

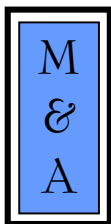


**Financial Statements  
December 31, 2024**

**Basalt Regional Library District  
Financial Report  
December 31, 2024**

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# MCMAHAN AND ASSOCIATES, L.L.C.

*Certified Public Accountants and Consultants*

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## INDEPENDENT AUDITOR'S REPORT

**To the Board of Trustees  
Basalt Regional Library District  
Basalt, Colorado**

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, and each major fund of Basalt Regional Library District (the "District"), as of and for the year ended December 31, 2024, which collectively comprise the District's basic financial statements as listed in the Table of Contents, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component units, and each major fund, of Basalt Regional Library District, as of December 31, 2024 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("U.S. 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 Basalt Regional 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***

Basalt Regional Library District's management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year after the date that the financial statements are issued.

*Member: American Institute of Certified Public Accountants*

**INDEPENDENT AUDITOR'S REPORT**  
**To the Board of Trustees**  
**Basalt Regional Library District**  
**Basalt, Colorado**

***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 U.S. 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 U.S. GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

***Required Supplementary Information***

U.S. GAAP require that the Management's Discussion and Analysis in Section B be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. GAAS, 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.

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by U.S. GAAP. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

**INDEPENDENT AUDITOR'S REPORT  
To the Board of Trustees  
Basalt Regional Library District  
Basalt, Colorado**

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Basalt Regional Library District's basic financial statements. The individual fund budgetary comparisons in Section F are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund budgetary comparison is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the information in Section F is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*McMahan and Associates, L.L.C.*

**McMahan and Associates, L.L.C.  
Avon, Colorado  
June 11, 2025**



Management's Discussion and Analysis

# **Basalt Regional Library District Management's Discussion and Analysis**

As management of Basalt Regional Library District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2024.

## **Financial Highlights**

- The assets of the District exceeded its liabilities by \$10,231,668 at the close of the most recent fiscal year end. The unrestricted net position, which represents the amounts available to meet the District's ongoing obligations to citizens and creditors, was \$2,013,118.
- The District's total net position increased by \$802,672.
- At the end of the current fiscal year, unrestricted fund balance for the general fund was \$1,398,771 or 70% of total general fund expenditures.

## **Overview of the Financial Statements**

This discussion and analysis provided here are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise of two components: Government-wide financial statements and Notes to the Financial Statements.

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

The Statement of Net Position presents information on all the District's assets and liabilities, and deferred inflows/outflows of resources, with the difference between the two 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 is improving or deteriorating.

The Statement of Activities presents information showing how the government's Net Position changed during the most recent fiscal year. All changes in Net Position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The governmental activity of the District is library services. There are currently no business-type activities of the District, and the District discretely presents several component units, non-profit organizations formed exclusively for the benefit of, to perform the functions of, or to carry out the charitable and educational purposes of the District.

The government-wide financial statements can be found on pages C1 and C2 of this report.

**Fund financial statements:** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District currently has three funds, the General Fund, the Debt Service Fund, and the Capital Reserve Fund, which are governmental funds.

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

## Overview of the Financial Statements (continued)

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

**Notes to the Financial Statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found in section D of this report.

## Government-wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial Position.

Almost all of the District's revenue was from property taxes (see the Notes to the Financial Statements). Most of the District's assets are reflected in the investment in capital assets (i.e., buildings, books, furniture, fixtures, and equipment). Capital assets account for 60% of the total assets. The District uses these assets to provide services to its citizens. Accordingly, these assets are not an available source for payment of future spending. Of the remaining net position, 3% of the governmental activities annual budget is restricted for use in the event of an emergency.

### Basalt Regional Library District's Net Position

	<u>2024</u>	<u>#NAME?</u>
<b>Assets:</b>		
Current and other assets	\$ 5,876,494	\$ 6,310,916
Capital assets	<u>8,862,793</u>	<u>8,539,497</u>
<b>Total Assets</b>	<u>14,739,287</u>	<u>14,850,413</u>
<b>Liabilities:</b>		
Other liabilities	76,518	94,566
Long-term liabilities	<u>1,742,124</u>	<u>2,522,314</u>
<b>Total Liabilities</b>	<u>1,818,642</u>	<u>2,616,880</u>
<b>Deferred Inflows of Resources:</b>		
Unavailable revenue	<u>2,688,918</u>	<u>2,804,537</u>
<b>Total Deferred Inflows of Resources</b>	<u>2,688,918</u>	<u>2,804,537</u>
<b>Net Position:</b>		
Investment in capital assets	7,187,793	6,064,497
Restricted	1,030,757	951,910
Unrestricted	<u>2,013,177</u>	<u>2,412,589</u>
<b>Total Net Position</b>	<u>\$ 10,231,727</u>	<u>\$ 9,428,996</u>

Approximately 70% of the District's Net Position reflects its investment in capital assets, which includes construction in progress, buildings, equipment, land, vehicles, and books and periodicals. The increase in the District's investment in capital assets is largely to due current year depreciation expense being less than capital asset additions and principal payments on debt.

## Government-wide Financial Analysis (continued)

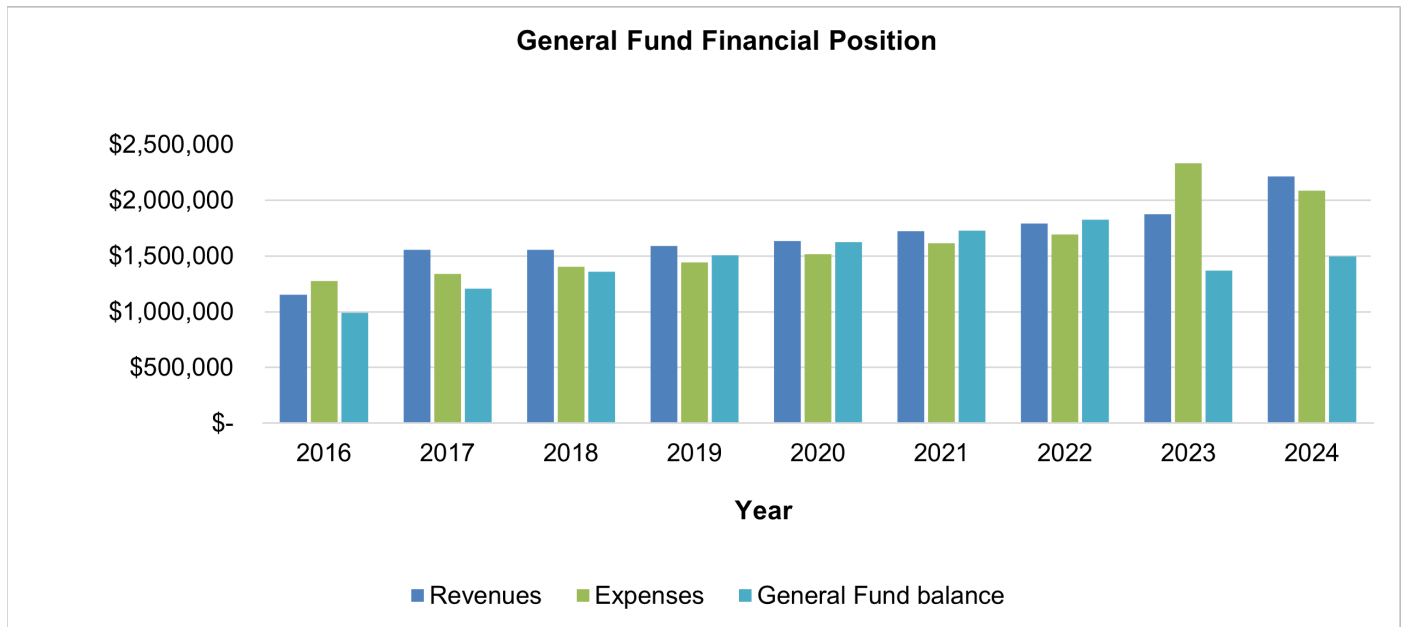
### Basalt Regional Library District's Change in Net Position

