountable are considered part of the reporting entity. Financial accountability exists if the District appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if the organization has the potential to provide benefits to, or impose financial burdens on, the District.

Pueblo Library Foundation (the Foundation) is a legally separate entity from the District that was formed to operate exclusively for charitable, scientific, literary, or educational purposes for the benefit of the District, including providing resources for the development, maintenance, and operation of the District to the extent not normally met by public funding. The Foundation's nine-member Board of Directors is appointed by the District's Board of Trustees. The Foundation is within the District's reporting entity because the District appoints the Board of Directors and is financially accountable for the Foundation. In addition, the District is able to significantly influence the programs and services performed or provided by the Organization and excluding the Foundation from the District's financial statements would be misleading. The Foundation exists and operates for the benefit of the District and contributes significant amount of resources to the District. Therefore, the Foundation is reported as a discretely presented component unit on the District's financial statements. The Foundation issues separate financial statements, which can be obtained by contacting the District via phone at (719) 562-5600 or via mail at 100 E. Abriendo Avenue, Pueblo, Colorado 81004.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the District and its component units. For the most part, the effect of interfund activity has been removed from these financial statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. *Governmental activities*, which are supported by taxes and intergovernmental revenues, are reported in a single column.

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 1: Summary of Significant Accounting Policies (Continued)

Government-wide and Fund Financial Statements (Continued)

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

Separate financial statements are provided for discretely presented component units. Major individual governmental funds and other significant funds identified by management are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

In the fund financial statements, the District reports the following major governmental funds:

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

The *Capital Project Fund* is used to account for the resources accumulated for the funding of the District's acquisition, renovation, or construction of major capital facilities and other capital assets. Funding for the capital projects is primarily through debt proceeds and transfers from the general fund.

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current year.

Taxes, intergovernmental revenues, grants, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

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

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 1: Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Fund Balance / Net Position

Cash and Investments – The District utilizes the pooled cash concept whereby cash balances of each of the District’s funds are pooled and invested by the District. Investments are reported at fair value.

Receivables - Receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Property taxes levied for the current year but not received at year end are reported as taxes receivable and are presented net of an allowance for uncollectible taxes. Grant reimbursements not received before year-end for which eligibility has been met and expenditures have been incurred are reported as grants receivable.

Interfund Receivables and Payables - Certain transactions between individual funds result in receivables and payables, which are classified on the balance sheet as *interfund receivables* and *interfund payables*.

Prepaid Expenditures – Certain payments to vendors reflect costs applicable to future years and reported as prepaid expenditures or prepaid expenses.

Capital Assets - Capital assets, which include property and equipment, are reported in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value on the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives.

Buildings	40 years
Furniture and Fixtures	20 years
Vehicles	4 years
Computer Equipment	4 years
Other Equipment	5 years
Computer Software	3 years
Library Books and Audio-Visual Materials	5 years

The District capitalizes library books and audio-visual materials. Purchased additions are capitalized annually at cost and damaged or lost materials are deleted from the inventory using average cost method.

Right-to-use assets from leases are reported in the government-wide financial statements. Right-to-use assets are recognized as multi-year noncancellable agreements amortized over the period of the agreement on a straight-line basis.

Deferred Outflows of Resources - This separate financial statement element represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources until then. This applies to pension-related and OPEB-related items and deferred loss on refunding.

Unearned Revenue – Unearned revenues include grants that have been collected but the corresponding expenditures have not been incurred and the eligibility criteria have not been met.

Deferred Inflows of Resources – This separate financial statement element represents an acquisition of net assets by the District that is applicable to a future reporting period. Deferred inflows of resources in the governmental fund financial statements include property taxes earned but not available as current financial resources.

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 1: Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Fund Balance / Net Position (Continued)

Long-Term Debt - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums, discounts resulting from debt refundings are deferred and amortized over the life of the debt using the effective interest method. Accounting losses resulting from debt refundings are deferred and amortized over the shorter of the life of the new debt or the old debt on a straight-line basis. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Debt issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

Leases – As the lessee, the District recognizes lease liability and right-to-use assets in governmental activities in the government-wide financial statements. The District recognizes lease liabilities with an initial, individual cost of \$5,000 or more. The District initially measures the lease liability at the present value of payments over the period of lease payments. Lease right-to-use assets are amortized on a straight-line basis over the right-to-use asset useful life. Lease right-to-use assets are reported with capital assets, net of accumulated depreciation/amortization, and lease liabilities are reported with long-term debt in the government-wide financial statements.

Compensated Absences – Vacation leave benefits are earned annually up to a maximum of 336 hours. Vacation is earned based on years of service and job classification. Unused accumulated vacation leave benefits are paid upon separation/termination at the employee's pay rate. These compensated absences are recognized as expenditures in the governmental funds when due. A long-term liability is reported in the government-wide financial statements for the accrued compensated absences when earned.

Pensions - The District participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to and deductions from the LGDTF's fiduciary net position have been determined using the economic resources measurement focus and the accrual basis of accounting, the same basis of accounting used by the LGDTF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Employer contributions are recognized when the compensation is payable to the employees. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB) - The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position, and additions to and deductions from the HCTF's fiduciary net position have been determined using the economic resources measurement focus and the accrual basis of accounting, the same basis of accounting used by the HCTF. For this purpose, the HCTF recognizes benefit payments when due and payable in accordance with the benefit terms. Employer contributions are recognized when the compensation is payable to the employees. Investments are reported at fair value.

Net Position/Fund Balances - In the government-wide and fund financial statements, net position and fund balances are restricted when constraints placed on the use of resources are externally imposed. In the fund financial statements, governmental funds report committed fund balances when the Board of Trustees formally commits resources for a specific purpose through passage of a resolution. The Board of Trustees has delegated to the Executive Director and the designee the authority to assign fund balances to be used for specific purposes.

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 1: Summary of Significant Accounting Policies (Continued)

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications, District policy requires restricted fund balance to be used first, followed by committed, assigned, and unassigned balances.

Property Taxes

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and are collected in the subsequent calendar year. Taxes are payable in full on April 30, or in two installments on February 28 and June 15. The County Treasurer's Office collects property taxes and remits to the District on a monthly basis. When taxes become delinquent, the property is sold on the tax sale date.

NOTE 2: Cash and Investments

At December 31, 2023, the District had the following cash and investments:

Cash on Hand	\$ 4,788
Deposits	568,415
Investments	8,080,380
Total	<u>\$ 8,653,583</u>

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2023, the District had bank deposits of \$469,128 collateralized with securities held by the financial institution's agent but not in the District's name.

Investments

The District is required to comply with State statutes which specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest, which include the following. State statutes do not address custodial risk.

- Obligations of the United States and certain U.S. Agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 2: Cash and Investments (Continued)

Investments (Continued)

Local Government Investment Pool - At December 31, 2023, the District had \$6,985,263, \$349,619, and \$745,498 invested in the Colorado Local Government Liquid Asset Trust Plus (ColoTrust), Colorado Surplus Asset Fund Trust (CSAFE), and Colorado Statewide Investment Pool (CSIP) (the Pools), respectively. The Pools are investment vehicles established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the Pools. ColoTrust and CSIP are measured at the net asset value per share, with each share valued at \$1. CSAFE is measured at the net asset value per share, with each share valued at \$2. ColoTrust and CSIP are rated AAAM by Standard and Poor's, and CSAFE is rated AAAMmf by Fitch Ratings. Investments of the Pools are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

Fair Value Measurements - At December 31, 2023, the District's investments in the local government investment pool reported at the net asset value per share.

The fair value measurements are categorized by the fair value hierarchy. Valuation inputs are used to measure the fair value of the asset to determine the appropriate category. The categories range from Level 1, which is the highest priority, to Level 3, which is the lower priority and are based on the following criteria:

Level 1 – Unadjusted quoted prices for identical instruments in active markets.

Level 2 – Quoted prices for similar instruments in the active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.

Level 3 – Valuations derived from valuation techniques in which significant inputs are observable.

Interest Rate Risk - State statutes generally limit investments to an original maturity of five years from the date of purchase unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk - State statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with the Securities and Exchange Commission's Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by one or more nationally recognized statistical rating organizations (NRSROs).

Concentration of Credit Risk - State statutes do not limit the amount the District may invest in a single issuer of investment securities, except for corporate securities.

NOTE 3: Interfund Balances and Transfers

At December 31, 2023, the General Fund temporarily paid for capital expenditures on behalf of the Capital Projects Fund in the amount of \$401,087, which was repaid to the General Fund after year-end.

During the year ended December 31, 2023, the General Fund transferred \$2,506,134 to the Capital Projects Fund to finance various capital projects.

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 4: Capital Assets

Capital asset activity for the year ended December 31, 2023, is summarized below.

	Balance 12/31/2022	Additions	Deletions	Transfers	Balance 12/31/2023
Governmental Activities:					
Capital Assets, Not Being Depreciated					
Land	\$ 2,216,490	\$ -	\$ -	\$ -	\$ 2,216,490
Construction in Progress	734,765	1,671,363	-	-	2,406,128
Art and Collectibles	117,276	-	-	-	117,276
Total Capital Assets, Not Being Depreciated	3,068,531	1,671,363	-	-	4,739,894
Capital Assets, Being Depreciated:					
Buildings	44,822,372	-	-	-	44,822,372
Right-to-Use Building	139,889	5,500	-	-	145,389
Furniture and Fixtures	1,378,295	-	(37,983)	-	1,340,312
Vehicles	142,255	37,185	-	-	179,440
Computer Equipment	2,820,180	74,797	(14,084)	-	2,880,893
Other Equipment	96,948	46,525	-	-	143,473
Library Books and Audio-Visual Materials	5,550,215	476,343	(682,557)	-	5,344,001
Total Capital Assets, Being Depreciated / Amortized	54,950,154	640,350	(734,624)	-	54,855,880
Accumulated Depreciation:					
Buildings	(12,707,743)	(1,005,292)	-	-	(13,713,035)
Right-to-Use Building	(28,549)	(29,607)	-	-	(58,156)
Furniture and Fixtures	(1,231,313)	(32,418)	37,130	21,828	(1,204,773)
Vehicles	(95,813)	(12,274)	-	(21,828)	(129,915)
Computer Equipment	(2,456,784)	(124,137)	13,943	-	(2,566,978)
Other Equipment	(66,600)	(9,099)	-	-	(75,699)
Library Books and Audio-Visual Materials	(1,651,620)	(538,968)	682,557	-	(1,508,031)
Total Accumulated Depreciation / Amortized	(18,238,422)	(1,751,795)	733,630	-	(19,256,587)
Capital Assets, Being Depreciated, Net	36,711,732	(1,111,445)	(994)	-	35,599,293
Total Capital Assets, Net	\$39,780,263	\$ 559,918	\$ (994)	\$ -	40,339,187

Depreciation and amortization expense of the governmental activities was charged to the library services function of the District.

