

Douglas County



Budget

2008

Douglas County Libraries

Budget Message

Budget 2008

In 2007, our mill levy election failed by a couple of hundred votes. This means that in the basic measurement of library space per capita, our library district is losing ground against our population. The need for space is acute in Parker, demonstrable in Castle Pines North, and predictable in Lone Tree. The loss of the election did not obviate the problem the election was intended to solve. I believe we will have to go back to the voters, with a more targeted grassroots campaign. Moreover, I believe the narrowness of the 2007 votes means that we *can* win.

Meanwhile, however, the library is pursuing several key activities. Together, they are transformational.

- Job description and compensation adjustments. Beginning with our self-check installations, augmented by our materials handler installations, this recasting of library work flow now depends on a thoughtful redeployment of library staff. I believe that the newly restructured positions will enable us to provide a far more personal and powerful library experience for our patrons. We are far more productive and efficient at the end of 2007 than we were at the end of 2006.
- Community reference outreach. As our former circulation clerks move out into the stacks, this frees up our professional librarians to more aggressively serve the information needs of the community *outside* the library.
- Space redesign. Our emerging standards for library displays, service desk configuration, and technology now must be rolled through the rest of the district. This will help us keep up with demand; it does not, however, replace the need for additional space.
- IT infrastructure. We need bigger Internet pipelines, for a host of new content that is sure to be coming.
- Leadership journey. To close the loop on our primary asset – our staff – we have launched an ambitious program to identify and empower the next generation of library leadership.

There are several measurements of public library performance. Despite our election loss, we remain very strong – in the top ten nationally – in all of them. Our challenge going forward is to maintain those standards as our resources begin to tighten.

James LaRue
 Library Director
 December 13, 2007

<p>Mission Statement</p> <p><i>Douglas County Libraries provides resources for learning and leisure to build communities and improve lives in Douglas County.</i></p>	<p>Vision Statement</p> <p><i>Douglas County Libraries is a source of community pride and lifelong learning. Knowledgeable and friendly staff provides access to intellectual capital, showcase art and culture, and highlight local history through evolving collections and programs. Douglas County Libraries is a good steward of public funds.</i></p>
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<p>Key Directives</p> <p><i>We provide educated, professional, knowledgeable, friendly service.</i></p> <p><i>We are a dynamic center of community, and a center for local history information.</i></p> <p><i>The Library's technology connects our patrons to collections and community.</i></p> <p><i>Our communications lead people, business and government to the Library.</i></p> <p><i>We are an arts and cultural showcase.</i></p> <p><i>The Library supports life-long learning.</i></p> <p><i>We provide current and deep collections.</i></p> <p><i>We are good stewards of public funds.</i></p> <p><i>We are advocates of the Library.</i></p> <p><i>We answer the community reference question.</i></p>

Description of Services

The Library operates at seven sites plus bookmobile service:

- Highlands Ranch Library, 9292 Ridgeline Blvd., Highlands Ranch, CO
- Lone Tree Library, 8827 Lone Tree Parkway, Lone Tree, CO
- Louviers Library, 7885 Louviers Blvd., Louviers, CO
- Parker Library, 10851 S. Crossroads Dr., Parker, CO
- Philip S. Miller Library/Technical Support/Administration, 100 S. Wilcox St., Castle Rock, CO
- Roxborough Library, 8357 N. Rampart Range Road, Suite 200, Littleton, CO 80125
- Cherry Valley Satellite, 9244 S. State Highway 83, Franktown, CO
- Bookmobile serving Castle Pines North and other Douglas County communities

The Library serves a population of approximately 281,000 Douglas County residents. Services can be divided into the following broad categories:

Circulation

Circulation consists of the provision of books, periodicals, CD's, audiocassettes, videos and other library materials for lending use by the public. Circulation is approximately 6.6 million items annually.

Reference Services

Reference services consist of the provision of informational or research assistance, both through the purchase and/or housing of appropriate research materials (encyclopedias, indexes, online databases), and in the direct response to informational requests in person, by phone, by email or through correspondence.

Children's Services

Children's services consist of providing reference services to youth and parents. A major focus is making recommendations of age appropriate and suitable reading level materials for research and recreational use. A strong emphasis is placed on encouraging life-long reading habits.

