

Here's what's in this deck - do with it as you see fit.

Slide 1: This is the best guess ballpark annual budget for the library district, in 2020 dollars, as of yesterday. The district budget is a moving target. The budget changes year to year based on capital; expenses and expenditure inflation. David has updated the GK Baum model to reflect higher capital costs for both backlog and future capital needs that are more in line with current estimates. He's also using an inflation rate for future years of ~3%, which is higher than GKB for construction and personnel costs and more in line with lived reality.

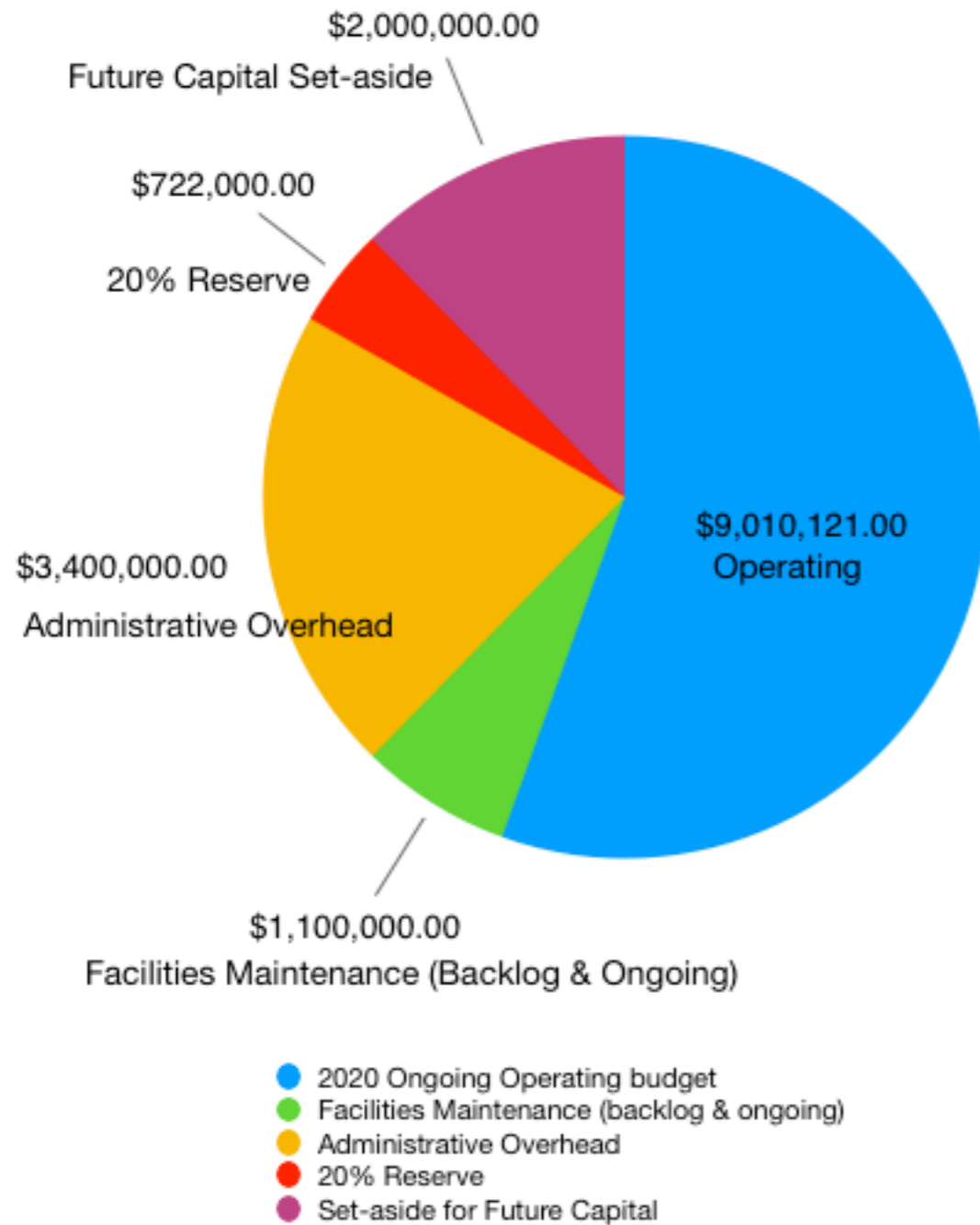
Slide 2: A comparison of property tax increases for 3 mill levies: 3.85, which DF thinks is the "real" number; 4 mills, which would be needed if the district buys facilities from the city; and 4.56 mills, GKB's mill levy if only city residents fund the library. I couldn't figure out a good way to show this data visually.