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 5: Long-Term Debt

Following is a summary of long-term debt transactions for the year ended December 31, 2023.

	Balance 12/31/2022	Additions	Reductions	Balance 12/31/2023	Due Within One Year
Governmental Activities					
Certificates of Participation, Series 2020 A&B	\$13,315,000	\$ -	\$ 905,000	\$12,410,000	\$ 920,000
COPs Premium, Series 2020A	633,779	-	52,269	581,510	-
COPs Discount, Series 2020B	(5,006)	-	(965)	(4,041)	-
Lease Liability	114,510	-	19,354	95,156	30,032
Compensated Absences	404,907	258,071	274,181	388,797	248,357
Total Long-Term Debt	<u>\$14,463,190</u>	<u>\$ 258,071</u>	<u>\$ 1,249,839</u>	<u>\$13,471,422</u>	<u>\$ 1,198,389</u>

Compensated absences are expected to be liquidated with revenues of the General Fund.

On November 1, 2020, the District issued \$15,040,000 in Certificates of Participation, Series 2020A and 2020B, to finance the construction, remodeling, and repairing of the existing Robert Hoag Rawlings Library and other District owned facilities and the advanced refunding of the outstanding Certificates of Participation, Series 2012. Certificates of Participation, Series 2012, were originally issued to finance the acquisition and construction of three new library facilities and refund the outstanding Certificates of Participation, Series 2007, which were issued to finance the construction of an addition to the Pueblo West Library.

Principal payments are due annually on December 1, through 2035. Interest payments are due semi-annually on June 1st and December 1st, with interest accruing at rates ranging from 2% to 4% per annum. The property financed (leased) is pledged in case of default in addition to revenues derived by the District for the payment of the principal and interest on these certificates of participation. Certificates of participation payments to maturity are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 920,000	\$ 326,913	\$ 1,246,913
2025	935,000	315,413	1,250,413
2026	945,000	303,725	1,248,725
2027	960,000	287,188	1,247,188
2028	980,000	270,388	1,250,388
2029-2033	5,305,000	929,575	6,234,575
2034-2035	2,365,000	130,950	2,495,950
Total	<u>\$ 12,410,000</u>	<u>\$ 2,564,152</u>	<u>\$ 14,974,152</u>

On January 1, 2017, the District entered into an agreement to lease property (building space) as a tenant from Ben-Den, LLC. Future minimum lease obligations are made monthly in the amount of \$2,762 or \$33,144 annually on January 1, 2017, through 2021. On June 29, 2021, the District exercised the option to extend the lease for an additional period of five years beginning on January 1, 2022, through 2026, with monthly lease payments increasing each year by 3%. In 2023, the District paid \$28,731, including principal and interest of \$25,922 and \$2,809, respectively. At December 31, 2023, the lease liability was \$95,156, based on an implicit interest rate of 2.32%, and the lease right-to-use asset cost was \$145,389 and accumulated amortization was \$58,156.

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 5: Long-Term Debt (Continued)

Lease payments to maturity are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 30,032	\$ 2,809	\$ 32,841
2025	31,696	1,511	33,207
2026	33,428	776	34,204
Total	<u>\$ 95,156</u>	<u>\$ 5,096</u>	<u>\$ 100,252</u>

NOTE 6: Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The District maintains commercial insurance for all risks of loss, including workers' compensation and employee accident insurance. There have been no significant reductions in coverage from the prior year and settled claims have not exceeded coverage in any of the past three years.

NOTE 7: Defined Benefit Pension Plan

General Information

Plan Description - The District contributes to the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). Eligible employees of the District participate in the LGDTF. CRS (Colorado Revised Statutes) § 24-51 and applicable provisions of the federal Internal Revenue Code. State statutes assign the authority to establish and amend plan provisions to the State Legislature. PERA issues a publicly available annual comprehensive financial report that includes information on the LGDTF. That report may be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided as of December 31, 2022 - The LGDTF provides retirement, disability, and survivor benefits to plan participants or their beneficiaries. Retirement benefits are determined by the amount of service credit earned or purchased, highest average salary, the benefit structure in place, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at CRS § 24-51-602, 604, 1713, and 1714. The retirement benefit is the greater of the a) highest average salary multiplied by 2.5% and then multiplied by years of service credit, or b) the value of the participant's contribution account plus an equal match on the retirement date, annualized into a monthly amount based on life expectancy and other actuarial factors. In no case can the benefit amount exceed the highest average salary, or the amount allowed by applicable federal regulations.

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the CRS subject to the automatic adjustment provision (AAP) under CRS § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR). The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in CRS § 24-51-413.

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 7: Defined Benefit Pension Plan (Continued)

General Information (Continued)

Disability benefits are available for eligible employees once they reach five years of earned service credit and meet the definition of a disability. The disability benefit amount is based on the retirement benefit formula described previously, considering a minimum of twenty years of service credit.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure in place, and the qualified survivor receiving the benefits.

Contributions provisions as of December 31, 2023 - The District, State, and eligible employees are required to contribute to the LGDTF at rates established by State statute. These contribution requirements are established and may be amended by the State Legislature. The contribution rate for employees was 9% for the period from January 1, 2023, through December 31, 2023. The District's contribution rate for the fiscal year was 13.74% of covered salaries. However, a portion of the District's contribution (1.02% of covered salaries) is allocated to the Health Care Trust Fund (Note 8). The District's contributions to the LGDTF for the year ended December 31, 2023, were \$664,992, equal to the required contributions.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2023, the District reported a liability in the amount of \$5,650,487 for its proportionate share of the net pension liability.

The net pension liability was measured at December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll forward the total pension liability to December 31, 2022.

The District's proportion of the net pension liability was based on the District's contributions to the LGDTF for the calendar year ended December 31, 2022, relative to the contributions of all participating. At December 31, 2022, the District's proportion was 0.5636041348%, which was a decrease of 0.0511154926% from its proportion measured at December 31, 2021.

For the year ended December 31, 2023, the District recognized pension expense of \$408,929. At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 28,169
Changes of assumptions and other inputs	-	-
Net difference between projected and actual earnings on plan investments	2,306,798	-
Changes in proportion	14,509	173,340
Contributions subsequent to the measurement date	664,992	-
Total	<u>\$ 2,986,299</u>	<u>\$ 201,509</u>

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 7: Defined Benefit Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

District contributions subsequent to the measurement date of \$664,992 will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended December 31,

2024	\$ (387,399)
2025	311,172
2026	844,390
2027	<u>1,351,635</u>
Total	<u>\$ 2,119,798</u>

Actuarial Assumptions - The actuarial valuation as of December 31, 2021, determined the total pension liability using the following actuarial assumptions and other inputs.

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.20% - 11.30%
Long-term investment rate of return, net of plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
Hired prior to 1/1/07	
thereafter, compounded annually	1.00%
Hired after 12/31/07	ad hoc

Post-retirement benefit increases are provided by the annual increase reserve, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

The total pension liability for the LGDTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, as allowable under CRS § 24-51-313, of Tri-County Health Department (Tri-County Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and, therefore, no disaffiliation dollars were reflected in the fiduciary net position as of December 31, 2022, measurement date.

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis.

Pre-retirement mortality assumptions were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 7: Defined Benefit Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Post-retirement non-disabled mortality assumptions were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows: 1) males: 94% of the rates prior to age 80 and 94% of the rates for ages 80 and older, with generational projection using scale MP-2019 and 2) females: 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Disabled mortality assumptions were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The actuarial assumptions used in the December 31, 2021, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation, and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>30 Year Expected Geometric Real Rate of Return</u>
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	<u>100.00%</u>	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return of 7.25%.

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 7: Defined Benefit Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Discount Rate - The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate applied to the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan participants were used to reduce the estimated amount of total service costs for future plan members.
- District contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessment. District contributions also include current and estimated future amortization equalization disbursement (AED), as specified in CRS § 24-51-411, and supplemental amortization equalization disbursement (SAED), as specified in CRS § 24-51-411, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated District contributions reflect reductions for the funding of the annual increase reserve and retiree health care benefits. For future plan members, District contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- District contributions and the amount of total service costs for future plan participants were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan participant growth rate.
- The annual increase reserve balance was excluded from the initial fund net position, as, based on State statute, annual increase reserve amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. Annual increase reserve transfers to the fiduciary net position and the subsequent annual increase reserve benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the LGDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current participants. Therefore, the long-term expected rate of return of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 7: Defined Benefit Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as the District's proportionate share of the net pension liability if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, as follows:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	<u>\$ 9,485,745</u>	<u>\$ 5,650,487</u>	<u>\$ 2,439,741</u>

Pension Plan Fiduciary Net Position - Detailed information about the LGDTF's fiduciary net position is available in PERA's separately issued annual comprehensive financial report, which may be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 8: Postemployment Healthcare Benefits

General Information

Plan Description - All employees of the District are eligible to receive postemployment benefits other than pensions (OPEB) through the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the Public Employees' Retirement Association of Colorado (PERA). Title 24, Article 51, Part 12 of the Colorado Revised Statutes (CRS) assigns the authority to establish and amend plan provisions to the State Legislature. PERA issues a publicly available financial report that includes information on the HCTF. That report may be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided - The HCTF provides a healthcare premium subsidy to eligible benefit recipients and retirees who choose to enroll. Eligibility to enroll is voluntary and includes benefit recipients, their eligible dependents and surviving spouses, among others. Eligible benefit recipients may enroll in the HCTF upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period. The health care premium subsidy is based on the benefit structure under which the member retires and the member's years of service credit. CRS § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare.