Programming

Programming involves the sponsorship of such events as daily children's storytelling, workshops on a variety of informational topics and the provision of space for such things as the one-on-one tutoring of people in adult literacy projects.

Support and Technical Services

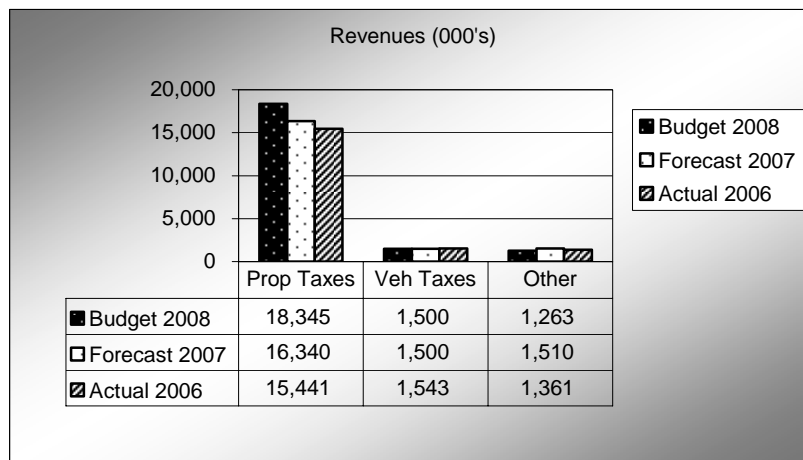
Support and technical services consist of all the background processes and procedures necessary to support the other functions of the Library, including information technology, collection development, training, and ordering, receiving and cataloging library materials.

Administration

Finally administration consists of the necessary management functions of the Library, including personnel, facilities, contracts administration, financial controls and reporting to appropriate governing agencies.

Key Features of the 2008 Budget

Revenues:



The Library's funding comes chiefly from real property and vehicle registration taxes with the remaining funding from interest, contributions, fines, photocopy fees and miscellaneous other income.

Assessed real property valuations for Douglas County will increase 12% to \$4.552 billion for 2008 from \$4.068 billion for 2007. Assessed valuations for 2006 were \$3.869 billion. The voter approved mill levy remains unchanged at 4 mills for 2006 through 2008. Taking into account the abatement levy, the total mill levy is 4.044 for 2008, 4.025 mills for 2007 and 4.020 mills for 2006.

Consistent with increased assessed real property valuations, the Library's real property related tax revenues will increase by 12% to \$18,345,000 for 2008 from \$16,340,000 forecasted for 2007. Property tax revenues were \$15,441,000 during 2006.

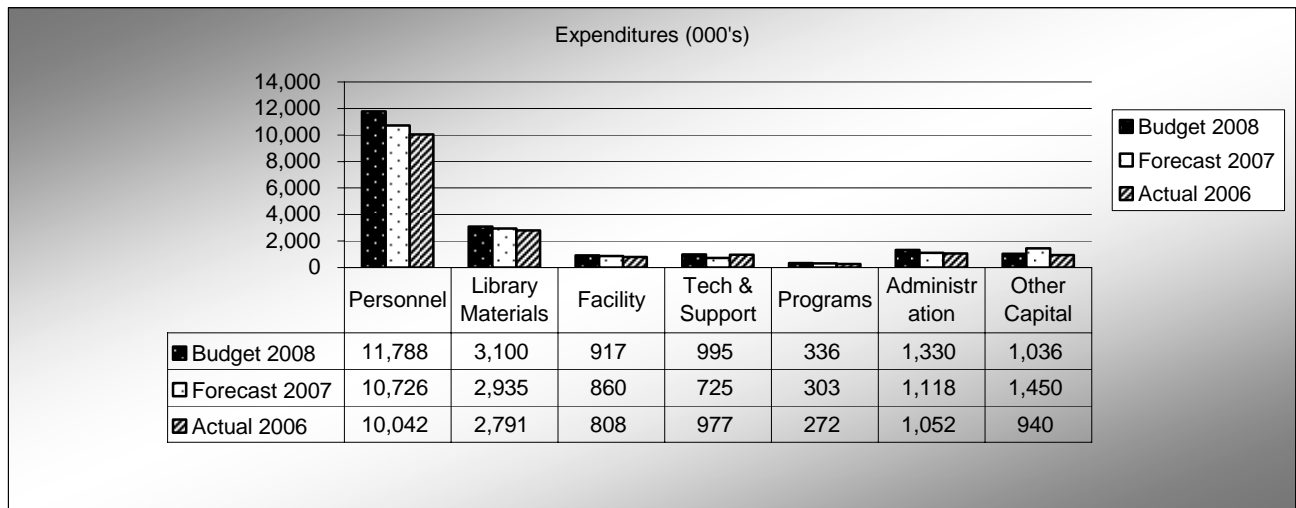
Vehicle registration taxes for 2008 are expected to remain at 2007 levels of \$1,500,000. Actual vehicle registration taxes were \$1,543,000 in 2006.