Slide 3: If the district is funded at 3.85 mills, city residents/businesses will see a lower property rate increase than residents in the unincorporated county. This chart/table shows how much the increase is reduced if Council eliminates the .333 mills and if Council goes further to lower property taxes by 1 mill.

Slides 4 & 5 show how much General Fund revenue is saved with .333 mills eliminated and at a reduction of 1 mill; compares that number to fully funding the fire-rescue master plan; and shows how much revenue is still available for other needs.

Thanks - off to walk the rampagers.

~ \$16.3M/year in revenue is needed to fully fund our library (2020 \$, without inflation)



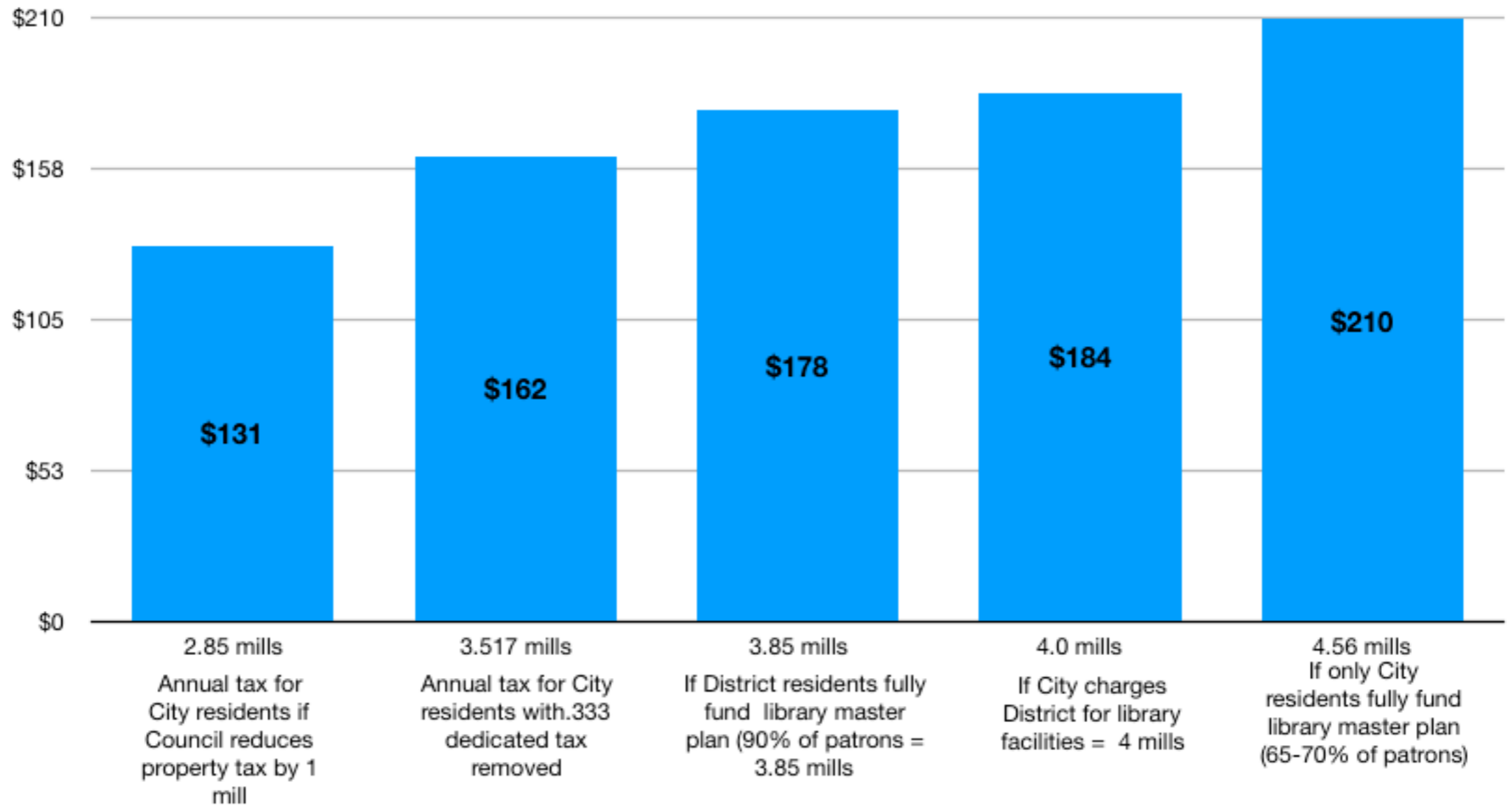
**Annual Budget Needs to Fully Fund the Library, based on 2020 Budget (ballpark estimate, without inflation)**