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare, and \$115 per month for benefit recipients who are over 65 years of age or who are under 65 years of age and entitled to Medicare. An additional subsidy is provided if the benefit recipient has not participated in Social Security and is not otherwise eligible for Medicare Part A. The maximum subsidy is based on 20 or more years of service. The subsidy is reduced by 5% for each year of service less than 20 years. The benefit recipient pays the remaining portion of the premium not covered by the subsidy.

Contributions - As established by CRS § 24-51-208, 1.02% of the District's contributions to the Local Government Division Trust Fund (LGDTF) (See Note 7) is apportioned to the HCTF. No employee contributions are required. These contribution requirements are established and may be amended by the State Legislature. The District's apportionment to the HCTF for the year ended December 31, 2023, was \$49,366, equal to the required amount.

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 8: Postemployment Healthcare Benefits (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2023, the District reported a net OPEB liability of \$371,129, representing its proportionate share of the net OPEB liability of the HCTF. The net OPEB liability was measured at December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2022.

The District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year ended December 31, 2022, relative to the contributions of all participating employers.

At December 31, 2022, the District's proportion was 0.0454548082%, which was a decrease of 0.0023201400% from its proportion measured at December 31, 2021.

For the year ended December 31, 2023, the District recognized OPEB expense of (\$5,620). At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 48	\$ 89,751
Changes of assumptions and other inputs	5,965	40,961
Net difference between projected and actual earnings on plan investments	22,668	-
Changes in proportion	22,308	34,870
Contributions subsequent to the measurement date	49,366	-
Total	<u>\$ 100,355</u>	<u>\$ 165,582</u>

District contributions subsequent to the measurement date of \$49,366 will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

<u>Year Ended December 31,</u>	
2024	\$ (40,609)
2025	(39,844)
2026	(15,599)
2027	(2,232)
2028	(13,092)
2029	(3,217)
Total	<u>\$ (114,593)</u>

Actuarial Assumptions - The actuarial valuation as of December 31, 2021, determined the total OPEB liability using the following actuarial assumptions and other inputs, applied to all periods included in the measurement.

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 8: Postemployment Healthcare Benefits (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Actuarial Cost Method	Entry Age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.40% - 11.00%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates:	
Service-based premium subsidy	0.0%
PERACare Medicare plans	
6.5% in 2022, gradually decreasing to 4.5% in 2030	
Medicare Part A premiums:	
3.75% in 2022, gradually increasing to 4.5% in 2029	

The total OPEB liability for the HCTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under CRS § 24-51-313, of Tri-County Health Department (Tri-County Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the fiduciary net position as of the December 31, 2022, measurement date.

Beginning January 1, 2022, the per capita health care costs are developed by plan option; based on 2022 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies to all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

Age-Related Morbidity Assumptions		
Participant	Annual Increase	Annual Increase
Age	(Male)	(Female)
65-69	3.0%	1.5%
70	2.9%	1.6%
71	1.6%	1.4%
72	1.4%	1.5%
73	1.5%	1.6%
74	1.5%	1.5%
75	1.5%	1.4%
76	1.5%	1.5%
77	1.5%	1.5%
78	1.5%	1.6%
79	1.5%	1.5%
80	1.4%	1.5%
81 and older	0.0%	0.0%

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 8: Postemployment Healthcare Benefits (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A in the December 31, 2022, valuation, the following monthly costs/premium (actual dollars) are assumed for 2023 for the PERA Benefit Structure:

Sample Age	MAPD PPO #1 with Medicare Part A for Retiree/Spouse		MAPD PPO #2 with Medicare Part A for Retiree/Spouse		MAPD HMO (Kaiser) with Medicare Part A for Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$ 1,704	\$ 1,450	\$ 583	\$ 496	\$ 1,923	\$ 1,634
70	\$ 1,976	\$ 1,561	\$ 676	\$ 534	\$ 2,229	\$ 1,761
75	\$ 2,128	\$ 1,681	\$ 728	\$ 575	\$ 2,401	\$ 1,896

Sample Age	MAPD PPO #1 without Medicare Part A for Retiree/Spouse		MAPD PPO #2 without Medicare Part A for Retiree/Spouse		MAPD HMO (Kaiser) without Medicare Part A for Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$ 1,704	\$ 1,450	\$ 583	\$ 496	\$ 1,923	\$ 1,634
70	\$ 1,976	\$ 1,561	\$ 676	\$ 534	\$ 2,229	\$ 1,761
75	\$ 2,128	\$ 1,681	\$ 728	\$ 575	\$ 2,401	\$ 1,896

The 2022 Medicare Part A premium is \$499 (actual dollars) per month. All costs are subject to the health care cost trend rates.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2021, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 8: Postemployment Healthcare Benefits (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

The PERA benefit structure health care cost trend rates used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2021	4.50%	3.75%
2022	6.00%	3.75%
2023	5.80%	4.00%
2024	5.60%	4.00%
2025	5.40%	4.00%
2026	5.10%	4.25%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

Mortality assumptions used in the December 31, 2021, valuation for the determination of the total pension liability as shown below, reflect generational mortality and were applied, as applicable, in the determination of the total OPEB liability for the HCTF, but developed using a headcount-weighted basis. LGDTF participates in the HCTF (Note 7).

The pre-retirement mortality assumptions for the LGDTF were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019. Post-retirement non-disabled mortality assumptions for the LGDTF were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows: 1) males: 112% of the rates prior to age 80 and 94% of the rates for ages 80 and older, with generational projection using scale MP-2019 and 2) females: 83% of the rates prior to age 80 and 106% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows: 1) males: 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019 and 2) females: 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019. Disabled mortality assumptions for LGDTF members were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The health care costs assumptions were updated and used in the roll-forward calculation for the HCTF. Per capita health care costs as of the December 31, 2021, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the costs for the 2022 plan year. The December 31, 2021, valuation utilizes premium information as of January 1, 2022, as the initial per capita health care cost. As of that date, PERACare health benefits administration is performed by UnitedHealthcare. In that transition, the costs for the Medicare Advantage Option #2 decreased to a level that is lower than the maximum possible service-related subsidy as described in the plan provisions. The health care cost trend rates applicable to health care premiums were revised to reflect the then-current expectation of future increases in those premiums. Medicare Part A premiums continued with the prior valuation trend pattern.

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 8: Postemployment Healthcare Benefits (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by PERA's actuary.

Effective for the December 31, 2022, measurement date, the timing of the retirement decrement was adjusted to middle-of-year within the valuation programming used to determine the total OPEB liability, reflecting a recommendation from the 2022 actuarial audit report, dated October 14, 2022, summarizing the result of the actuarial audit performed on the December 31, 2021, actuarial valuation.

The actuarial assumptions used in the December 31, 2021, valuations were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting. The long-term expected return on plan assets is reviewed as part of regular experience studies prepared at least every five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

As of the most recent reaffirmation of the long-term rate of return, the target asset allocation, and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real
		Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100.00%	

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25%.

Discount rate - The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2022, measurement date.

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 8: Postemployment Healthcare Benefits (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the HCTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	<u>1% Decrease (6.25%)</u>	<u>Current Trend Rates (7.25%)</u>	<u>1% Increase (8.25%)</u>
Initial PERACare Medicare trend rate	3.50%	4.50%	5.50%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	<u>\$ 360,624</u>	<u>\$ 371,129</u>	<u>\$ 382,559</u>

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

NOTE 8: Postemployment Healthcare Benefits (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 430,248	\$ 371,129	\$ 320,563

OPEB Plan Fiduciary Net Position - Detailed information about the HCTF's fiduciary net position is available in PERA's separately issued annual comprehensive financial report, which may be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 9: Commitments and Contingencies

Claims and Judgments

The District participates in a number of federal, state, and local programs that are fully or partially funded by grants received from other governmental entities. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. At December 31, 2023, significant amounts of grant expenditures have not been audited but management believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the District.

Tabor Amendment

In November 1992, Colorado voters passed Article X, Section 20 (the Amendment) to the State Constitution which limits state and local government taxing powers and imposes spending limits. The District is subject to the Amendment. In 1995, the voters in the District approved a mill levy increase, from 3.5 to 5.25, for the District, effective in the 1996 budget year. In addition, the voters authorized the District to collect and to expend the full revenues received by the District from any source in the current fiscal year and in each fiscal year thereafter. The Amendment is subject to many interpretations, but the District believes it is in substantial compliance with the Amendment.

The Amendment requires the District to establish a reserve for emergencies, representing 3% of qualifying expenditures. At December 31, 2023, the District's emergency reserve was reported as restricted fund balance in the General Fund in the amount of \$418,000.