All other income is budgeted at \$1,264,000 for 2008 compared to \$1,510,000 estimated for 2007 and \$1,361,000 actual in 2006. Other income in 2008 is decreasing from 2007 primarily due to a one-time sale of vacant land in 2007.

Total Expenditures

Total expenditures are budgeted for \$34,472,000 for 2008. Excluding contingencies of \$14,970,000, operating expenditures are budgeted for \$19,502,000 for 2008 compared to \$18,117,000 forecasted operating expenditures for 2007. Operating expenditures were \$16,882,000 during 2006.

As a percentage of total revenues, operating expenditures are 92% for 2008, 94% forecasted for 2007 and 92% for 2006. The capacity to set aside additional reserves for major new building projects is limited going forward, without generation of new revenues.



Personnel

Personnel costs, at 60% of total expenditures, represent the most significant aspect of the budget. Salaries and benefits are increasing by 10% to \$11,788,000 during 2008

compared to \$10,726,000 forecasted for 2007. Actual personnel costs were \$10,042,000 during 2006.

The 2008 personnel budget reflects a significant stabilization of the workforce due to the Library's successful efforts in automation, specialization and redeployment, without forfeiting the Library's commitment to patron service and to providing opportunities for growth to its employees. These efforts have allowed the Library to increase its circulation of library materials over the last three years by 42%, with only a 5% increase in number of staff.

The increase in 2008 reflects annual merit increases and market adjustments, some increase in staff, as well as increased benefit costs associated with rising health care costs, an increased contributory rate to the retirement plan and increased workers' compensation insurance costs.

Library Materials

Library materials, including books, periodicals, CD's, audiocassettes, videos, electronic databases, subscriptions, etc. are budgeted for \$3,100,000 for 2008 compared to projected costs of \$2,935,000 for 2007. During 2006 \$2,791,000 was spent on materials. The materials budget for 2008 is 16% of total expenditures and represents a significant commitment by the Library to continually provide updated and relevant materials and resources to Douglas County residents.

Facilities

The Library owns or leases 126,000 square feet of library space. Facility costs are budgeted for \$917,000 for 2008 compared to expected costs of \$860,000 for 2007 and actual costs of \$808,000 for 2006. Changes in these costs are affected by non-reoccurring maintenance projects, scheduled rent increases on leased properties, and fluctuations in utility and other costs.

Technology and Support Services

The technological infrastructure costs of the Library consist of licensing and maintenance agreements for computer software and hardware, subscription services for technological support in processing and cataloging books, telephone and telecommunications costs, and various other computer and technical support costs of the Library.

The budget for 2008 technology and support services is \$995,000 for 2008 compared to \$725,000 expected for 2007 and \$977,000 actual for 2006. The Library continues to focus on its technological infrastructure. During 2008, the Library is committing increased resources to enhanced telecommunication services, as well as to other ongoing maintenance and support requirements.

Programs and Outreach

Included in program and outreach costs are all the costs associated with program presentations, workshops, reading programs, etc. sponsored by the Library. These include presenter fees, prizes and logs for reading programs, community sponsorships, and all the underlying printing, graphics design, public relations and advertising costs associated with providing programs and promoting the Library's services.

The 2008 budget is \$336,000 compared to \$304,000 forecasted for 2007 and \$272,000 actual for 2006.

Administration

Total administration expenses are budgeted for \$1,330,000 for 2008, a 19% increase over 2007 projected expenses of \$1,118,000. Administration expenses were \$1,052,000 in 2006. Administration expenses are increasing during 2008 due to increased county treasurer fees due to increased tax collections, increased courier costs to meet volume needs, additional conference and travel costs associated with the biennial Public Library Association conference, as well as increases in various other administrative costs.