|   |                      |
|---|----------------------|
| 2020 Ongoing Operating budget                               | \$ 9,010,121         |
| Facilities Maintenance (backlog & ongoing)                  | \$ 1,100,000         |
| Administrative Overhead                                     | \$ 3,400,000         |
| 20% Reserve   | \$ 722,000           |
| Set-aside for Future Capital                                | \$ 2,000,000         |
| <b>Total</b>  | <b>\$ 16,232,121</b> |
| * (Gunbarrel, NoBo, Carnegie, Canyon Theater, GRB, Meadows) |                      |

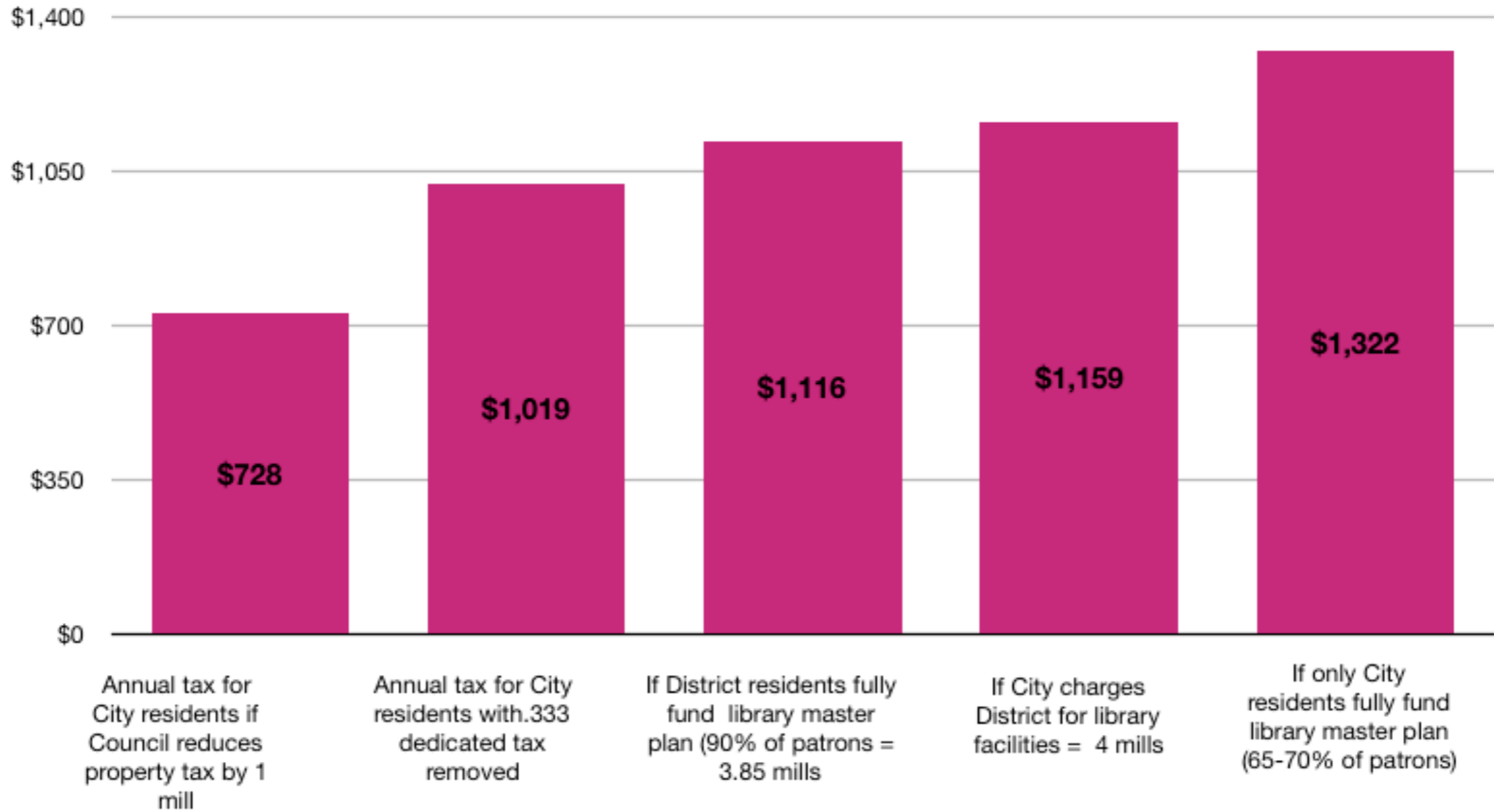
### Library District Mill Levy Comparisons