	<u>2024</u>	<u>#NAME?</u>
<b>Revenues:</b>		
Program revenues:		
Collection revenue	\$ 16,431	\$ 19,061
Operating grants and contributions	34,896	77,079
General revenues:		
Property taxes	2,885,927	2,470,907
Specific ownership taxes	114,062	120,861
Earnings on investments	196,338	192,107
Other income	471	2,311
<b>Total Revenues</b>	<u>3,248,125</u>	<u>2,882,326</u>
<b>Expenses:</b>		
Personnel services	1,278,607	1,077,385
Supplies	172,501	184,240
Operating expenses	159,371	119,195
Contracted services	141,378	144,846
Repairs and maintenance	39,312	33,382
Library programs	82,270	77,217
Treasurer's fee	108,785	94,840
Depreciation and amortization	406,243	389,897
Interest on long-term debt	56,927	74,469
<b>Total Expenses</b>	<u>2,445,394</u>	<u>2,195,471</u>
<b>Change in Net Position</b>	802,731	686,855
<b>Net Position - Beginning</b>	<u>9,428,996</u>	<u>8,742,141</u>
<b>Net Position - Ending</b>	<u>\$ 10,231,727</u>	<u>\$ 9,428,996</u>

The increase in net position is mainly attributable to increased valuations of taxable properties in Eagle and Pitkin counties leading to more property tax revenues and conservative spending. Property taxes were the most significant source of general revenues for the District accounting for approximately 88.8% of revenues in 2024, compared to 85.7% in 2023. Specific ownership taxes, which consist of vehicle taxes collected at the Counties, were also a significant source of revenue accounting for 3.51% of total revenues.

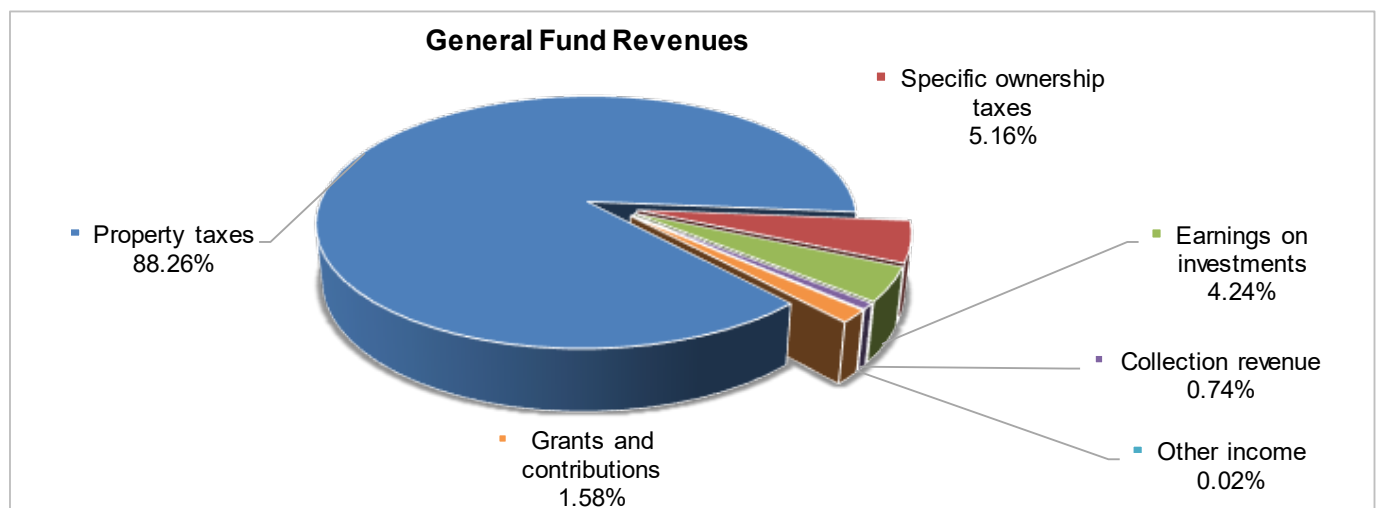
## Financial Analysis of the District's Funds

As mentioned earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District had the following changes in its General Fund for the years 2016 through 2024:



The fund balance of the District's General Fund increased \$127,108 in 2024 and had an ending fund balance of \$1,497,928. Revenues increased \$338,112 from 2023, largely due to an increase in the assessed valuations for taxable property in Eagle and Pitkin counties, offset by the sunset of the 2016 mill levy overrides. Expenditures, which included transfers out of \$90,000 to support ongoing capital projects, increased \$263,713 from 2023, due to the ability for the District to fill open and budgeted positions which increased personnel costs.

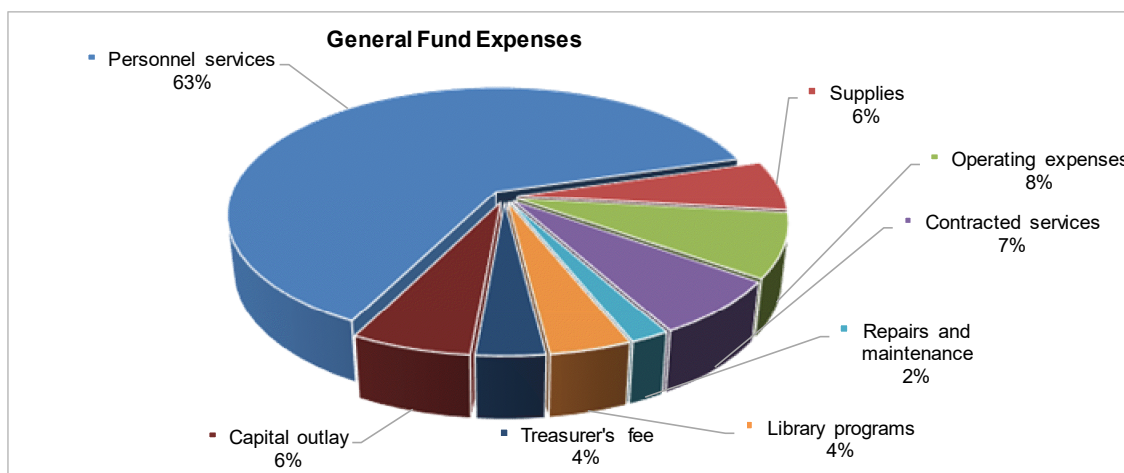
The following chart represents the District's 2024 General Fund revenues:



Property taxes make up the largest source of revenue for the District.