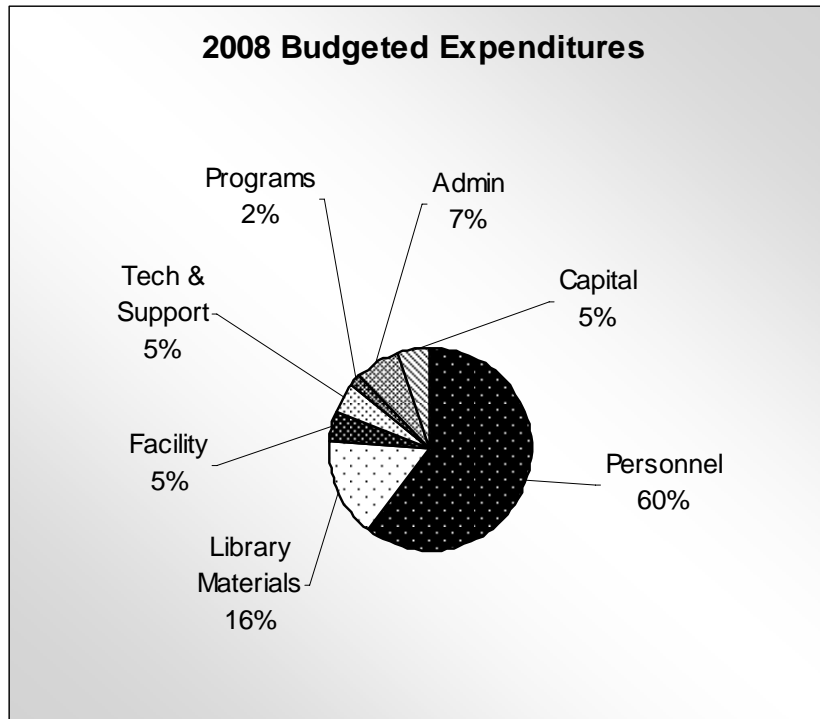
Capital Expenditures

Capital expenditures are budgeted for \$1,036,000 for 2008 compared to \$1,450,000 forecasted for 2007 and \$940,000 actual in 2006.

Major capital expenditures during 2008 include the final phase of the installation of automated sorters to handle returned library materials at the branch libraries, renovations to existing libraries to accommodate service model changes, and investments in the Library's technical and communication infrastructure. The capital expenditures during 2007 include the majority of the project costs associated with the installation of automated sorters during the year.

Budget Breakout

The Library's goal is to maintain personnel and library materials budgets at board mandated levels: no more than 60% for personnel costs and no less than 16% for library materials. This budget successfully meets those goals.



Basis of Accounting

The modified accrual basis of accounting is followed. Revenue is 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. The major sources of revenue which are susceptible to accrual are property taxes. Expenditures are recorded when the liability is incurred.