|  | If District residents fully fund library master plan (90% of patrons) | If City charges District for library facilities (Petition: up to 4 mills) | If only City residents fully fund library master plan (65-70% of patrons) |
|--|---|---|---|
|  | <b>3.85 mill</b>  | <b>4.0 mill</b>   | <b>4.56 mill</b>  |
| Annual tax on \$648,000 home (median home w/in the district boundaries)                                    | \$ 178  | \$ 184  | \$ 210  |
| <i>(Reduction in property tax from .333 mills)</i>   | \$ (15)   | \$ (15)   | \$ (15)   |
| Annual tax increase on \$648,00 home within COB boundaries, minus .333 mills                               | \$ 163  | \$ 169  | \$ 195  |
| <i>(Reduction in property tax from additional reduction of .667 to bring total reduction to 1.0 mills)</i> | \$ (46)   | \$ (46)   | \$ (46)   |
| Annual tax increase on \$648,00 home within COB boundaries, minus 1 mill                                   | \$ 132  | \$ 123  | \$ 149  |
| Formula for residential properties: 100,000 X .0715 X [.001]   |   |   |   |
| Tax on \$1M business property  | \$ 1,116  | \$ 1,159  | \$ 1,322  |
| <i>(Reduction in property tax from .333 mills)</i>   | \$ (97)   | \$ (97)   | \$ (97)   |
| Annual tax increase on \$1M business property within COB boundaries, minus .333 mills                      | \$ 1,019  | \$ 1,062  | \$ 1,225  |
| <i>(Reduction in property tax from additional reduction of .667 to bring total reduction to 1.0 mills)</i> | \$ (291)  | \$ (291)  | \$ (291)  |
| Annual tax increase on \$1M business property within COB boundaries, minus 1.0 mills                       | \$ 728  | \$ 771  | \$ 934  |
| Formula for commercial properties: 100,000 X .29 X [.001]  |   |   |   |