## Financial Analysis of the District's Funds

The following chart represents the District's 2024 expenditures:



The District's General Fund expenditures and transfers out to the Capital Reserve Fund increased 15.2%. Personnel services (wages, retirement, health insurance, etc.) made up the largest source of expenditures for the District.

### General Fund Budgetary Highlights

The District's 2024 budget was approved at the end of 2023. The District did not amend its budget for 2024. Significant budget variances were as follows:

	Final Budget	Actual	Variance From Final Budget	Reason
<b>Expenditures:</b>				
Operating expenses	251,304	159,371	91,933	\$80,000 savings due to conservative budgeting of grant expenditures

### Capital Assets

The District's had a net investment in capital of assets of \$8,862,793 at the end of 2024. Additional information as well as a detailed classification of the District's net capital assets can be found in the Notes to the Financial Statements in section D of this report.

### Next Year's Budgets

The District had \$1,497,869 of general fund balance at the end of the current fiscal year. The District's 2025 budget anticipates a beginning general fund balance of \$1,520,852. The 2025 budget also anticipates revenues of \$2,125,109 and expenditures, which include transfers out, of \$2,422,823.

### Request for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Basalt Regional Library District, 99 Midland Avenue, Basalt, CO 81621 or you may call 970-927-4640.



## Basic Financial Statements

**Basalt Regional Library District**  
**Governmental Funds Balance Sheet / Statement of Net Position**  
**December 31, 2024**

	Primary Government					Component Units		
	General Fund	Debt Service Fund	Capital Reserve Fund	Governmental Balance Sheet	Adjustments	Statement of Net Position	Friends of the Library	Basalt Regional Library Trust
<b>Assets:</b>								
Cash and cash equivalents	-	249,736	-	249,736	-	249,736	12,759	12,984
Investments	1,129,835	108,504	1,671,022	2,909,361	-	2,909,361	-	-
Cash with County Treasurer	10,013	-	-	10,013	-	10,013	-	-
Due (to) from other funds	416,132	590,517	(1,006,649)	-	-	-	-	-
Accounts receivable, net	1,368	-	-	1,368	-	1,368	-	-
Prepaid expenses	17,098	-	-	17,098	-	17,098	-	-
Property taxes receivable	1,905,770	783,148	-	2,688,918	-	2,688,918	-	-
Capital assets, net of depreciation	-	-	-	-	8,862,793	8,862,793	-	-
<b>Total Assets</b>	<b>3,480,216</b>	<b>1,731,905</b>	<b>664,373</b>	<b>5,876,494</b>	<b>8,862,793</b>	<b>14,739,287</b>	<b>12,759</b>	<b>12,984</b>
<b>Liabilities:</b>								
Accounts payable and accrued liabilities	76,518	-	-	76,518	-	76,518	-	-
Accrued interest payable	-	-	-	-	6,806	6,806	-	-
Non-current liabilities:								
Due within one year - bonds payable	-	-	-	-	825,000	825,000	-	-
Due in more than one year - bonds payable	-	-	-	-	850,000	850,000	-	-
Due in more than one year - compensated absences	-	-	-	-	60,318	60,318	-	-
<b>Total Liabilities</b>	<b>76,518</b>	<b>-</b>	<b>-</b>	<b>76,518</b>	<b>1,742,124</b>	<b>1,818,642</b>	<b>-</b>	<b>-</b>
<b>Deferred Inflows of Resources:</b>								
Unavailable revenue - property taxes	1,905,770	783,148	-	2,688,918	-	2,688,918	-	-
<b>Total Deferred Inflows of Resources</b>	<b>1,905,770</b>	<b>783,148</b>	<b>-</b>	<b>2,688,918</b>	<b>-</b>	<b>2,688,918</b>	<b>-</b>	<b>-</b>
<b>Fund Balance/Net Position:</b>								
<b>Fund Balance:</b>								
Nonspendable	17,098	-	-	17,098	(17,098)			
Restricted for:								
Emergencies	82,000	-	-	82,000	(82,000)			
Debt service	-	948,757	-	948,757	(948,757)			
Committed for future projects	-	-	664,373	664,373	(664,373)			
Unassigned	1,398,830	-	-	1,398,830	(1,398,830)			
<b>Total Fund Balance</b>	<b>1,497,928</b>	<b>948,757</b>	<b>664,373</b>	<b>3,111,058</b>	<b>(3,111,058)</b>			
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>3,480,216</b>	<b>1,731,905</b>	<b>664,373</b>	<b>5,876,494</b>	<b>(1,368,934)</b>			
<b>Net Position:</b>								
Net investment in capital assets						7,187,793	-	-
Restricted for emergencies						82,000	-	-
Restricted for debt service						948,757	-	-
Unrestricted						2,013,177	12,759	12,984
<b>Total Net Position</b>						<b>10,231,727</b>	<b>12,759</b>	<b>12,984</b>

The accompanying notes are an integral part of these financial statements.

**Basalt Regional Library District**  
**Statement of Revenues, Expenditures and Changes in Fund Balances / Statement of Activities**  
**For the Year Ended December 31, 2024**