Douglas County Libraries

Budget Summary

Actual 2006, Budget / Forecast 2007 and Budget 2008

	Actual 2006	% Rev	% Exp	Budget 2007	% Rev	% Exp	Forecast 2007	% Rev	% Exp	Budget 2008	% Rev	% Exp	08 Budget Increase From 07 Budget	%	08 Budget Increase From 07 Forecast	%
REVENUES																
Property taxes	15,440,965	84%		16,340,086	87%		16,340,086	84%		18,344,909	87%		2,004,823	12%	2,004,823	12%
Vehicle registration taxes	1,542,834	8%		1,500,000	8%		1,500,000	8%		1,500,000	7%		0	0%	0	0%
Other	1,361,089	7%		1,014,050	5%		1,510,000	8%		1,263,550	6%		249,500	25%	(246,450)	-16%
Total revenues	18,344,888	100%		18,854,136	100%		19,350,086	100%		21,108,459	100%		2,254,323	12%	1,758,373	9%
EXPENDITURES																
Salaries and benefits	10,042,081	55%	60%	11,028,598	59%	58%	10,726,037	55%	59%	11,787,709	56%	60%	759,111	7%	1,061,672	10%
Library materials	2,790,785	15%	17%	2,935,000	16%	15%	2,935,000	15%	16%	3,100,000	15%	16%	165,000	6%	165,000	6%
Facilities	808,541	4%	5%	931,550	5%	5%	860,000	4%	5%	917,400	4%	5%	(14,150)	-2%	57,400	7%
Technology and support services	976,856	5%	6%	962,150	5%	5%	725,000	4%	4%	995,001	5%	5%	32,851	3%	270,001	37%
Programs and outreach	271,995	2%	2%	351,776	2%	2%	303,499	2%	2%	335,520	2%	2%	(16,256)	-5%	32,021	11%
Administration	1,052,421	6%	6%	1,117,674	6%	6%	1,117,674	6%	6%	1,330,365	6%	7%	212,691	19%	212,691	19%
Capital expenditures	939,548	5%	6%	1,757,771	9%	9%	1,450,000	8%	8%	1,035,635	5%	5%	(722,136)	-41%	(414,365)	-29%
Contingencies				11,290,299	Excl	Excl				14,970,279	Excl	Excl	3,679,980	33%		
Total expenditures	16,882,227	92%	100%	30,374,818	101%	100%	18,117,210	94%	100%	34,471,909	92%	177%	4,097,091	13%	1,384,420	8%
NET REVENUE*	1,462,661			(11,520,682)			1,232,876			(13,363,450)			(1,842,768)	-16%	373,953	30%
BEGINNING FUND BALANCE	11,296,007			12,081,056			12,758,668			13,991,544			1,910,488	16%	1,232,876	10%
ENDING FUND BALANCE	12,758,668			560,374			13,991,544			628,094			67,720	12%	1,606,829	11%
*NET REVENUE EXCLUDING CONTINGENCIES	1,462,661			(230,383)			1,232,876			1,606,829			1,837,212	-797%	373,953	30.3%

Douglas County Libraries
Detailed Income Statement

	Actual 2006	Budget 2007	Forecast 2007	Budget 2008
REVENUES				
Property taxes:				
4000 Real property taxes	14,125,961	16,191,955	16,191,955	18,252,672
4001 Personal property taxes	1,195,309			
4002 New growth taxes	175,156	182,631	182,631	154,237
4004 Delinq real property taxes	(34,058)	2,500	2,500	
4005 Delinq personal prop taxes	9,886	10,000	10,000	10,000
4006 Delinquent new growth taxes	227			
4007 Rental taxes	3,729	3,000	3,000	3,000
4008 Abate taxes	(35,245)	(50,000)	(50,000)	(75,000)
4100 Specific ownership taxes	1,542,834	1,500,000	1,500,000	1,500,000
Total property taxes	16,983,799	17,840,086	17,840,086	19,844,909
Contributions and grants:				
4201 Grants	1,500		2,311	
4205 PSM endowment	210,000	175,000	175,000	172,000
Total contributions and grants	211,500	175,000	177,311	172,000
Fines:				
4300 Book fines	161,467	154,050	240,000	206,100
4301 Lost and paid materials	35,395	27,450	55,500	44,300
Total fines	196,862	181,500	295,500	250,400
Interest:				
4500 Interest in investments	715,551	600,000	831,364	800,000
4510 Interest delinquent property t	15,663	5,000	1,100	
4511 Interest abated taxes	(2,877)	(4,000)		(10,000)
Total interest	728,337	601,000	832,464	790,000
Miscellaneous:				
4400 Photocopy fees	25,391	24,900	28,000	26,650
4401 Duplication fees	408	500	1,300	1,000
4402 Workshop fees			450	500
4405 Vending machine	7,573	7,100	5,400	500
4410 Gift shop sales	3,569	3,800	3,900	3,050
4411 Staff book sales	13,227	12,000	12,000	10,000
4450 Miscellaneous	10,724	8,250	23,000	9,450
Total miscellaneous	60,892	56,550	74,050	51,150
Asset sales:				
4600 Asset sales	163,500		130,675	