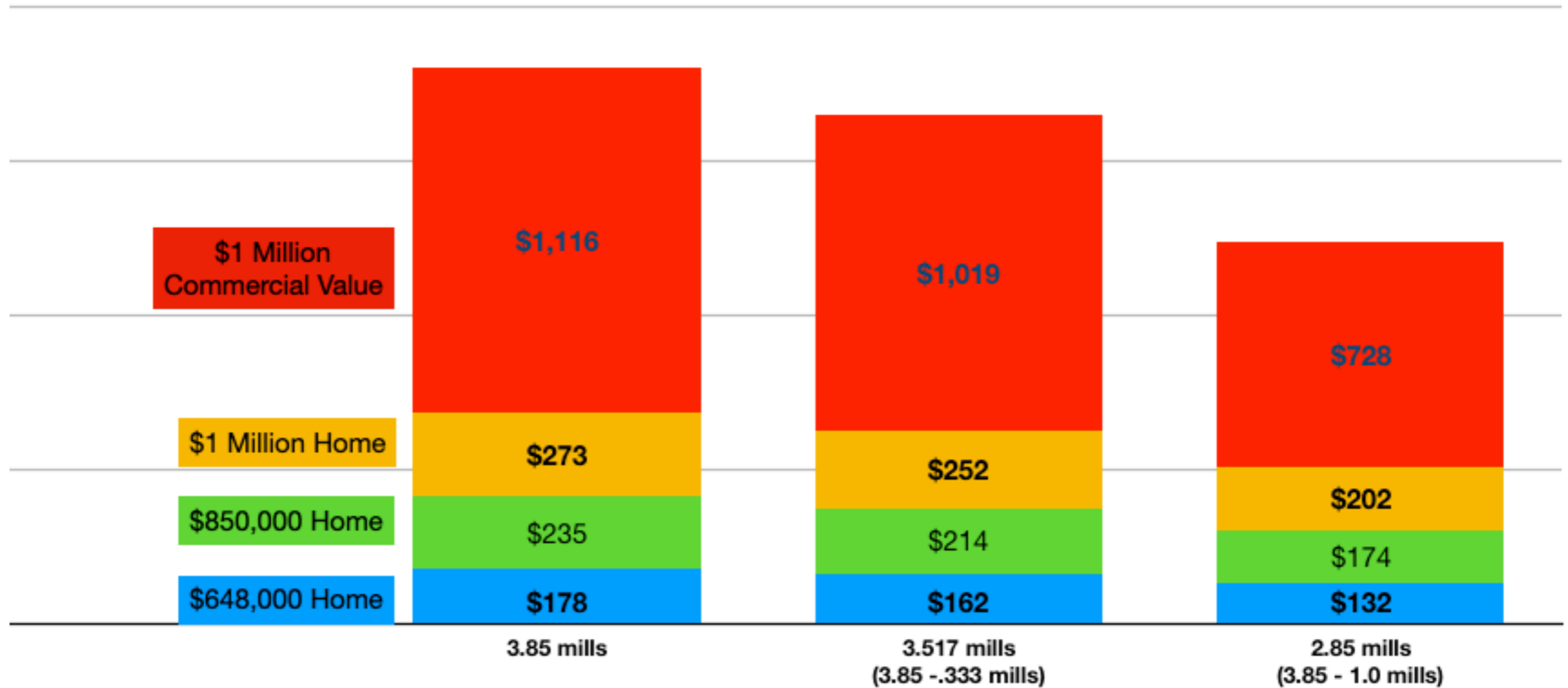
**Annual tax on \$648,000 home at 3 mill levy rates  
(median home value w/in the district boundaries)**



### Annual tax on \$1,000,000 commercial value at 3 mill levy rates



## Annual Property Tax Increase with Property Tax Reductions



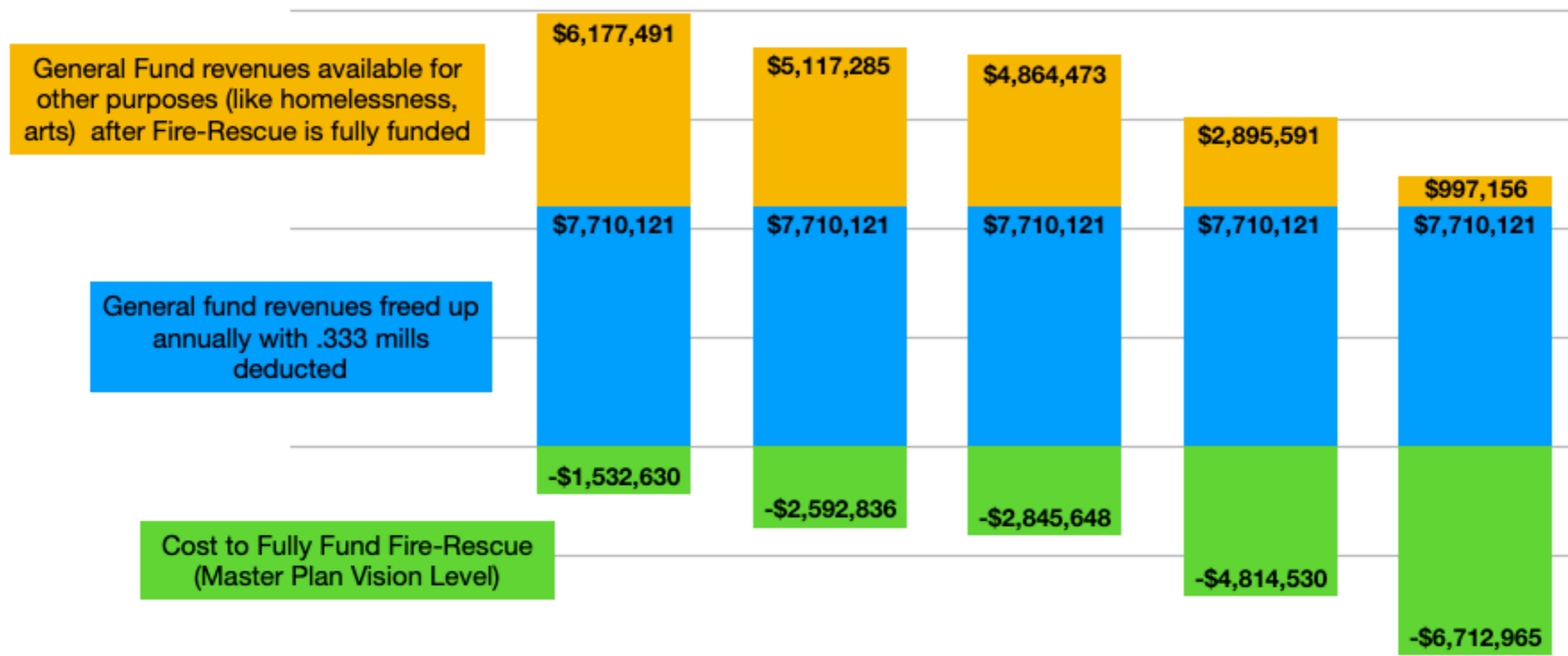
**Annual Property Tax Increase  
with Property Tax Reductions**