	Primary Government					Component Units		
	General Fund	Debt Service Fund	Capital Reserve Fund	Total Governmental Funds	Adjustments	Statement of Activities	Friends of the Library	Basalt Regional Library Trust
<b>Revenues:</b>								
General revenues:								
Property taxes								
General operating	1,952,347	-	-	1,952,347	-	1,952,347	-	-
Debt service	-	933,580	-	933,580	-	933,580	-	-
Subtotal - Property taxes	<u>1,952,347</u>	<u>933,580</u>	<u>-</u>	<u>2,885,927</u>	<u>-</u>	<u>2,885,927</u>	<u>-</u>	<u>-</u>
Specific ownership taxes	114,062	-	-	114,062	-	114,062	-	-
Earnings on investments	93,791	23,786	78,761	196,338	-	196,338	-	-
Other income	471	-	-	471	-	471	6,586	-
Program income:								
Fines and fees	16,431	-	-	16,431	-	16,431	-	-
Operating grants and contributions	34,896	-	-	34,896	-	34,896	-	11,075
<b>Total Revenues</b>	<u>2,211,998</u>	<u>957,366</u>	<u>78,761</u>	<u>3,248,125</u>	<u>-</u>	<u>3,248,125</u>	<u>6,586</u>	<u>11,075</u>
<b>Expenditures/Expenses:</b>								
Personnel services								
Salaries and wages	1,012,102	-	-	1,012,102	22,977	1,035,079	-	-
Payroll taxes	78,723	-	-	78,723	-	78,723	-	-
Payroll service	6,796	-	-	6,796	-	6,796	-	-
Retirement contributions	23,060	-	-	23,060	-	23,060	-	-
Wellness / health insurance	124,650	-	-	124,650	-	124,650	-	-
Colorado FAMILI	9,003	-	-	9,003	-	9,003	-	-
Background checks	1,296	-	-	1,296	-	1,296	-	-
Subtotal - Personnel Services	<u>1,255,630</u>	<u>-</u>	<u>-</u>	<u>1,255,630</u>	<u>22,977</u>	<u>1,278,607</u>	<u>-</u>	<u>-</u>
Supplies	126,803	-	-	126,803	45,698	172,501	-	-
Operating expenses	159,371	-	-	159,371	-	159,371	164	8,810
Contracted services	141,378	-	-	141,378	-	141,378	-	-
Repairs and maintenance	39,312	-	-	39,312	-	39,312	-	-
Library programs	82,270	-	-	82,270	-	82,270	-	-
Treasurer's fee	69,360	39,425	-	108,785	-	108,785	-	-
Capital outlay	120,766	-	654,471	775,237	(775,237)	-	-	-
Depreciation and amortization	-	-	-	-	406,243	406,243	-	-
Contributions and donations	-	-	-	-	-	-	4,710	-
Debt service:								
Principal	-	800,000	-	800,000	(800,000)	-	-	-
Interest	-	60,094	-	60,094	(3,167)	56,927	-	-
<b>Total Expenditures/Expenses</b>	<u>1,994,890</u>	<u>899,519</u>	<u>654,471</u>	<u>3,548,880</u>	<u>(1,103,486)</u>	<u>2,445,394</u>	<u>4,874</u>	<u>8,810</u>
<b>Excess (Deficiency) of Revenues Over Expenses/Expenditures</b>	217,108	57,847	(575,710)	(300,755)	1,103,486	802,731	1,712	2,265
<b>Other Financing Sources (Uses):</b>								
Transfers in (out)	(90,000)	-	90,000	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>(90,000)</u>	<u>-</u>	<u>90,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Change in Fund Balance/Net Position</b>	127,108	57,847	(485,710)	(300,755)	1,103,486	802,731	1,712	2,265
<b>Fund Balance/Net Position:</b>								
Beginning of Year	1,370,820	890,910	1,150,083	3,411,813		9,428,996	11,047	10,719
End of Year	<u>1,497,928</u>	<u>948,757</u>	<u>664,373</u>	<u>3,111,058</u>		<u>10,231,727</u>	<u>12,759</u>	<u>12,984</u>

The accompanying notes are an integral part of these financial statements.



Notes to the Basic Financial Statements

**Basalt Regional Library District**  
**Notes to the Financial Statements**  
**December 31, 2024**

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**I. Summary of Significant Accounting Policies**

The Basalt Regional Library District (the "District"), Basalt, Colorado was incorporated as a special district under Colorado Revised Statutes to provide library services to Basalt and the surrounding areas of Eagle and Pitkin Counties. The District operates under the laws of the State of Colorado and its governed by a Board of Trustees who are appointed jointly by the County Commissioners of Eagle and Pitkin Counties.

The District's financial statements are prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the District are discussed below.

**A. Reporting Entity**

The reporting entity consists of (a) the primary government (i.e., the District), and (b) organizations for which the District is financially accountable. The District is considered to be financially accountable for a legally separate organization if it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the District. Consideration is also given to other organizations that are fiscally dependent, i.e., unable to adopt a budget, levy tax, or issue debt without approval by the District. Organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

The accompanying financial statements present the primary government and its component units for which the government is considered to be financially accountable. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the District. Each component unit has a fiscal year of December 31.

*Discretely Presented Component Units*

Friends of the Library

The Friends of the Library (the "Friends") are responsible for combing through all materials donated to the District. These items are sorted, collected, and priced to raise funds for non-budgeted District projects and programs. The District can impose its will on the Friends. Separate financial statements are not issued for the Friends.

Basalt Regional Library Trust

The Basalt Regional Library Trust was created to be a grantee for the District when the grantor requires the grantee to be a 501(c)(3). The Trust can also receive financial donations, which funds special projects at the District. The District can impose its will on the Trust. Separate financial statements are not issued for the Trust.

**B. Government-wide and Fund Financial Statements**

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. Currently, the District has only governmental activities.

**Basalt Regional Library District**  
**Notes to the Financial Statements**  
**December 31, 2024**  
**(continued)**

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**I. Summary of Significant Accounting Policies (continued)**

**B. Government-wide and Fund Financial Statements (continued)**

In the government-wide Statement of Net Position, the governmental activities columns are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's Net Position is reported in three parts – net investment in capital assets, restricted net position, and

The government-wide focus is on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's operations.

**C. Fund Financial Statements**

The financial transactions of the District are reported in individual fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise assets, liabilities, fund equity, revenues, and expenditures/expenses.

The fund focus is on current available resources and budget compliance.

The District reports the following major governmental funds:

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

**Debt Service Fund** - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs, if any. The main source of revenue for this fund is property tax revenue.

**Capital Reserve Fund** - The Capital Reserve Fund is used to account for the accumulation of resources from transfers for approved capital expenditures.

**D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source, and expenditures or expenses by function.

**1. Long-term Economic Focus and Accrual Basis**

Governmental activities in the government-wide financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

**Basalt Regional Library District**  
**Notes to the Financial Statements**  
**December 31, 2024**  
**(continued)**

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**I. Summary of Significant Accounting Policies (continued)**

**D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)**

**2. Current Financial Focus and Modified Accrual Basis**

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred.

The exception to this general rule is that principal and interest on general long-term debt is recognized when due.

Property taxes, intergovernmental revenues, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when qualified expenditures have been incurred and all other grant requirements have been met. All other revenues items are considered to be measurable and available only when cash is received by the District.

**D. Financial Statement Accounts**

**1. Cash, Cash Equivalents, and Investments**

Cash and cash equivalents are defined as deposits that can be withdrawn at any time without notice or penalty and investments with original maturities of three months or less. Investments are stated at fair value or net asset value. The change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

The District follows Colorado statutes specifying specific investment instruments meeting defined rating criteria in which local governments may invest, which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Banker's acceptances of certain banks
- Commercial paper
- FDIC-Insured Certificates of Deposit
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market mutual funds
- Guaranteed investment contract
- Local government investment pools

**Basalt Regional Library District**  
**Notes to the Financial Statements**  
**December 31, 2024**  
**(continued)**

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**I. Summary of Significant Accounting Policies (continued)**

**D. Financial Statement Accounts (continued)**

**2. Receivables**

All property tax and other receivables are reported net of an allowance for uncollectible accounts.

**3. Property Taxes**

Property taxes are assessed in one year as a lien on the property, but not collected by governmental units until the subsequent year. In accordance with generally accepted accounting principles, the assessed but uncollected property taxes have been recorded as a receivable on the fund financial statements.