Litigation

The District from time to time is involved in various legal matters. In the opinion of the District's counsel, there are no pending legal issues that would have a material adverse effect on the financial condition of the District

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REQUIRED SUPPLEMENTARY INFORMATION

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PUEBLO CITY-COUNTY LIBRARY DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended December 31, 2023

	BUDGET			VARIANCE
	ORIGINAL	FINAL	ACTUAL	Positive (Negative)
REVENUES				
Property Taxes	\$ 12,398,599	\$ 12,398,599	\$ 12,366,312	\$ (32,287)
Specific Ownership Taxes	999,815	999,815	1,125,320	125,505
Grants and Contributions	608,125	608,125	518,019	(90,106)
Fees, Fines, and Sales	74,500	74,500	56,843	(17,657)
Interest Income	48,545	48,545	247,248	198,703
Miscellaneous	2,000	2,000	46,649	44,649
TOTAL REVENUES	14,131,584	14,131,584	14,360,391	228,807
EXPENDITURES				
Current				
Salaries and Wages	5,472,474	5,472,474	5,197,807	274,667
PERA	764,384	764,384	715,428	48,956
Employee Benefits	807,038	807,038	863,304	(56,266)
Books, Periodical, Non-Print, Processing	1,936,998	1,936,998	1,779,119	157,879
Programs	232,446	232,446	324,135	(91,689)
Rental	31,058	31,058	-	31,058
Contractual Library Services	571,535	571,535	658,048	(86,513)
Treasurer's Fees	185,979	185,979	183,535	2,444
Office Supplies	89,718	89,718	83,273	6,445
Utilities and Insurance	602,261	602,261	577,710	24,551
Building Maintenance	464,541	464,541	532,019	(67,478)
Vehicle Maintenance	16,000	16,000	35,223	(19,223)
Community Relations	33,200	33,200	20,474	12,726
Postage and Shipping	40,000	40,000	29,104	10,896
Friends' Grant	20,000	20,000	14,250	5,750
Courier Services	1,300	1,300	139	1,161
Information Technology	468,712	468,712	430,618	38,094
Other	13,545	13,545	11,710	1,835
Debt Service				
Principal	924,354	924,354	924,354	-
Interest	325,659	325,659	354,173	(28,514)
TOTAL EXPENDITURES	13,001,202	13,001,202	12,734,423	266,779
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,130,382	1,130,382	1,625,968	495,586
OTHER FINANCING SOURCES (USES)				
Transfers Out	(2,460,000)	(3,590,381)	(2,506,134)	1,084,247
CHANGE IN FUND BALANCE	(1,329,618)	(2,459,999)	(880,166)	1,579,833
FUND BALANCE, Beginning	3,595,952	3,595,952	3,595,952	-
FUND BALANCE, Ending	\$ 2,266,334	\$ 1,135,953	\$ 2,715,786	\$ 1,579,833

PUEBLO CITY-COUNTY LIBRARY DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND CONTRIBUTIONS

PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO LOCAL GOVERNMENT DIVISION TRUST

December 31, 2023

	<u>12/31/22</u>	<u>12/31/21</u>	<u>12/31/20</u>	<u>12/31/19</u>
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY				
District's Proportion of the Net Pension Liability	0.5636041348%	0.6147196274%	0.5984257100%	0.5911886320%
District's Proportionate Share of the Net Pension Liability	\$ 5,650,487	\$ (527,042)	\$ 3,118,558	\$ 4,323,900
District's Covered Payroll	\$ 4,612,595	\$ 4,576,429	\$ 4,233,297	\$ 4,073,446
District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	123%	-12%	74%	106%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62%	102%	86%	86%
District Contributions	<u>12/31/23</u>	<u>12/31/22</u>	<u>12/31/21</u>	<u>12/31/20</u>
Statutorily Required Contribution	\$ 664,992	\$ 621,124	\$ 604,091	\$ 547,695
Contributions in Relation to the Statutorily Required Contribution	<u>(664,992)</u>	<u>(621,124)</u>	<u>(604,091)</u>	<u>(547,695)</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
District's Covered Payroll	\$ 4,839,804	\$ 4,612,595	\$ 4,576,429	\$ 4,233,297
Contributions as a Percentage of Covered Payroll	13.74%	13.47%	13.20%	12.94%

This schedule is presented to show information for 10 years.

<u>12/31/18</u>	<u>12/31/17</u>	<u>12/31/16</u>	<u>12/31/15</u>	<u>12/31/14</u>	<u>12/31/13</u>
0.6188807129%	0.6084595800%	0.6186274800%	0.6590464600%	0.6239468900%	0.6184143100%
\$ 7,780,649	\$ 6,774,771	\$ 8,353,580	\$ 7,259,931	\$ 5,592,492	\$ 5,089,061
\$ 4,059,200	\$ 3,868,757	\$ 3,745,767	\$ 3,601,482	\$ 3,418,950	\$ 3,299,298
192%	175%	223%	202%	164%	154%
76%	79%	74%	77%	81%	78%
<u>12/31/19</u>	<u>12/31/18</u>	<u>12/31/17</u>	<u>12/31/16</u>	<u>12/31/15</u>	<u>12/31/14</u>
\$ 516,513	\$ 514,707	\$ 490,558	\$ 474,963	\$ 456,668	\$ 433,523
<u>(516,513)</u>	<u>(514,707)</u>	<u>(490,558)</u>	<u>(474,963)</u>	<u>(456,668)</u>	<u>(433,523)</u>
\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
\$ 4,073,446	\$ 4,059,200	\$ 3,868,757	\$ 3,745,767	\$ 3,601,482	\$ 3,418,950
12.68%	12.68%	12.68%	12.68%	12.68%	12.68%

PUEBLO CITY-COUNTY LIBRARY DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY AND CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO HEALTH CARE TRUST FUND
December 31, 2023

	<u>12/31/22</u>	<u>12/31/21</u>	<u>12/31/20</u>
PROPORTIONATE SHARE OF THE NET OPEB LIABILITY			
District's Proportion of the Net OPEB Liability	0.0454548082%	0.0477749482%	0.0455952518%
District's Proportionate Share of the Net OPEB Liability	\$ 371,129	\$ 411,966	\$ 433,257
District's Covered Payroll	\$ 4,612,595	\$ 4,576,429	\$ 4,073,446
District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	8%	9%	11%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	39%	39%	33%
District's Contributions	<u>12/31/23</u>	<u>12/31/22</u>	<u>12/31/21</u>
Statutorily Required Contribution	\$ 49,366	\$ 47,048	\$ 46,680
Contributions in Relation to the Statutorily Required Contribution	<u>(49,366)</u>	<u>(47,048)</u>	<u>(46,680)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 4,839,804	\$ 4,612,595	\$ 4,576,429
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%

This schedule is presented to show information for 10 years.

<u>12/31/19</u>	<u>12/31/18</u>	<u>12/31/17</u>	<u>12/31/16</u>
0.0452485291%	0.0479942008%	0.0472800693%	0.0474880000%
\$ 508,593	\$ 652,981	\$ 614,452	\$ 651,701
\$ 4,059,200	\$ 3,868,757	\$ 3,745,767	\$ 3,601,482
13%	17%	16%	18%
24%	17%	18%	17%
<u>12/31/20</u>	<u>12/31/19</u>	<u>12/31/18</u>	<u>12/31/17</u>
\$ 43,180	\$ 41,592	\$ 41,404	\$ 39,461
<u>(43,180)</u>	<u>(41,592)</u>	<u>(41,404)</u>	<u>(39,461)</u>
\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>
\$ 4,233,297	\$ 4,073,446	\$ 4,059,200	\$ 3,868,757
1.02%	1.02%	1.02%	1.02%

PUEBLO CITY-COUNTY LIBRARY DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2023

NOTE 1: Stewardship, Compliance, and Accountability

Budgetary Information

Budgets are adopted for all funds on a basis consistent with generally accepted accounting principles. The District adheres to the following procedures to establish the budgetary information reflected in the financial statements.

- Management submits to the Board of Trustees a proposed budget for the fiscal year commencing the following January 1st. The budget includes proposed expenditures and the means of financing them with analysis and updates to the annual plan to set objectives, goals, strategies and budgetary impact for all libraries and departments. This information becomes an intrinsic part of the overall budget process.
- On or before October 15th, the proposed budget is submitted to the Board of Trustees, a notice is published in the newspaper, and copies of the proposed budget are distributed to branch libraries and posted on the District's website to make it available to the public for inspection and comment.
- In November, a public hearing is held at a time and place identified in the published notice. The public is invited to provide comments until the December board meeting, at which time the budget will be formally adopted, funds appropriated, and the mill levy resolution passed. The December meeting is not scheduled until the final assessed valuation figures are received from the county assessor. The deadline for receipt of this information is December 10th. The certification of mill levy is due to the Board of County Commissioners by December 15th.
- A certified copy of the adopted budget is submitted to the Colorado Division of Local Government within 30 days of the start of the fiscal year.
- The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget is the individual fund level. Any change in the total budget for each fund requires approval of the Board of Trustees. Management is authorized to make transfers between line items within a fund.
- All budget appropriations lapse at fiscal year-end.

NOTE 2: Schedule of Proportionate Share of the Net OPEB Liability and Contributions

Changes in Assumptions and Other Inputs

Effective for the December 31, 2022, measurement date, the timing of the retirement decrement was adjusted to middle-of-year within the valuation programming used to determine the total OPEB liability, reflecting a recommendation from the 2022 actuarial audit report, dated October 14, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021, actuarial valuation.