Douglas County Libraries
Detailed Income Statement

	Actual 2006	Budget 2007	Forecast 2007	Budget 2008
Total asset sales	163,500	0	130,675	0
Total Revenues	18,344,890	18,854,136	19,350,086	21,108,459
EXPENDITURES				
Salaries and benefits:				
5000 Department salaries	2,927,852	3,409,378	3,296,541	3,666,785
5002 Department overtime	3,419			
5010 Circulation salaries	3,032,168	3,342,047	3,119,382	3,411,708
5012 Circulation overtime	1,051			
5020 Reference salaries	1,388,083	1,498,505	1,523,861	1,496,206
5030 Youth salaries	1,096,552	1,080,668	1,055,503	1,216,810
5032 Youth overtime	182			
Subtotal salaries	8,449,307	9,330,598	8,995,287	9,791,509
5100 Unemployment insurance		5,000	1,000	5,000
5102 Worker's compensation	63,165	75,000	115,000	120,000
5103 Health insurance	536,145	515,000	525,000	580,000
5105 Life insurance	2,806	3,500	3,500	4,000
5106 Medicare	117,246	126,000	122,000	137,500
5107 PERA retirement	848,658	951,000	920,000	1,125,000
5108 L/T disability insurance	16,966	20,000	21,500	21,000
5109 Employee assist program	640	1,000	750	1,000
5110 Flex plan	134			
5120 Contract labor	7,014	1,500	22,000	2,700
Total salaries and benefits	10,042,081	11,028,598	10,726,037	11,787,709
Library materials:				
6001 Books non reference	1,406,684	1,416,000	1,394,500	1,375,000
6002 Books reference	134,710	163,000	100,000	147,500
6010 Audio materials	417,698	478,000	478,000	500,000
6011 Video materials	385,216	429,000	445,000	500,000
6012 Electronic materials	174,216	110,000	172,000	190,000
6013 Replacement materials print	56			
6014 Replacement materials audic	19			
6015 Adult literacy materials	3,851	4,000		5,500
6018 Shipping	10,632		10,500	12,000
6020 Paper subscriptions	76,074	80,000	80,000	85,000
6030 Online/elect subscriptions	190,029	255,000	265,000	260,000
6031 Virtual services content				25,000
6040 Bookbinding	162			
4430 Discounts taken	(8,562)		(10,000)	
Total library materials	2,790,785	2,935,000	2,935,000	3,100,000

Douglas County Libraries
Detailed Income Statement

	Actual 2006	Budget 2007	Forecast 2007	Budget 2008
Facilities:				
7000 Electricity	181,360	201,200	180,000	205,200
7001 Gas	25,286	33,900	22,000	33,250
7002 Water and sewer	26,559	27,000	30,000	26,000
7003 Trash removal	6,346	8,400	8,400	10,400
7100 Rent facility	132,893	151,050	158,000	156,950
7101 Machinery leases	2,027	1,200	2,200	2,950
7200 Building maint contracts	216,818	238,700	218,000	229,800
7201 Building repairs and maint	70,676	123,950	93,650	98,100
7202 Janitorial supplies	23,478	24,000	32,000	27,500
7203 General maint supplies	48,409	37,750	37,750	37,850
7204 Vehicle gas and maint	5,049	9,400	5,000	9,400
7300 General liability insurance	69,639	75,000	73,000	80,000
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Total facilities	808,540	931,550	860,000	917,400
Technology and support services:				
8000 Telephones	71,251	108,700	108,700	166,052
8001 Telecommunications	29,977			
8100 Computer maint contracts	72,981	117,450	117,450	133,409
8101 Computer maint and repair	13,539	11,000	11,000	12,000
8102 Computer programming	6,375	2,500	2,500	2,500
8103 Computer supplies	62,007	37,400	37,400	36,690
8104 Computer software	27,814	87,600	24,500	101,531
8105 Computer consultants	9,075	61,500	20,000	38,000
8106 Email	14,100	14,500	14,500	17,500
8200 Subscription services	63,922	89,950	89,950	102,319
8201 Tech services supplies	448,548	185,000	135,000	185,000
8202 Processing services	(723)	246,550	1,000	200,000
8203 Processing DVD/video	46,743		55,000	
8204 Processing laminate	8,079			
8205 Processing mylar	4,231		1,000	
8206 Processing spine labels	3,830			
8207 Processing music CD's	11,367		20,000	
8208 Processing bundled services	81,894		80,000	
8209 Processing recorded books	1,848		7,000	
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Total technology and support	976,858	962,150	725,000	995,001
Programs and outreach:				
8500 Programs Provider Fees	41,860	60,975	50,000	69,020
8501 Sponsorships	11,352	31,100	31,100	31,500
8502 Advertising and promotions	19,319	22,450	25,000	28,450
8503 Programming prizes/supplies	97,233	129,802	105,000	120,120
8504 Program/outreach printing	83,735	78,050	60,000	61,880
8505 Graphics design	398	5,000	8,000	
8506 Public relations	10,019	11,525	11,525	6,200
8530 Volunteer supplies	8,034	12,774	12,774	14,350