**4. Prepaid Expenses**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the district-wide and fund financial statements.

**5. Capital Assets**

Capital assets, which include buildings, equipment, vehicles and infrastructure, are reported in the government-wide financial statements. Capital assets include assets with an individual cost of \$5,000 or more and an estimated useful life in excess of two years. Books and periodicals, although having an individual cost of less than \$5,000, are also considered capital assets. Such assets are recorded at historical cost. Donated capital assets are recorded at acquisition value.

Books and periodicals are depreciated using the average of the past five years' purchases.

Buildings and equipment are depreciated using the straight-line method over the following estimated useful lives:

Furniture, fixtures and equipment	5 to 10 years
Buildings and improvements	40 years

Total depreciation expense for the fiscal year 2024 was \$406,243.

**6. Compensated Absences**

The District allows its employees to accumulate paid time off, based on the employee's length of service. Paid time off can be accrued up to a maximum of 240 hours. Paid time off is paid out upon termination up to the maximum accrual. The District also allows its employees to accumulate sick leave. Sick leave is accrued up to a maximum of 48 hours.

The District estimates how much of the leave is more than likely not to be used as paid leave and recognizes that portion as a liability for compensated absences. At December 31, 2024, the estimated value of accumulated paid time off and sick leave was \$60,318.

**Basalt Regional Library District**  
**Notes to the Financial Statements**  
**December 31, 2024**  
**(continued)**

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**I. Summary of Significant Accounting Policies (continued)**

**D. Financial Statement Accounts (continued)**

**7. Deferred Inflows of Resources**

Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one item that qualifies for reporting in this category, unavailable revenue from property taxes, reported in the governmental balance sheet and on the Statement of Net Position. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**8. Fund Equity**

Governmental accounting standards establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications include Non-spendable, Restricted, Committed, Assigned and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund Balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the general fund. The general fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. For further details of the various fund balance classifications refer to Note I.F.

**9. Interfund Transactions**

Interfund services provided and used are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund, are recorded as “due from other funds” or “due to other funds” on the balance sheet when they are expected to be liquidated within a reasonable amount of time.

**E. Significant Accounting Policies**

**1. Use of Estimates**

The preparation of financial statements in conformity with GAAP requires the District’s management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

**2. Credit Risk**

Receivables in the District’s funds are primarily due from other governments. Management believes that the credit risk related to these receivables is minimal.

**Basalt Regional Library District**  
**Notes to the Financial Statements**  
**December 31, 2024**  
**(continued)**

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**I. Summary of Significant Accounting Policies (continued)**

**E. Significant Accounting Policies (continued)**

**3. Restricted and Unrestricted Resources**

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

**F. Fund Balance Disclosure**

The District classifies governmental fund balances as follows:

- 1. Non-spendable** - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements. As of December 31, 2024, \$17,098 was non-spendable.
- 2. Spendable:**
  - a. Restricted** – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation. As of December 31, 2024 \$82,000 was restricted for emergencies and \$948,757 for debt service.
  - b. Committed** – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority which is the Board. The District's original budget legislation begins with combining historical data, assessment of needs for the upcoming year and the Board's platform to review and/or make changes to each department's budget. Before year end, a budgetary committee will meet again with each department for final review and approval of preliminary budget. The Budget is then formally presented to the Board via an advertised public process for their review, revisions and final approval by year end. All subsequent budget requests made during the year, after the Board's approval, must be presented via a public process and again approval by the Board. As of December 31, 2024 \$664,373 was committed for future projects.
  - c. Assigned** – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Board or its management designee.
  - d. Unassigned** - includes residual positive fund balance within the General Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed. As of December 31, 2024, \$1,398,830 was unassigned.

The District uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending.

**Basalt Regional Library District**  
**Notes to the Financial Statements**  
**December 31, 2024**  
**(continued)**

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**I. Summary of Significant Accounting Policies (continued)**

**F. Fund Balance Disclosure (continued)**

Additionally, the District would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The District does not have a formal minimum fund balance policy. However, the District's budget includes a calculation of a targeted reserve positions, and the Administration calculates targets and report them annually to the Board.

**II. Reconciliation of Government-wide and Fund Financial Statements**

**A. Explanation of certain differences between the governmental funds Balance Sheet to Statement of Net Position**

The governmental fund Balance Sheet includes adjustments between *fund balance – governmental funds* and *Net Position of governmental activities* as reported in the government-wide Statement of Net Position. One element of the reconciling column accounts for capital assets used in governmental activities that are not financial resources and, therefore, are not reported in the funds. \$8,862,793 represents the net book value of capital assets at December 31, 2024. Long-term liabilities of \$1,735,318 are not due and payable in the current period, and therefore are not reported in the fund financial statements. This amount is made up of \$60,318 related to compensated absences, and \$1,675,000 of bonds payable. \$6,806 represents accrued interest due on long-term debt.

**B. Explanation of certain differences between the governmental funds Statement of Revenue, Expenditures and Changes in Fund Balance and the government-wide Statement of Activities**

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances includes adjustments between *net change in fund balance of governmental funds* and *changes in Net Position of governmental activities* as reported in the government-wide Statement of Activities. One element of the reconciliation involves the additions of capital assets of \$729,539. These items are reported as expenditures in the governmental funds report. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense therefore another reconciling item includes depreciation on fixed assets of \$406,240.

The payments on long-term debt totaled \$800,000 and are expenditures on the governmental funds report. Another element of the reconciliation is the change in accrued interest on long-term debt of \$3,167. The final element of the reconciliation is the change in the accrued compensated absences of \$22,977.

**Basalt Regional Library District**  
**Notes to the Financial Statements**  
**December 31, 2024**  
**(continued)**

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**III. Stewardship, Compliance, and Accountability**

**A. Budgetary Information**

Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles. Annual appropriations are adopted for all funds. Expenditures may not legally exceed appropriations at the fund level. All appropriations lapse at year end. In the fall of each year, the District's Board of Trustees formally adopts a budget with appropriations by fund for the ensuing year pursuant to the Colorado Local Budget Law. The budget for the governmental funds are adopted on a basis consistent with U.S. generally accepted accounting principles (GAAP).

- (1) For the 2024 budget, prior to August 25, the County Assessor sent to the District a certified assessed valuation of all taxable property within the District's boundaries.
- (2) On or before October 15, 2023, the Director submitted to the District's Board of Trustees a recommended budget that detailed the necessary property taxes needed along with other available revenues to meet the District's operating requirements.
- (3) For the 2021 budget, prior to December 15, 2023, the District computed and certified to the County Commissioners a rate of levy that will derive the necessary property taxes as computed in the proposed budget.
- (4) After a required public hearing, the District adopted the proposed budget and an appropriating resolution that legally appropriated expenditures for the upcoming year.
- (5) After adoption of the budget resolution, the District may make the following changes: (a) supplemental appropriations to the extent of revenues in excess of the estimated in the budget; (b) emergency appropriations; and (c) reduction of appropriations for which originally estimated revenues are insufficient.