SUPPLEMENTARY INFORMATION

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PUEBLO CITY-COUNTY LIBRARY DISTRICT
BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS
Year Ended December 31, 2023

	BUDGET			VARIANCE
	ORIGINAL	FINAL	ACTUAL	Positive (Negative)
REVENUES				
Grants and Contributions	\$ 317,700	\$ 466,775	\$ 315,103	\$ (151,672)
Investment Earnings	48,034	48,034	278,869	230,835
TOTAL REVENUES	365,734	514,809	593,972	79,163
EXPENDITURES				
Capital Asset Repair and Maintenance	29,000	29,000	18,711	10,289
Capital Outlay				
Information Technology	328,734	328,734	91,168	237,566
Vehicles	-	-	37,185	(37,185)
Furniture and Fixtures	8,000	8,000	406,648	(398,648)
Building Improvements	-	2,949,075	1,601,421	1,347,654
TOTAL EXPENDITURES	365,734	3,314,809	2,155,133	1,159,676
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(2,800,000)	(1,561,161)	1,238,839
OTHER FINANCING SOURCES				
Transfers In	2,460,000	2,460,000	2,506,134	46,134
CHANGE IN FUND BALANCE	2,460,000	(340,000)	944,973	1,284,973
FUND BALANCE, Beginning	4,082,747	4,082,747	4,082,747	-
FUND BALANCE, Ending	\$ 6,542,747	\$ 3,742,747	\$ 5,027,720	\$ 1,284,973

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STATISTICAL SECTION

PUEBLO CITY-COUNTY LIBRARY DISTRICT
GOVERNMENT-WIDE NET POSITION BY COMPONENT
(UNAUDITED)
LAST TEN CALENDAR YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets	\$ 26,573,350	\$ 25,898,666	\$ 24,197,032	\$ 23,696,771	\$ 23,087,722	\$ 22,769,389	\$ 22,566,427	\$ 22,710,085	\$ 25,614,958	\$ 26,932,889
Restricted	1,263,412	1,230,851	1,185,406	1,163,895	1,167,930	1,150,201	7,743,556	560,753	950,954	422,963
Unrestricted	2,537,967	(2,266,558)	(2,989,631)	(4,223,435)	(4,468,614)	(2,826,106)	(6,682,154)	2,485,443	3,294,494	4,241,407
Total	\$ 30,374,729	\$ 24,862,959	\$ 22,392,807	\$ 20,637,231	\$ 19,787,038	\$ 21,093,484	\$ 23,627,829	\$ 25,756,281	\$ 29,860,406	\$ 31,597,259
Governmental activities										
Net investment in capital assets	87.49%	104.17%	108.06%	114.83%	116.68%	107.95%	95.51%	88.17%	85.78%	85.24%
Restricted	4.16%	4.95%	5.29%	5.64%	5.90%	5.45%	32.77%	2.18%	3.18%	1.34%
Unrestricted	8.36%	-9.12%	-13.35%	-20.47%	-22.58%	-13.40%	-28.28%	9.65%	11.03%	13.42%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Notes:

Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net Position is considered restricted only when (1) an external parter, such as the State of Colorado or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the Library District. There are no restrictions currently reported as a result of enabling legislation.

The District implemented GASB Statement No. 68 effective January 1, 2015. As of December 31, 2021, the District's proportionate share of the Net Pension Liability was \$3,118,558. This amount is included in the unrestricted net position.

Data Source:

Applicable years' annual comprehensive financial report.

PUEBLO CITY-COUNTY LIBRARY DISTRICT
CHANGES IN NET POSITION - GOVERNMENTAL ACTIVITIES
(UNAUDITED)
LAST TEN CALENDAR YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
Library Services	\$10,092,677	\$10,525,062	\$11,180,655	\$11,767,526	\$11,540,905	\$9,201,373	\$10,350,879	\$11,681,526	\$11,512,163	\$12,724,945
Interest on Long-Term Debt	361,934	353,217	343,922	330,634	320,525	302,078	391,792	364,722	346,736	417,565
Total Expenses	10,454,611	10,878,279	11,524,577	12,098,160	11,861,430	9,503,451	10,742,671	12,046,248	11,858,899	13,142,510
Program Revenues										
Charges for services, sales and fines	167,693	175,254	176,275	143,137	166,857	130,484	54,729	63,083	52,067	56,843
Operating grants and contributions	61,692	173,836	171,644	404,966	423,724	358,190	966,926	951,074	1,216,479	558,127
Capital grants and contributions	554,721	192,577	4,333	16,000	102,803	88,244	407,500	961,167	1,097,785	199,995
Total Program Revenues	784,106	541,667	352,252	564,103	693,384	576,918	1,429,155	1,975,324	2,366,331	814,965
Net (Expense) Revenue	(9,670,505)	(10,336,612)	(11,172,325)	(11,534,057)	(11,168,046)	(8,926,533)	(9,313,516)	(10,070,924)	(9,492,568)	(12,327,545)
General Revenues:										
Property taxes levied for library purposes	8,493,206	8,582,963	8,743,618	8,770,163	9,059,826	9,073,771	10,825,853	11,099,695	12,276,346	12,366,312
Specific ownership tax	670,065	719,445	752,678	879,432	890,331	979,109	948,421	1,091,590	1,129,587	1,125,320
Investment earnings	38,844	14,376	30,770	55,299	112,584	130,477	41,961	6,052	176,300	526,117
Other	154,649	163,596	213,342	73,587	14,530	42,774	31,626	2,039	14,460	46,649
Total General Revenues	9,356,764	9,480,380	9,740,408	9,778,481	10,077,271	10,226,131	11,847,861	12,199,376	13,596,693	14,064,398
Change in Net Position	\$ (313,741)	\$ (856,232)	\$ (1,431,917)	\$ (1,755,576)	\$ (1,090,775)	\$1,299,598	\$ 2,534,345	\$ 2,128,452	\$ 4,104,125	\$ 1,736,853

Data Source:
Applicable years' annual comprehensive financial report.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
CHANGES IN NET POSITION - GOVERNMENTAL ACTIVITIES
(UNAUDITED)**

LAST TEN CALENDAR YEARS

(ACCRUAL BASIS OF ACCOUNTING)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
Library Services	96.5%	96.8%	97.0%	97.3%	97.3%	96.8%	97.0%	97.0%	97.1%	96.8%
Interest on Long-Term Debt	3.5%	3.2%	3.0%	2.7%	2.7%	3.2%	3.0%	3.0%	2.9%	3.2%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Program Revenues										
Charges for services, sales and fines	21.4%	32.4%	50.0%	25.4%	24.1%	22.6%	3.8%	3.2%	2.2%	2.4%
Operating grants and contributions	7.9%	32.1%	48.7%	71.8%	61.1%	62.1%	67.7%	48.1%	51.4%	23.6%
Capital grants and contributions	70.7%	35.6%	1.2%	2.8%	14.8%	15.3%	28.5%	48.7%	46.4%	8.5%
Total Program Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	34.4%
General Revenues:										
Property taxes levied for library purposes	90.8%	90.5%	89.8%	89.7%	89.9%	88.7%	91.3%	91.0%	90.3%	87.9%
Specific ownership tax	7.2%	7.6%	7.7%	9.0%	8.8%	9.6%	8.0%	9.0%	8.3%	8.0%
Grants not restricted for specific purposes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Investment earnings	0.4%	0.2%	0.3%	0.6%	1.1%	1.3%	0.4%	0.0%	1.3%	3.7%
Miscellaneous	1.7%	1.7%	2.2%	0.7%	0.2%	0.4%	0.3%	0.0%	0.1%	0.3%
Total General Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Data Source: Applicable years' annual comprehensive financial report

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
(UNAUDITED)
LAST TEN CALENDAR YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	\$ 314,462	\$ 339,831	\$ 248,138	\$ 347,412	\$ 367,039	\$ 297,016	\$ 386,169	\$ 426,386	\$ 424,958	\$ 293,716
Restricted	304,078	300,383	308,588	296,531	317,796	325,502	372,433	383,173	423,912	422,963
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	2,292,000	1,909,373	1,986,593	1,993,523	1,853,772	2,271,131	3,624,247	3,643,622	2,747,082	1,999,107
Total General Fund	<u>\$2,910,540</u>	<u>\$2,549,587</u>	<u>\$2,543,319</u>	<u>\$2,637,466</u>	<u>\$2,538,607</u>	<u>\$2,893,649</u>	<u>\$ 4,382,849</u>	<u>\$ 4,453,181</u>	<u>\$3,595,952</u>	<u>\$2,715,786</u>
General Fund										
Percentage Change	-11.30%	-12.40%	-0.20%	3.70%	-3.75%	13.99%	51.46%	1.60%	-19.25%	-24.48%
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ 4,301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted - Capital Projects Fund	1,052,133	929,966	875,428	866,645	875,492	849,976	7,344,768 (3)	6,010,268	125	-
Restricted - Special Revenue Fund	3,201	502	1,390	719	950	- (2)	-	-	-	-
Committed - Capital Projects Fund	228,738	685,290	842,372	803,994	1,188,985	1,353,985	1,647,092	1,639,409	2,133,749	2,461,114
Assigned - Capital Projects	-	-	-	49,688	-	4,278	1,377,288	1,663,884	1,948,873	2,566,606
Total Other Governmental Funds	<u>\$6,046,127</u>	<u>\$1,284,072</u>	<u>\$1,615,758</u>	<u>\$1,719,190</u>	<u>\$1,725,347</u>	<u>\$2,208,239</u>	<u>\$10,369,148</u>	<u>\$ 9,313,561</u>	<u>\$4,082,747</u>	<u>\$5,027,720</u>
Total Governmental Funds	\$8,956,667	\$3,833,659	\$4,159,077	\$4,356,656	\$4,263,954	\$5,101,888	\$14,751,997	\$13,766,742	\$7,678,699	\$7,743,506
All Governmental Funds										
Percentage Change	-2.48%	-57.20%	8.49%	4.75%	-2.13%	19.65%	189.15%	-6.68%	-44.22%	0.84%

- (1) Refunded 2007 debt; secured additional funding for construction of three new libraries - 2012 - 2014.
(2) The Special Revenue Fund was combined with the General Fund beginning in 2019
(3) Refunded 2012 debt; secured additional funding for renovation of the Rawlings Library - 2020 - 2022