|                           | 3.85 mills | 3.517 mills (3.85 - .333 mills) | 2.85 mills (3.85 - 1.0 mills) |
|---------------------------|------------|---------------------------------|-------------------------------|
| \$648,000 Home            | \$ 178     | \$ 162                          | \$ 132                        |
| \$850,000 Home            | \$ 235     | \$ 214                          | \$ 174                        |
| \$1,000,000 Home          | \$ 273     | \$ 252                          | \$ 202                        |
| \$1,000, Commercial Value | \$ 1,116   | \$ 1,019                        | \$ 728                        |

# How does forming a library district help our community meet our funding needs?

| Scenario 1: General Fund revenues available with property taxes reduced by .333 mills (\$1.3M) |                     |                     |                     |                     |                     |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
|  | 2021                | 2022                | 2023                | 2024                | 2025                |
| General Fund revenues freed up by annually with .333 mills deducted                            | \$7,710,121         | \$7,710,121         | \$7,710,121         | \$7,710,121         | \$7,710,121         |
| <i>Fire-Rescue Master Plan, Vision Level, Total Dollar Cost</i>                                | <i>-\$1,532,630</i> | <i>-\$2,592,836</i> | <i>-\$2,845,648</i> | <i>-\$4,814,530</i> | <i>-\$6,712,965</i> |
| General Fund revenues available for other purposes after Fire-Rescue is addressed              | \$6,177,491         | \$5,117,285         | \$4,864,473         | \$2,895,591         | \$997,156           |