Taxes levied in one year are collected in the succeeding year. Thus taxes certified in 2023 were collected in 2024 and taxes certified in 2024 will be collected in 2025. Taxes are due on January 1st in the year of collection; however, they may be paid in either one installment (no later than April 30th) or two equal installments (not later than February 28th and June 15th) without interest or penalty. Taxes that are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 15th.

Changes enacted by the Colorado Legislature delayed the Certification of County tax rolls. In November 2023, a short term property tax solution was passed during a special session, allowing Counties an extension to December 29, 2023 to provide final assessed valuations. The deadlines for the mill levy certifications was extended from December 15, 2023 to January 5, 2024.

**B. TABOR Amendment**

Colorado voters passed an amendment to the State Constitution, Article X, Section 20 ("TABOR"), which has several limitations, including raising revenue, spending abilities, and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the amendment.

**Basalt Regional Library District**  
**Notes to the Financial Statements**  
**December 31, 2024**  
**(continued)**

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**III. Stewardship, Compliance, and Accountability (continued)**

**B. TABOR Amendment (continued)**

One of the requirements of TABOR is for emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year revenue (excluding bonded debt service). The District has reserved a portion of its December 31, 2024 year end fund balance in the General Fund for emergencies as required under TABOR in the amount of \$82,000, which is the approximate required reserve at December 31, 2024.

On November 2, 2004, the District's electorate approved the following ballot question:

*"Shall Basalt Regional Library District taxes be increased up to \$394,000 annually (for collection in calendar year 2005) and by such additional amounts raised annually thereafter by an ad valorem property tax mill levy imposed for District operations and maintenance at a rate of 1.14 mills (making the District's total mill levy for operations and maintenance 2.06 mills) to pay the costs of District operations and maintenance; and shall the revenue from such taxes constitute permanent voter-approved revenue changes within the meaning of Article X, Section 20 of the Colorado Constitution and an exception to the limitations set forth in Section 29-1-301 of the Colorado Revised Statutes?"*

On November 7, 2006, the District's electorate approved the following ballot questions:

*"Shall Basalt Library District taxes be increased up to \$175,000, annually (for collection in calendar year 2008) and by such additional amounts raised annually thereafter by an ad valorem property tax mill levy imposed at a rate of up to .55 mills for the costs associated with the operation of the new regional library facility including but not limited to replacement and upkeep of library furnishings and equipment, utilities, books and other library materials and support of library programs and services for the patrons, which increase shall be in addition to the mill levy currently imposed by the District; and shall the revenue from such taxes constitute permanent voter-approved revenue changes within the meaning of Article X, Section 20 of the Colorado Constitution and an exception to the limitations set forth in Section 29-1-3-01 of the Colorado Revised Statues."*

*"Shall Basalt Regional Library District debt be increased up to \$11,000,000 with a maximum repayment cost of up to \$17,943,600 and shall District taxes be increased up to \$931,000 annually for the purpose of: Purchasing Land within the town of Basalt and the constructing and equipping a new regional library facility. Such Debt to consist of the issuance and payment of general obligation bonds, which shall bear interest at a maximum net effective interest rate not to exceed 5.50% per annum and be issued dated and sold at such time or times, at such prices (at, above or below par) and in such manner and containing such terms, not inconsistent here within, as the board of trustees may determine; shall ad valorem property taxes be levied in any year, without limitation as to rate or amount, to pay the principal of, premium if any, and interest on such bonds as the same become due, which property tax levy shall not extend beyond the year in which the bonds are paid in full; and shall any earnings on the investment of the revenues from such taxes and on any proceeds of such bonds (regardless of amount) constitute a voter-approved revenue change within the meaning of Article X, Section 20 of the Colorado Constitution?"*

**Basalt Regional Library District**  
**Notes to the Financial Statements**  
**December 31, 2024**  
**(continued)**

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**III. Stewardship, Compliance, and Accountability (continued)**

**B. TABOR Amendment (continued)**

On November 1, 2016, the District electorate approved the following ballot question:

*Shall Basalt Regional Library District Taxes be increased \$350,000 annually for a limited seven-year period (with such voter authorization to expire after tax collection year 2023), through a tax levy imposed at a rate sufficient to produce the amount stated above, which taxes shall be used for the purpose of sustaining and maintaining District operations and services, and building reserves for scheduled capital maintenance?"*

**IV. Detailed Notes on All Funds**

**A. Cash, Cash Equivalents, and Investments**

The District's cash, cash equivalents and investments are entirely covered by federal depository insurance ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures the first \$250,000 of the District's deposits at each financial institution. Deposit balances over \$250,000 are collateralized as required by PDPA. As of year-end, the carrying amount of the District's cash, cash equivalents and investments was \$249,736.

At December 31, 2024, the District had no unrealized gains or losses. The District had the following cash, cash equivalents and investments with the following maturities:

	Rating	Carrying Amounts	Maturities	
			Less than one year	One to five years
<u>Primary Government:</u>				
<i>Cash and cash equivalents:</i>				
Checking	Not Rated	\$ 249,736	\$ 249,736	\$ -
<i>Investments:</i>				
Investment pool	AAAm	2,909,361	2,909,361	-
		<u>\$ 3,159,097</u>		
<u>Component Units:</u>				
<i>Cash and cash equivalents:</i>				
Checking	Not Rated	\$ 25,743	\$ -	\$ -
		<u>\$ 25,743</u>		

The Investment Pool represents investments in the Colorado Government Liquid Asset Trust ("COLOTRUST") which is a 2a7-like pool. The fair value of the pool is determined by the pool's share price. The District has no regulatory oversight for the pool.

**Basalt Regional Library District**  
**Notes to the Financial Statements**  
**December 31, 2024**  
**(continued)**

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**IV. Detailed Notes on All Funds (continued)**

**A. Cash, Cash Equivalents, and Investments (continued)**

*Fair Value of Investments*

The District measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

At December 31, 2024 the District had the following recurring fair value measurements:

Primary Government:

**Investments Measured at Net Asset Value**

Colotrust investment pool	\$ 2,909,361
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Investments classified in Level 1 are valued using prices quoted in active markets for those securities. Investments classified in Level 2 are valued using the following approaches

- U.S. Treasuries, U.S. Agencies, and Commercial Paper: quoted prices for identical securities in markets that are not active;
- Repurchase Agreements, Negotiable Certificates of Deposit, and Collateralized Debt Obligations: matrix pricing based on the securities' relationship to benchmark quoted prices;
- Money Market, Bond, and Equity Mutual Funds: published fair value per share (unit) for each fund.

The fair value of the COLOTRUST investment pool is determined by the pool's share price. The District has no regulatory oversight for the pool. At December 31 2024, the District's cash in COLOTRUST were 92% of the District's portfolio.

*Interest Rate Risk.* As a means of limiting its exposure to interest rate risk, the District has invested primarily in COLOTRUST. Funds in COLOTRUST can be withdrawn without notice or penalty.