PUEBLO CITY-COUNTY LIBRARY DISTRICT
SUMMARY OF CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
(UNAUDITED)
LAST TEN CALENDAR YEARS
(ACCURAL BASIS OF ACCOUNTING)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Property taxes	\$ 8,493,206	\$ 8,582,963	\$ 8,743,618	\$ 8,770,163	\$ 9,059,826	\$ 9,073,771	\$ 10,825,853	\$ 11,099,695	\$ 12,276,346	\$ 12,366,312
Specific ownership taxes	670,065	719,445	752,678	879,432	890,331	979,109	948,421	1,091,590	1,129,587	1,125,320
Grants and contributions	616,413	366,413	175,977	420,966	526,527	446,434	1,374,426	1,912,241	2,239,264	833,122
Fees, fines and sales	167,693	175,254	176,275	143,137	166,857	130,484	54,729	63,083	52,067	56,843
Investment earnings	38,844	14,376	30,770	55,299	112,584	130,477	41,961	6,052	176,300	526,117
Miscellaneous	154,649	163,596	213,342	20,149	11,530	2,792	25,626	2,039	14,460	46,649
Total Revenues	10,140,870	10,022,047	10,092,660	10,289,146	10,767,655	10,763,067	13,271,016	14,174,700	15,888,024	14,954,363
Expenditures										
Library services	8,931,838	9,001,086	9,042,955	9,074,883	9,337,351	9,266,597	9,716,304	10,917,664	11,863,351	11,474,607
Capital outlay	5,529,843	238,678	139,891	474,190	382,383	234,746	410,529	3,019,616	8,837,321	2,136,422
Debt service principal	435,000	445,000	455,000	465,000	475,000	495,000	-	840,000	910,379	924,354
Debt service interest	375,250	366,550	357,650	344,000	334,700	315,700	151,663	409,030	365,016	354,173
Total Expenditures	15,271,931	10,051,314	9,995,496	10,358,073	10,529,434	10,312,043	10,501,161	15,186,310	21,976,067	14,889,556
Excess (Deficiency) of Revenues Over										
(Under) Expenditures	(5,131,061)	(29,267)	97,164	(68,927)	238,221	451,024	2,769,855	(1,011,610)	(6,088,043)	64,807
Other Financing Sources (Uses)										
Insurance proceeds	-	-	-	169,231	-	39,982	1,000	-	-	-
Debt issued	-	-	-	-	-	-	15,040,000 (1)	-	-	-
Debt Premium	-	-	-	-	-	-	771,378	-	-	-
Debt Discount	-	-	-	-	-	-	(7,709)	-	-	-
Payments to Escrow Agent	-	-	-	-	-	-	(8,903,060) (1)	-	-	-
Sale of Assets	-	-	-	-	3,000	-	5,000	-	-	-
Transfers in	203,500	392,000	200,000	275,000	575,000	200,000	1,489,000	973,330	2,872,329	2,506,134
Transfers out	(203,500)	(392,000)	(200,000)	(275,000)	(575,000)	(200,000)	(1,489,000)	(973,330)	(2,872,329)	(2,506,134)
Total Other Financing Sources (Uses)	-	-	-	-	169,231	39,982	6,906,609	-	-	-
Net Change in Fund Balances	\$ (402,608)	\$ (5,131,061)	\$ (29,267)	\$ 97,164	\$ 100,304	\$ 491,006	\$ 9,676,464	\$ (1,011,610)	\$ (6,088,043)	\$ 64,807
Debt services as a percentage of non-capital expenditures	8.99%	8.92%	8.87%	8.83%	8.34%	8.34%	1.59%	10.49%	9.71%	10.16%

(1) Certificates of participation were issued to refund 2012 debt and renovate existing facilities.

Data Source:

Applicable years' annual comprehensive financial report.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
(UNAUDITED)
LAST TEN CALENDAR YEARS**

Fiscal Year Ended December 31,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	8,515,249	8,493,206	99.74%	766	8,493,972	99.75%
2015	8,589,026	8,571,984	99.80%	(1)(2,035)	8,569,949	99.78%
2016	8,750,818	8,728,727	99.75%	1,444	8,730,171	99.76%
2017	8,835,027	8,782,582	99.41%	(23,847)	8,758,735	99.14%
2018	9,059,013	9,036,343	99.75%	7,936	9,044,280	99.84%
2019	9,082,949	9,056,177	99.71%	352	9,056,529	99.71%
2020	10,848,066	10,801,285	99.57%	1,566	10,802,851	99.58%
2021	11,136,028	11,067,697	99.39%	8,096	11,075,793	99.46%
2022	12,362,265	12,248,942	99.08%	1,005	12,249,947	99.09%
2023	12,447,737	12,384,032	99.49%	(17,720)	12,366,312	99.35%

(1) Collections in subsequent years can be negative due to cancellations, refunds, abatements or changes to the assessed valuation of properties within the taxing district.

Data Source:

Pueblo County Assessor and Office of Budget and Finance

PUEBLO CITY-COUNTY LIBRARY DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
(UNAUDITED)
LAST TEN CALENDAR YEARS
(PER \$1,000 OF ASSESSED VALUE)

	Budget Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Direct										
Pueblo City-County Library District	5.262	5.255	5.282	5.288	5.271	5.865	5.872	5.889	5.945	6.634
Overlapping Governments										
Pueblo County	30.769	30.710	30.867	30.887	30.722	30.088	30.109	30.199	30.436	30.503
Library	0.294	0.184	0.074	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Animal Shelter	0.155	0.055	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
City and Towns Rates										
Boone	17.397	17.397	17.397	17.397	17.397	16.629	16.629	16.629	14.073	14.071
Pueblo	15.633	15.633	15.633	15.633	15.633	15.633	15.633	15.633	15.633	15.633
Rye	6.972	6.972	6.972	6.972	6.972	6.972	6.132	5.893	6.400	6.568
School Districts										
Edison 54J	37.340	40.834	36.502	36.504	36.503	36.501	36.501	31.603	31.344	31.318
Fowler R4J	34.953	33.500	33.595	33.882	33.750	27.000	27.007	40.330	40.497	40.334
Pueblo 60	35.347	35.234	35.392	35.418	34.690	45.110	45.021	43.642	42.951	41.467
Pueblo 70	39.653	39.995	40.242	39.993	40.035	40.063	40.268	40.039	40.017	40.148
Improvement & Service Districts										
Andiamo Metro District	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	50.000	50.000
Avondale Water & Sanitation	10.641	10.641	10.641	10.641	10.641	10.641	10.641	10.641	10.641	10.641
Bandera Blvd. Special Improvement	3.000	3.000	3.000	3.000	3.000	3.000	5.000	5.000	5.000	5.000
Beulah Ambulance District	13.500	13.500	22.500	22.130	22.060	21.210	21.170	20.130	20.160	19.320
Colorado City Cemetery	1.071	1.071	1.071	1.071	1.071	1.071	1.071	0.091	1.784	0.833
Colorado City Metro	17.967	17.967	17.967	17.967	17.967	17.683	16.592	17.967	17.967	17.186
Edison Fire Protection District	9.000	9.000	9.000	9.000	9.000	9.000	9.000	9.000	9.000	9.000
Fowler Rural Fire	3.310	2.770	2.940	3.090	3.045	3.123	3.013	2.952	3.077	3.200
Hanover Fire Protection District	18.760	18.760	15.000	15.000	15.000	15.000	10.000	10.000	11.000	12.557
Lower Arkansas Valley Water Conserva	1.503	1.503	1.503	1.503	1.503	1.503	1.503	1.503	1.503	1.503
North Vista Highlands District 2	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	80.000	80.000
North Vista Highlands District 3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	80.000	83.618
Pikes Peak PR Metro District 1	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	70.000	72.760
Pikes Peak PR Metro District 2	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	70.000	72.760
Pikes Peak PR Metro District 3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	70.000	72.760
Pikes Peak PR Metro District 4	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	70.000	72.760
Pikes Peak PR Metro District 5	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	50.000	72.760
Pine Drive Water	15.999	15.369	15.060	14.677	14.814	13.507	13.448	12.396	12.449	11.310
Pueblo Rural Fire	24.268	24.268	24.268	24.268	24.268	24.268	24.268	24.268	24.268	24.268
Pueblo West Metro	20.193	19.838	20.239	20.216	20.230	20.230	20.230	20.230	20.230	20.230
Rye Fire	10.036	10.036	15.536	15.536	15.536	15.536	15.536	15.536	15.536	15.536
South Point Special Improvement	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
Southeastern Water Conservancy	0.940	0.941	0.940	0.939	0.944	0.902	0.942	0.839	0.887	0.888
St. Charles Mesa Sanitation	4.250	4.019	4.250	3.930	1.500	1.500	3.250	3.250	1.250	1.250
Thunder Village Special District	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
Villa Bella Metro District 1	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	60.000	62.365
Villa Bella Metro District 2	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	60.000	62.365
Villa Bella Metro District 3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	60.000	62.365
West Park Fire	5.433	5.433	5.433	5.433	5.433	5.500	5.321	5.443	5.443	4.511
Wildhorse Metro District 1	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	10.000	10.000
Wildhorse Metro District 2	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	10.000	10.000
Wildhorse Metro District 3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	10.000	10.000
Wildhorse Metro District 4	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	10.000	10.000
Wildhorse Metro District 5	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	10.000	10.000

Data Source:
Pueblo County Resolutions

PUEBLO CITY-COUNTY LIBRARY DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
(UNAUDITED)
LAST TEN CALENDAR YEARS
(IN THOUSANDS)

Fiscal Year Ended December 31,	Vacant Land	Unimproved	Residential Property	Natural Resources	Commercial Property	Industrial Property	Agricultural Property	Public Utilities	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Exempt Property Assessed Value	Taxable Assessed Value as a Percentage of Actual
2014	52,973		569,106	2,948	303,058	221,464	13,055	518,630	1,681,234	5.262	11,053,408	163,795	15.21%
2015	50,853		593,218	2,878	303,355	240,991	15,788	516,128	1,723,211	5.255	11,349,117	168,456	15.18%
2016	50,591		600,069	3,002	307,413	225,716	18,565	514,857	1,720,213	5.282	11,154,895	167,045	15.42%
2017	49,557		618,206	2,906	309,696	212,005	23,679	544,930	1,760,979	5.288	12,280,492	166,539	14.34%
2018	47,329		628,204	3,310	322,609	213,698	25,207	535,489	1,775,846	5.271	12,685,454	165,656	14.00%
2019	48,625		734,182	3,289	337,137	218,237	26,828	538,479	1,906,777	5.865	14,311,607	171,306	13.32%
2020	46,754		747,886	3,728	339,427	217,074	29,331	565,599	1,949,799	5.872	15,161,146	161,834	12.86%
2021	62,814		920,443	3,697	361,552	223,218	31,930	558,441	2,162,060	5.889	18,019,530	254,965	12.00%
2022	59,584		916,380	2,706	345,568	225,869	31,776	552,855	2,134,738	5.945	18,298,425	253,937	11.67%
2023	113,318		1,042,178	3,051	376,882	265,830	34,429	511,949	2,347,637	6.634	21,645,354	349,511	10.85%

Notes:

Property in Pueblo County is reassessed once every two years, in odd-numbered years. The county assessed residential property at various rates from 1997 at 10.35% to 2020 at 7.15% of actual value. All other property was assessed at 29% of actual value. Actual taxable value is obtained from the prior year Abstract of Assessment for the fiscal year for which levied. Tax rates are per \$1,000 of assessed value. Fiscal Year Ended generates taxes payable in the next year.