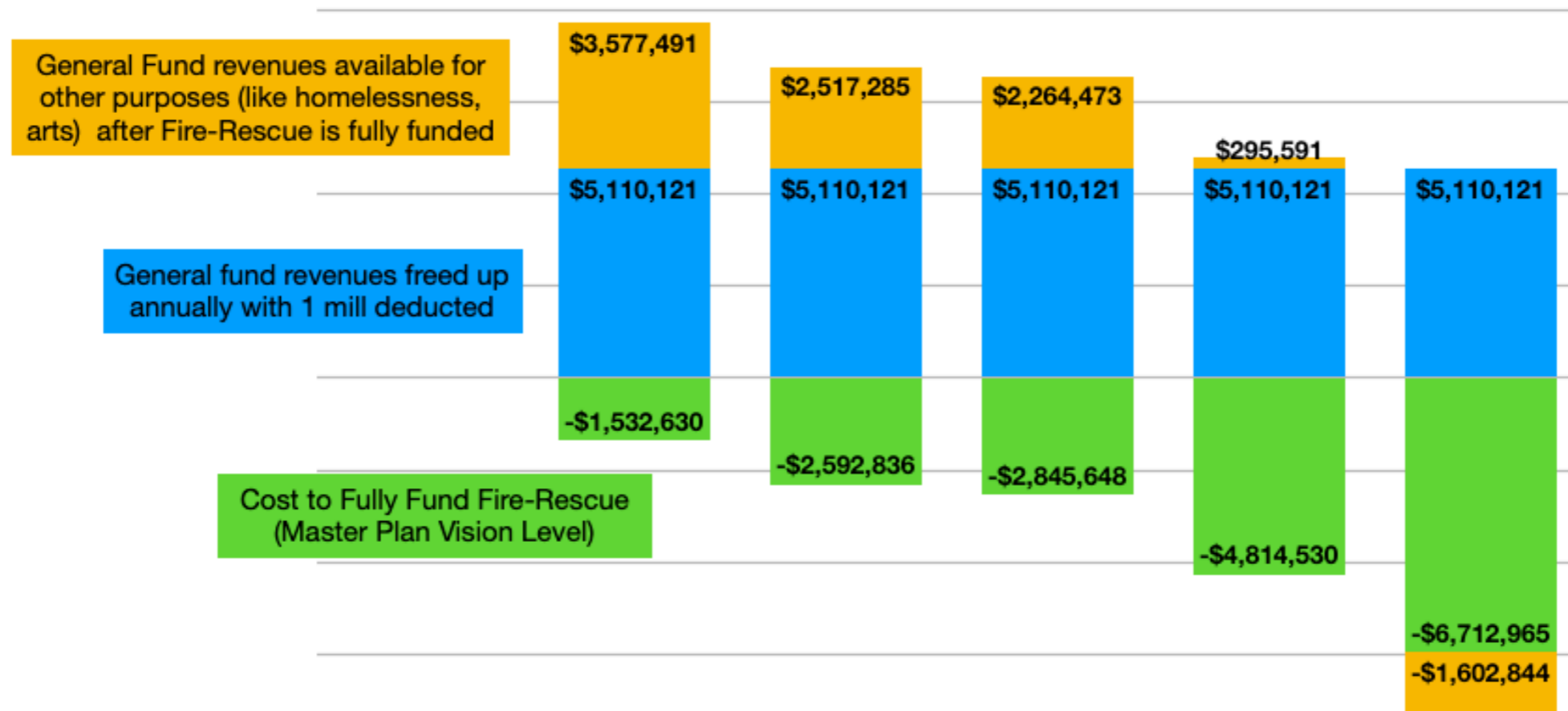
**Scenario 1: General Fund revenues available with property taxes reduced by .333 mills (\$1.3M)**



# How does forming a library district help our community meet our funding needs?

| Scenario 2: : General Fund revenues available with Property taxes reduced by 1 mill (\$3.9M) |              |              |              |              |              |
|--|--------------|--------------|--------------|--------------|--------------|
|  | 2021         | 2022         | 2023         | 2024         | 2025         |
| General fund revenues freed up annually with 1 mill deducted                                 | \$5,110,121  | \$5,110,121  | \$5,110,121  | \$5,110,121  | \$5,110,121  |
| <i>Fire-Rescue Master Plan, Vision Level, Total Dollar Cost</i>                              | -\$1,532,630 | -\$2,592,836 | -\$2,845,648 | -\$4,814,530 | -\$6,712,965 |
| General Fund revenues available for other purposes after Fire-Rescue is addressed            | \$3,577,491  | \$2,517,285  | \$2,264,473  | \$295,591    | -\$1,602,844 |