*Credit Risk.* The District's investment policy limits investments to those authorized by State statutes as listed in note I.D.1. The District's general investment policy is to apply the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

*Concentration of Credit Risk.* The District diversifies its investments by security type and institution. Financial institutions holding District funds must provide the District a copy of the certificate from the Banking Authority that states that the institution is an eligible public depository.

**Basalt Regional Library District**  
**Notes to the Financial Statements**  
**December 31, 2024**  
**(continued)**

**IV. Detailed Notes on All Funds (continued)**

**A. Cash, Cash Equivalents, and Investments (continued)**

*Custodial Credit Risk:* At December 31, 2024, the District had invested \$2,909,361 in the Colorado Local Government Liquid Asset Trust (the "Trust"), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. The District holds all funds in COLOTRUST PLUS+. COLOTRUST PLUS+ can invest in U.S. Treasury, government agencies, and in the highest-rate commercial paper. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as a safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. The Trust is rated AAAM by Standard and Poor's and is measured at net asset value. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

**B. Capital Assets**

The District had the following capital asset changes during the past year:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Construction in progress	\$ 20,000	\$ -	\$ (20,000)	\$ -
Land	1,319,613	-	-	1,319,613
<b>Total capital assets not being depreciated</b>	<u>1,339,613</u>	<u>-</u>	<u>(20,000)</u>	<u>1,319,613</u>
Capital assets, being depreciated:				
Building	10,824,207	605,332	-	11,429,539
Furniture and equipment	351,384	31,878	-	383,262
Books and audio visual devices	574,721	112,329	(160,962)	526,088
<b>Total capital assets being depreciated</b>	<u>11,750,312</u>	<u>749,539</u>	<u>(160,962)</u>	<u>12,338,889</u>
Less accumulated depreciation for:				
Buildings	(3,847,770)	(293,389)	-	(4,141,159)
Furniture and equipment	(318,756)	(15,593)	-	(334,349)
Books and audio visual devices	(383,902)	(97,261)	160,962	(320,201)
<b>Total accumulated depreciation</b>	<u>(4,550,428)</u>	<u>(406,243)</u>	<u>160,962</u>	<u>(4,795,709)</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$ 8,539,497</u>	<u>\$ 343,296</u>	<u>\$ (20,000)</u>	<u>\$ 8,862,793</u>

**Basalt Regional Library District**  
**Notes to the Financial Statements**  
**December 31, 2024**  
**(continued)**

**IV. Detailed Notes on All Funds (continued)**

**C. Receivables**

Receivables as of year-end for the District's funds, including applicable allowances for uncollectible accounts, are as follows:

Fines, fees and delinquent accounts	\$ 88,636
Taxes receivable from County Treasurer	10,013
Other receivables	1,368
Less: Allowance for doubtful accounts	<u>(88,636)</u>
<b>Total receivables</b>	<b><u><u>\$ 11,381</u></u></b>

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. The \$2,688,918 of unavailable revenue is property taxes levied in 2024 but not available until 2025.

**D. Long-Term Debt**

**1. Refunding General Obligation Debt – Series 2012**

In October of 2012, the District issued \$7,790,000 of General Obligation Bonds, Series 2012 for the advance refunding of the Series 2006 bonds on November 1, 2016. The interest rate for Series 2012 debt ranges from 2% to 2.5%. The Bond interest payments are payable semiannually on May 1 and November 1 of each year, commencing May 1, 2013 through November 1, 2026. The Bond principal payments are payable annually on November 1 of each year, commencing November 1, 2016 through November 1, 2026.

**2. Schedule of Debt Service Requirements**

Year	Principal	Interest	Total Debt Service
2025	\$ 825,000	\$ 40,844	\$ 865,844
2026	850,000	21,250	871,250
<b>Total</b>	<b><u><u>\$ 1,675,000</u></u></b>	<b><u><u>\$ 62,094</u></u></b>	<b><u><u>\$ 1,737,094</u></u></b>

**3. Changes in Long-term Obligations**

	Beginning Balance	Increases	Decreases	Ending Balance	Due within one year
Series 2012 G.O. Bonds	\$ 2,475,000	\$ -	\$ (800,000)	\$ 1,675,000	\$ 825,000
Accrued Comp. Absences	37,341	22,977	-	60,318	24,127
	<b><u><u>\$ 2,512,341</u></u></b>	<b><u><u>\$ 22,977</u></u></b>	<b><u><u>\$ (800,000)</u></u></b>	<b><u><u>\$ 1,735,318</u></u></b>	<b><u><u>\$ 849,127</u></u></b>

The Series 2012 General Obligation Bonds are serviced by the debt service fund. The accrued compensated absences liabilities will be paid from the general fund as payments become due.

**Basalt Regional Library District**  
**Notes to the Financial Statements**  
**December 31, 2024**  
**(continued)**

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**IV. Detailed Notes on All Funds (continued)**

**D. Long-Term Debt (continued)**

**4. Debt Requirements**

The District is compliant with ongoing disclosure requirements to the secondary bond market in accordance with the Securities and Exchange Commission's Rule 15c2-12.

**E. Interfund Payables and Transfers**

Interfund balances at December 31, 2024 were as follows:

	<b>Due from</b>	<b>Due (to)</b>
General Fund	\$ 474,236	\$ -
Debt Service Fund	532,413	-
Capital Reserve Fund	-	(1,006,649)
<b>Total</b>	<b>\$ 1,006,649</b>	<b>\$ (1,006,649)</b>

Interfund balances at December 31, 2024 are a result of interfund services provided.

Interfund transfers during 2024 were as follows:

	<b>In</b>	<b>(Out)</b>
General Fund	\$ -	\$ (90,000)
Capital Reserve Fund	90,000	-
<b>Total</b>	<b>\$ 90,000</b>	<b>\$ (90,000)</b>

The transfer was made from the General Fund to the Capital Reserve fund to assist with the roofing project.

**V. Other Information**

**A. Risk Management**

**1. Colorado Special District Property and Liability Pool**

The District is insured for such risks as a member of the Colorado Special Districts Property and Liability Pool ("Pool"). Additionally, the District is afforded certain protection under the Colorado Governmental Immunity Act which limits the District's liability in certain situations to \$387,000 per person and \$1,093,000 per occurrence. The Pool is an organization created by intergovernmental agreement to provide property and general liability, automobile physical damage and liability, public officials liability and boiler and machinery coverage to its members. The Pool provides coverage for property claims up to the values declared and liability coverage for claims up to \$1,000,000. Settled claims have not exceeded this coverage in any of the past three fiscal years.

**Basalt Regional Library District**  
**Notes to the Financial Statements**  
**December 31, 2024**  
**(continued)**

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**V. Other Information (continued)**

**A. Risk Management (continued)**

**1. Colorado Special District Property and Liability Pool (continued)**

The District pays annual premiums to the Pool for liability, property and public official's coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

A summary of audited statutory basis financial information for the Pool as of and for the year ended December 31, 2023 (the latest audited information available) is available here: <https://csdpool.org/financials>

**2. Other Risks**

The District carried commercial insurance for all other risks of loss not addressed above, including worker's compensation and employee health and accident insurance. Any settled claims are not expected to exceed the commercial insurance coverage.