Source Data:

Pueblo Abstract of Assessment

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
(UNAUDITED)
CURRENT YEAR AND NINE YEARS AGO**

Principal Taxpayer	2023			2014		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Public Service Co. of CO (Excel Energy Company)	\$ 213,739,600	1	7.92%	\$ 242,264,900	1	14.84%
Black Hills Colorado Electric	82,040,600	2	3.04%	73,327,900	2	4.49%
Black Hills Colorado IPP LLC	45,419,100	3	1.68%	40,149,600	5	2.46%
GCC Rio Grande Inc.	44,233,778	4	1.64%	73,158,064	3	4.48%
CF + I Steel LP	31,620,730	5	1.17%			
Rocky Mountain Steel Mills	31,071,485	6	1.15%	18,704,862	7	1.15%
BNSF railway Company	30,627,500	7	1.14%			
Union Pacific Railroad CO	28,683,800	8	1.06%	16,378,666	10	1.00%
Core Electriect Cooperative	26,833,000	9	0.99%			
CS Wind America Inc. (formerly Vestas Towers)	17,169,860	10	0.64%	35,346,114	6	2.17%
Intermountain Rural Electric				48,276,500	4	2.96%
Qwest Corporation (U.S. West Communications)				18,674,600	8	1.14%
Holy Cross Electric Association, Inc				17,461,700	9	1.07%
Total Top Ten Principal Taxpayers	<u>551,439,453</u>		<u>20.45%</u>	<u>583,742,906</u>		<u>35.76%</u>
Total Assessed Valuation	<u>\$2,697,147,559</u>		<u>100.00%</u>	<u>\$1,632,274,094</u>		<u>100.00%</u>

Data Source:

Pueblo County Assessor's Office

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
LEGAL DEBT LIMIT INFORMATION
(UNAUDITED)
DECEMBER 31, 2023**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Assessed valuation	\$ 1,681,234,000	\$ 1,723,211,000	\$ 1,720,213,128	\$ 1,760,979,000	\$ 1,775,846,000	\$ 1,906,776,371	\$ 1,950,190,741	\$ 2,099,212,928	\$ 2,066,227,590	\$ 2,697,147,559
Debt limitation - 1.5% of total assessed value	\$ 25,218,510	\$ 25,848,165	\$ 25,803,197	\$ 26,414,685	\$ 26,637,690	\$ 28,601,646	\$ 29,252,861	\$ 31,488,194	\$ 30,993,414	\$ 40,457,213
Certificates of Participation (1)	\$ 10,550,000	\$ 10,105,000	\$ 9,650,000	\$ 9,185,000	\$ 8,710,000	\$ 8,215,000	\$ 15,795,281	\$ 14,888,727	\$ 13,315,000	\$ 12,410,000
Legal debt limit less COP debt	\$ 14,668,510	\$ 15,743,165	\$ 16,153,197	\$ 17,229,685	\$ 17,927,690	\$ 20,386,646	\$ 13,457,580	\$ 16,599,467	\$ 17,678,414	\$ 28,047,213
Total net debt applicable to the limit as a percentage of debt limit	42%	39%	37%	35%	33%	29%	54%	47%	43%	31%

Legal Debt Margin Calculation for Fiscal Year 2023

Assessed Valuation	<u>\$ 2,697,147,559</u>
Debt limitation - 1.5% of total assessed	<u>\$ 40,457,213</u>
Debt applicable to limit: Certificates of Participation	<u>\$ 12,410,000</u>
Legal debt limit less COP debt	<u>\$ 28,047,213</u>

NOTE:

- (1) Certificates of Participation are not generally included as debt for purposes of calculating legal debt limits (Colorado Revised Statute 22-42-104). However, they are included here to present the most conservative analysis of debt allowable which remains available.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
RATIO OF OUTSTANDING DEBT BY TYPE
(UNAUDITED)
LAST TEN FISCAL YEARS**

Year Ended December 31,	Certificates of Participation (1)	Percentage of Personal Income (2)	Per Capita
2014	10,895,467	0.20%	67.54
2015	10,431,274	0.19%	63.76
2016	9,957,081	0.17%	60.30
2017	9,472,888	0.16%	56.90
2018	8,978,695	0.14%	53.59
2019	8,464,503	0.13%	50.53
2020	(4) 15,803,669	0.22%	92.53
2021	14,952,072	0.19%	88.15
2022	13,315,000	0.27%	78.53
2023	12,410,000	0.22%	72.60

NOTES:

- (1) In October of 2007, \$6,000,000 in Certificates of Participation were issued.
- (2) Personal Income data as reported by the Bureau of Economic Analysis, US Department of Commerce for Pueblo County, Colorado.
- (3) In September of 2012, \$11,410,000 in Certificates of Participation were issued; \$6,000,000 refunded old debt; additional \$5,410,000 to finance building of three new libraries.
- (4) In November 2020, \$15,040,000 in Certificates of Participation were issued; \$8,215,000 refunded old debt; additional \$6,825,000 to finance renovating the Rawlings Library

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR CERTIFICATES OF PARTICIPATION TO GENERAL FUND EXPENDITURES
(UNAUDITED)
LAST TEN FISCAL YEARS**

Year Ended December 31,	Principal Payments	Interest Payments	Total Debt Service	Total General Fund Expenditures	Ratio of Total Debt Service to Total General Fund Expenditures
2014	435,000	375,250	810,250	9,742,088	8.32%
2015	445,000	366,550	811,550	9,800,636	8.28%
2016	455,000	357,650	812,650	9,850,105	8.25%
2017	465,000	344,000	809,000	9,878,883	8.19%
2018	475,000	334,700	809,700	10,138,051	7.99%
2019	495,000	315,700	810,700	10,077,297	8.04%
2020	- (3)	151,663	151,663	9,867,967	1.54%
2021	840,000	409,030	1,249,030	12,167,279	10.27%
2022	885,000	362,713	1,247,713	12,687,837	9.83%
2023	905,000	345,013	1,250,013	12,734,423	9.82%

NOTES:

- (1) In October of 2007, \$6,000,000 in Certificates of Participation were issued. The debt service for the first five years, 2007 through 2011, is interest only. In 2012 principal payments will be added. Final payment will be made in November 2031.
- (2) In September of 2012, the 2007 COPs issue was refunded through a new issue of \$11,410,000 to refinance the original debt and provide funds to build three new libraries.
- (3) In November of 2020, the 2012 COPs issue was refunded through a new issue of \$15,040,000 to refinance the original debt and provide funds to renovate the Rawlings Library

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
(UNAUDITED)
DECEMBER 31, 2023**

	<u>Governmental Activites Debt</u>	<u>Percentage Applicable</u>	<u>Share of Overlapping Debt</u>
Direct Debt			
Pueblo City-County Library District	\$ 12,410,000		
Overlapping Debt:			
City of Pueblo	\$ 7,722,375	100%	4,063,479
County of Pueblo	219,186,424	100%	219,186,424
Pueblo West Metropolitan District	11,785,705	100%	10,634,074
School District #60 - Pueblo City Schools	275,993,717	100%	211,824,446
School District #70	123,185,000	100%	123,185,000
Subtotal, Overlapping Debt			<u>568,893,423</u>
Total Direct and Overlapping Debt			<u><u>\$ 581,303,423</u></u>

Source: Individual governmental entities located within the geographic boundaries of Pueblo County.

The overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Library District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by residents and businesses of the County of Pueblo. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore is responsible for repaying the debt of each overlapping government. The overlapping percentage is estimated using taxable assessed property values by determining the portion of another governmental entity's taxable assessed value that is within Pueblo County's boundaries. All of the entities are located within the geographic boundaries of Pueblo County.