Douglas County Libraries
Detailed Income Statement

	Actual 2006	Budget 2007	Forecast 2007	Budget 2008
8531 Adult literacy supplies	46	100	100	4,000
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Total programs and outreach	271,996	351,776	303,499	335,520
Administration:				
8532 Local history supplies	5,514	8,000	8,000	6,000
8533 Duplication LH	2,273	5,000	2,500	4,000
8534 Duplication LH patrons	(57)	500		500
9000 Office equipment leases	3,300		300	
9001 Office equip maint contracts	13,049	14,950	14,950	15,650
9002 Office equip repairs and mair	932	1,150	150	300
9050 Postage	34,435	57,130	57,500	48,250
9051 Mailing services	2,143	5,750	5,000	4,800
9052 Courier services	79,951	84,500	84,500	104,500
9053 ILL fees	171	500		
9100 Auto allowance	33,977	26,750	29,000	26,375
9101 Airline fares/hired vehicles	11,501	8,375	14,500	14,300
9102 Meals Travel	20,233	5,283	3,200	13,058
9103 Lodging	20,986	14,605	12,000	32,216
9104 Training seminars	52,221	93,710	70,000	95,672
9105 Employee relations / staff day	13,457	17,465	17,465	19,380
9106 Employee recruitment	11,460	11,075	30,000	9,000
9107 Employee relocation		500		500
9108 Professional memberships	20,874	25,740	31,000	33,100
9109 Educational assistance	19,960	30,000	15,000	24,000
9110 Training supplies	3,724	5,400	5,400	5,150
9111 Professional subscriptions	6,801	10,550	7,000	11,200
9113 Meals Non Travel	73	21,025	24,000	26,665
9150 Public officials insurance	15,458	15,000	15,000	15,000
9152 Trustee bond	573	300	300	300
9200 Collection agency fees	17,814	12,800	11,500	12,000
9201 Audit fees	11,800	15,000	15,000	15,000
9202 Legal	9,015	9,000	18,000	20,000
9203 County treasurer's fees	249,091	265,000	260,000	296,000
9204 Benefit plan administration fe	3,614	4,000	4,200	4,000
9205 Payroll processing fees	20,416	25,000	23,000	45,000
9206 Other contracted services	31,318	61,600	113,209	164,200
9250 Bank and credit card fees	1,256	1,000	7,500	7,000
9251 Finance charges	2			
9252 Filing fees	40		1,000	
9300 Printed office supplies	21,957	36,750	30,000	17,750
9301 Small items of equipment	24,253	48,652	30,000	25,875
9302 Small items of furniture	155,184	55,414	41,000	82,974
9303 Office supplies	125,203	106,850	108,000	128,950
9304 Gift shop supplies	(36)	4,250	2,000	1,200
9305 Employee book purchases	13,313	12,000	12,000	10,000
9306 Vending machine supplies	4,972	6,100	3,500	500
9400 DCLF reimbursement	(9,800)	(9,000)	(9,000)	(10,000)

Douglas County Libraries
Detailed Income Statement

	Actual 2006	Budget 2007	Forecast 2007	Budget 2008
Total administration	1,052,421	1,117,674	1,117,674	1,330,365
Capital expenditures:				
9900 Buildings	9,994			142,000
9901 Leasehold improvements		140,000	37,000	
9902 Shelving	137,042	61,846	35,000	17,000
9903 Furniture and fixtures	76,069	31,275	20,000	23,550
9904 Office equipment	18,272	12,450	12,450	13,000
9905 Computer equipment	406,881	1,407,200	1,265,550	804,585
9906 Other machinery and equip	37,996	105,000	80,000	35,500
9908 Construction in progress	253,294			
Total capital expenditures	939,548	1,757,771	1,450,000	1,035,635
Contingencies		11,290,299		14,970,279
Total expenditures	16,882,229	30,374,818	18,117,210	34,471,909
NET REVENUE	1,462,661	(11,520,682)	1,232,876	(13,363,450)
BEGINNING FUND BALANCE	11,296,008	12,081,056	12,758,668	13,991,544
ENDING FUND BALANCE	12,758,669	560,374	13,991,544	628,094