**B. Employee Benefit Plans**

**1. Retirement Savings Plan - IRC 401(a)**

Effective June of 2005, the employees of the District were eligible to enter into a defined contribution plan through TIAA CREFF, a retirement fund administrator. The district will match up to 5% of the employee's contributions under the plan. Total contributions made by the District was \$23,060 in 2024.

**C. Implementation of Accounting Standard**

Effective January 1, 2024, the District implemented Governmental Accountings Standards Board Statements No. 101, *Compensated Absences* ("GASB 101"). The Standard requires entities to recognize a liability for all forms of compensated absences, including those that are not paid upon an employee's separation from service, such as sick leave. The standard requires entities to estimate the compensated absence liability based on historical data regarding the accumulation and forfeiture of leave balances rather than solely on termination payouts. No restatement to beginning net position was necessary, as the District's employee handbook in effect for 2023, did not distinguish a difference between paid time off and sick leave balances.



Required Supplemental Information

**Basalt Regional Library District**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual**  
**General Fund**  
**For the Year Ended December 31, 2024**  
**(With Comparative Actual Amounts for 2023)**

	<b>2024</b>		<b>Final Budget Variance Positive (Negative)</b>	<b>2023</b>
	<b>Original and Final Budget</b>	<b>Actual Amounts</b>		<b>Actual Amounts</b>
<b>Revenues:</b>				
Property taxes - General operating	1,882,635	1,952,347	69,712	1,207,801
Property taxes - Supplemental	-	-	-	346,020
Specific ownership taxes	100,000	114,062	14,062	120,861
Earnings on investments	80,000	93,791	13,791	100,753
Fines and fees	12,000	16,431	4,431	19,061
Grants and contributions	52,065	34,896	(17,169)	77,079
Other income	5,000	471	(4,529)	2,311
<b>Total Revenues</b>	<b>2,131,700</b>	<b>2,211,998</b>	<b>80,298</b>	<b>1,873,886</b>
<b>Expenditures:</b>				6,807
Personnel services:				
Salaries and wages	1,031,652	1,012,102	19,550	863,099
Payroll taxes	83,000	78,723	4,277	68,510
Payroll service	8,000	6,796	1,204	6,343
Retirement contributions	25,250	23,060	2,190	26,048
Wellness / health insurance	130,500	124,650	5,850	102,207
Disability and life insurance	4,250	-	4,250	-
Colorado FAMLI	9,250	9,003	247	7,222
Background checks	950	1,296	(346)	2,750
Subtotal - Personnel Services	1,292,852	1,255,630	37,222	1,076,179
Supplies	131,910	126,803	5,107	124,679
Operating expenses	251,304	159,371	91,933	116,272
Contracted services	159,204	141,378	17,826	144,846
Repairs and maintenance	24,897	39,312	(14,415)	33,382
Library programs	67,950	82,270	(14,320)	77,390
Treasurer's fee	71,914	69,360	2,554	58,136
Capital outlay	118,600	120,766	(2,166)	100,352
<b>Total Expenditures</b>	<b>2,118,631</b>	<b>1,994,890</b>	<b>123,741</b>	<b>1,731,236</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>13,069</b>	<b>217,108</b>	<b>204,039</b>	<b>142,650</b>
<b>Other Financing (Uses):</b>				
Transfers in (out)	(90,000)	(90,000)	-	(600,000)
<b>Change in Fund Balance</b>	<b>(76,931)</b>	<b>127,108</b>	<b>204,039</b>	<b>(457,350)</b>
<b>Fund Balance - Beginning of Year</b>	<b>1,467,445</b>	<b>1,370,820</b>	<b>(96,625)</b>	<b>1,828,170</b>
<b>Fund Balance - End of Year</b>	<b>1,390,514</b>	<b>1,497,928</b>	<b>107,414</b>	<b>1,370,820</b>



Supplemental Information

**Basalt Regional Library District**  
**Schedule of Revenues, Expenditure and Changes in Fund Balances - Budget to Actual**  
**Debt Service Fund**  
**For the Year Ended December 31, 2024**  
**(With Comparative Actual Amounts for 2023)**

	<u>2024</u>		<u>Final Budget Variance Positive (Negative)</u>	<u>2023</u>
	<u>Original and Final Budget</u>	<u>Actual Amounts</u>		<u>Actual Amounts</u>
<b>Revenues:</b>				
Property taxes - Debt service	929,573	933,580	4,007	917,086
Earnings on investments	16,000	23,786	7,786	32,845
<b>Total Revenues</b>	<u>945,573</u>	<u>957,366</u>	<u>11,793</u>	<u>949,931</u>
<b>Expenditures:</b>				
Treasurer's fee	35,626	39,425	(3,799)	36,704
Capital outlay	-	-	-	-
Debt service:				
Principal	800,000	800,000	-	780,000
Interest	59,844	60,094	(250)	77,394
<b>Total Expenditures</b>	<u>895,470</u>	<u>899,519</u>	<u>(4,049)</u>	<u>894,098</u>
<b>Change in Fund Balance</b>	50,103	57,847	7,744	55,833
<b>Fund Balance - Beginning of Year</b>	<u>903,086</u>	<u>890,910</u>	<u>(12,176)</u>	<u>835,077</u>
<b>Fund Balance - End of Year</b>	<u><u>953,189</u></u>	<u><u>948,757</u></u>	<u><u>(4,432)</u></u>	<u><u>890,910</u></u>

**Basalt Regional Library District**  
**Schedule of Revenues, Expenditure and Changes in Fund Balances - Budget to Actual**  
**Capital Reserve Fund**  
**For the Year Ended December 31, 2024**  
**(With Comparative Actual Amounts for 2023)**

	2024		Final Budget Variance Positive (Negative)	2023
	Original and Final Budget	Actual Amounts		Actual Amounts
<b>Revenues:</b>				
Earnings on investments	35,000	78,761	43,761	58,509
<b>Total Revenues</b>	<u>35,000</u>	<u>78,761</u>	<u>43,761</u>	<u>58,509</u>
<b>Expenditures:</b>				
Capital outlay	871,500	654,471	217,029	110,554
<b>Total Expenditures</b>	<u>871,500</u>	<u>654,471</u>	<u>217,029</u>	<u>110,554</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(836,500)	(575,710)	260,790	(52,045)
<b>Other Financing Sources (Uses):</b>				
Transfers in (out)	90,000	90,000	-	600,000
<b>Change in Fund Balance</b>	(746,500)	(485,710)	260,790	547,955
<b>Fund Balance - Beginning of Year</b>	<u>1,159,066</u>	<u>1,150,083</u>	<u>(8,983)</u>	<u>602,128</u>
<b>Fund Balance - End of Year</b>	<u><u>412,566</u></u>	<u><u>664,373</u></u>	<u><u>251,807</u></u>	<u><u>1,150,083</u></u>