PUEBLO CITY-COUNTY LIBRARY DISTRICT DEMOGRAPHIC AND ECONOMIC STATISTICS (UNAUDITED) LAST TEN CALENDAR YEARS

Year	Population	Personal Income (Thousands) (1)	Per Capita Personal Income	Education			Commercial Construction		Residential Construction		
				Median Age	High School Graduates	School Enrollment	Unemployment Rate	No. of Units	Estimated Costs (thousands)	No. of Units	Estimated Costs (thousands)
2014	161,434	5,384,811	33,356	39.2	77.3%	27,247	5.9%	70	32,948	150	26,169
2015	163,101	5,667,938	34,751	39.2	77.3%	27,247	4.9%	78	39,377	241	51,851
2016	164,883	5,825,730	35,333	39.3	73.9%	26,996	4.2%	81	18,544	197	33,889
2017	166,370	6,026,956	36,226	39.4	81.7%	26,771	4.6%	129	41,811	276	50,602
2018	167,574	6,362,694	37,969	39.6	88.8%	26,409	4.9%	78	14,922	376	59,378
2019	168,409	6,657,646	39,533	39.8	89.7%	26,564	4.1%	54	15,496	371	63,325
2020	169,823	7,335,716	43,196	40.0	81.3%	24,592	11.3%	54	72,289	700	97,952
2021	170,912	7,959,927	45,434	37.8	85.0%	25,381	5.7%	43	35,558	739	129,686
2022	169,544	8,265,081	44,816	39.9	90.5%	25,375	4.3%	29	17,562	743	109,846
2023	170,941	8,289,876	32,592	40.3	86.1%	25,204	4.5%	31	28,969	399	59,090

Data Sources:

- Bureau of Economic Analysis
- Colorado Department of Local Affairs, Demography Section
- Colorado Department of Education, Enrollment
- Colorado Department of Labor and Employment
- Pueblo Regional Building Department

(1) Data for years 2012-2021 has been updated using information from the Bureau of Economic Analysis, US Dept of Commerce.
 (2) Data for 2022 and 2023 is estimated using average growth of previous years as the release of 2022 data is beyond the date of publishing of this report.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
TOP TEN PRINCIPAL EMPLOYERS
(UNAUDITED)
CURRENT YEAR AND NINE YEARS AGO**

Employer	2023			2014		
	Employees	Rank	% of Pueblo, CO (MSA) Total Employment	Employees	Rank	% of Pueblo, CO (MSA) Total Employment
Parkview Medical Center	4,293	1	5.62%	2,620	2	3.62%
Colorado Mental Health Institute	2,000	2	2.62%	953	8	1.32%
Pueblo City Schools (District #60)	1,647	3	2.16%	2,763	1	3.82%
Colorado State University-Pueblo	1,500	4	1.96%	-	-	-
Walmart - 5 Stores	1,493	5	1.95%	1,300	3	1.80%
Pueblo County Government	1,242	6	1.63%	1,084	6	1.50%
School District #70	1,195	7	1.56%	1,100	5	1.52%
Evrax Rocky Mountain Steel Mill	931	8	1.22%	780	10	1.08%
City of Pueblo	776	9	1.02%	-	-	-
Trane Commercial Systems	760	10	0.99%	965	7	1.33%
St. Mary Corwin Medical Center	-	-	-	1,228	4	1.70%
Loaf n' Jug	-	-	-	1,100	5	1.52%
Target Stores	-	-	-	800	9	1.10%
Total	<u>15,837</u>		<u>20.72%</u>	<u>14,693</u>		<u>20.31%</u>

Data Source:

Pueblo County GIS Department

City of Pueblo

US Department of Labor, Bureau of Labor Statistics

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
MISCELLANEOUS STATISTICAL DATA
LIBRARY MATERIALS PURCHASED AND CIRCULATED
(UNAUDITED)
LAST TEN CALENDAR YEARS**

Fiscal Year	Number of Volumes Owned	Number of AV Items Owned	Total Items Owned	Acquisition Cost of Collections	Net Book Value of Collections (1)	Number of Items Circulated	Turn-over Rate (2)
2014	330,512	147,813	478,325	7,095,551	4,197,954	2,484,858	5.19
2015	349,807	132,979	482,786	7,100,007	5,436,319	2,918,125	6.04
2016	(3) 250,143	80,298	330,441	5,725,513	4,310,306	2,559,661	7.75
2017	262,516	82,209	344,725	5,883,536	4,289,059	2,530,790	7.34
2018	267,422	80,606	348,028	5,924,032	4,329,555	2,336,512	6.71
2019	268,952	74,760	343,712	5,884,667	4,063,351	2,140,691	6.23
2020	272,676	74,229	346,905	5,932,420	3,991,982	1,166,864	3.36
2021	358,325	66,525	424,850	5,816,676	3,949,032	1,451,042	3.42
2022	348,845	60,907	406,752	5,500,215	3,898,595	1,486,708	3.66
2023	345,471	55,230	400,701	5,344,001	3,835,970	898,594	2.24

NOTES:

- (1) GASB Statement 34 requires that capital assets be depreciated - this was implemented in 2003. Determination was made in 2008 that the District's collection of books and audi-visual materials is considered a capital asset, therefore subject to depreciation. Collections have an estimated useful life of 5 years. Net book value represents total acquisition cost of circulating materials less accumulated depreciation to date.
- (2) Turn-over rate is the number of times an item is checked out. This is an average of all publicly circulating items in the total collection
- (3) For the year ended December 31, 2017, prior year financial statements were restated to more accurately report library books and audio visual materials using information from the existing perpetual inventory system.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
MISCELLANEOUS STATISTICAL DATA
LIBRARY MATERIALS PURCHASED AND CIRCULATED
(UNAUDITED)
LAST TEN CALENDAR YEARS**

Libraries	Address	Owned (O) Leased (L)	Square Feet	Number of Employees (1)	Operating Budget
Barkman Public Library	1300 Jerry Murphy Rd. Pueblo, CO 81001	O	7,100	5.65	328,352
Lucero Library	1315 7th St. E. Pueblo CO, 81001	O	7,500	5.70	539,106
Greenhorn Valley Library	Cibola Drive Colorado City, CO 81019	O	7,500	4.50	459,225
Lamb Public Library	2525 W. Pueblo Blvd. Pueblo, CO 81005	O	10,500	5.60	428,950
Library @ the Y	3200 Spaulding Pueblo, CO 81008	L (2)	1,183	1.10	44,445
Giodone Library	24655 US Highway 50 E. Pueblo, Co 81006	O	7,500	4.50	472,683
Pueblo West Library	298 S. Joe Martinez Blvd. Pueblo West, CO 81007	O	28,500	7.30	1,160,427
Rawlings Public Library	100 E. Abriendo Ave. Pueblo, CO 81004	O	110,000	34.00	2,105,038
SUPPORT SERVICES:					
Community Relations	100 E. Abriendo Avenue Pueblo, CO 81004	O	(3)	6.00	\$ 608,927
Director's Office	100 E. Abriendo Avenue Pueblo, CO 81004	O	(3)	3.00	\$ 384,014
Facilities Department	100 E. Abriendo Avenue Pueblo, CO 81004	O	(3)	7.00	\$ 1,458,862
Finance Department	100 E. Abriendo Avenue Pueblo, CO 81004	O	(3)	3.90	\$ 459,807
Human Resources Department	100 E. Abriendo Avenue Pueblo, CO 81004	O	(3)	2.50	\$ 718,055
Information Technology Dept.	100 E. Abriendo Avenue Pueblo, CO 81004	O	(3)	4.50	\$ 870,421
Security Department	100 E. Abriendo Avenue Pueblo, CO 81004	O	(5)	5.66	\$ 245,237
Technical Services Department	100 E. Abriendo Avenue Pueblo, CO 81004	O	(3), (4)	8.60	\$ 2,553,443

NOTES:

(1) Numbers of employees refers to total Full Time Equivalents (FTE), not actual numbers of employees. Since this is not a required statistical table, a full 10-year presentation of employees is not presented. It may be considered in future years.

(2) Located in the YMCA facility

(3) Square footage for this location is included in the Rawlings Library square footage number.

(4) Library collection of books and materials is included in Technical Services budget.

(5) Security Department supports all library locations.

**PUEBLO CITY-COUNTY LIBRARY DISTRICT
MISCELLANEOUS STATISTICAL DATA
CIRCULATION SUMMARY BY LOCATION
(UNAUDITED)
LAST TEN CALENDAR YEARS**

Fiscal Year	Rawlings Library	Barkman Library	Lamb Library	Pueblo West Library (1)	Lucero Library (4)	Greenhorn Valley Library	Giodone Library	Library @ the Y (3)	Outreach Services (2)
2013	852,309	187,662	194,040	330,983	-	-	-	19,428	56,204
2014	1,266,213	374,509	320,267	419,000	12,256	15,219	14,024	22,146	41,224
2015	1,384,593	364,176	340,384	423,633	183,369	89,114	109,071	23,785	-
2016	1,184,527	326,878	340,593	379,151	135,521	74,890	95,437	22,664	-
2017	1,145,521	324,639	343,472	382,476	124,453	78,993	108,739	22,497	-
2018	1,096,595	276,374	300,016	362,920	107,616	73,351	95,567	24,073	-
2019	1,066,623	240,175	257,267	324,507	84,466	66,831	83,164	17,658	-
2020 (5)	677,754	98,802	105,119	167,453	32,826	36,063	39,328	9,519	-
2021	789,347	119,586	140,677	236,040	28,046	54,922	66,234	16,190	-
2022	705,507 (6)	146,741	185,074	254,167	50,496	62,237	61,957	20,529	-
2023	333,303	70,455 (7)	132,781	203,906	38,427	53,452	49,082	17,188	-

NOTES:

- (1) In 2009 the Pueblo West Library opened - formerly the White Library, it was expanded from 5,000 sf to 28,000 sf. The expansion was funded with Certificates of Participation issued in 2006. This facility was closed for several months in 2008 during construction, resulting in lower circulation.
- (2) Outreach ended in 2014. Circulation numbers were absorbed in other areas as follows: Regent, a nursing home book depository until 2007; Books-in-the-Park, a summer outdoor reading and craft program, absorbed by Rawlings; Books-a-la-Cart, a mobile book delivery program introduced in 2009, absorbed by Lucero; and Homebound delivery service, absorbed by each respective branch.
- (3) The Library @ the Y is a small branch located within the YMCA building which opened to the public in 2009.
- (4) The Lucero, Greenhorn Valley and Giodone Libraries were all built and added in 2014. These buildings replaced seven of the Satellite locations, recorded in Outreach Services.
- (5) In 2020, circulation numbers were considerably lower than in previous years. This was due to the impact that COVID-19 had on the District.
- (6) The Robert Hoag Rawlings Library underwent an interior renovation in 2022 impacting circulation.
- (7) The Barkman Library Branch began an interior renovation in 2023 impacting circulation.