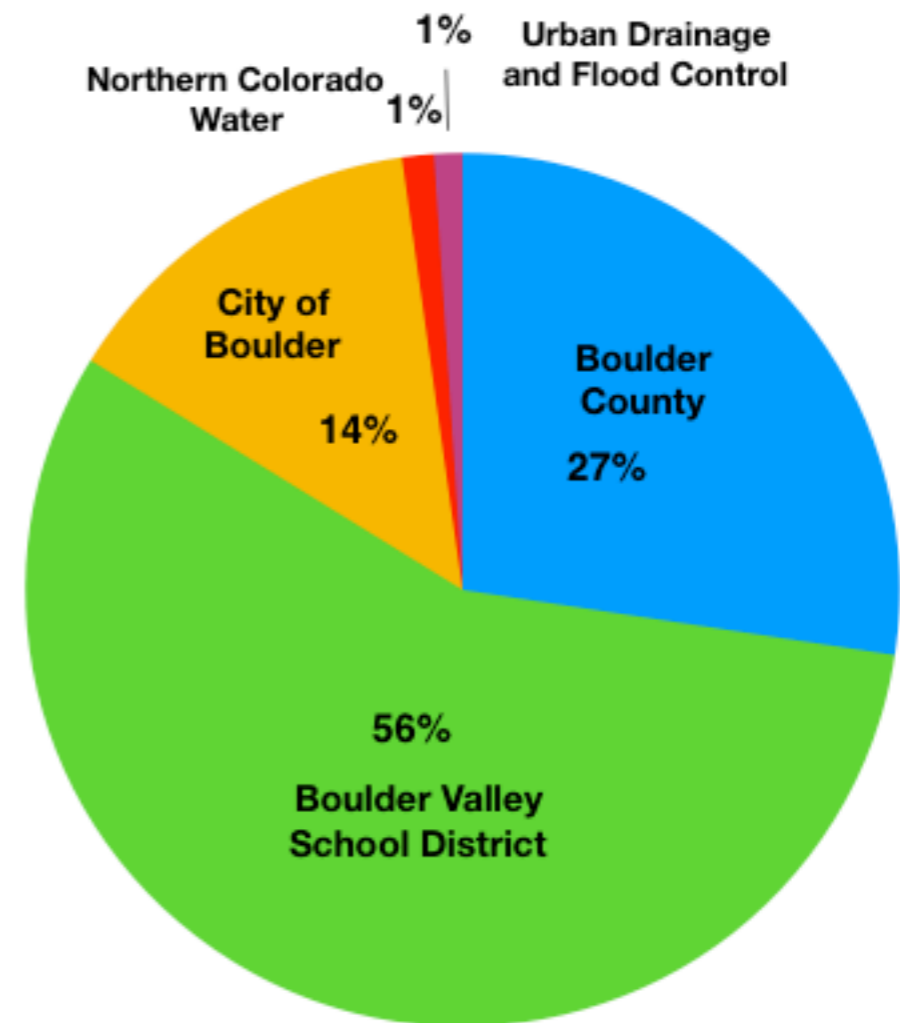
Scenario 2: : General Fund revenues available with Property taxes reduced by 1 mill (\$3.9M)





Mill Levy Breakdown - City of Boulder Property

|                                      | Mills      | Percent |
|--------------------------------------|------------|---------|
| Boulder County Total                 | 23.4730000 | 27.3%   |
| Boulder Valley School District Total | 48.3590000 | 56.4%   |
| City of Boulder Total                | 11.9810000 | 13.9%   |
| Northern Colorado Water              | 1.0000000  | 1%      |
| Urban Drainage and Flood Control     | 0.9000000  | 1%      |



Mill Levy Breakdown - City of Boulder Property

**2000 - 2018 Comparison data for Boulder Public Library [BPL] and 3 Colorado libraries of similar size. Each of the 3 comparison libraries is a district library. Rangeview/Adams County became a district in 2005. Prior to 2005 it was the lowest funded library in the state. Fort Collins became a district in 2008.**

| Library                                   | 1. Operating Revenue    |              |              |              | 2. Staffing Information |        |        |        | 3. General Information     |         |         |         | 4. Input Measure          |      |      |      | 5. Output Measures                      |      |      |         |
|---|-------------------------|--------------|--------------|--------------|-------------------------|--------|--------|--------|----------------------------|---------|---------|---------|---------------------------|------|------|------|---|------|------|---------|
|   | Total operating revenue |              |              |              | Total Staff [FTE]       |        |        |        | Total Registered Borrowers |         |         |         | Staff per 10K circulation |      |      |      | Registration as a percent of population |      |      |         |
|   | 2018                    | 2012         | 2008         | 2000         | 2018                    | 2012   | 2008   | 2000   | 2018                       | 2012    | 2008    | 2000    | 2018                      | 2012 | 2008 | 2000 | 2018                                    | 2012 | 2008 | 2000    |
| Boulder Public Library                    | \$7,977,622             | \$7,319,968  | \$6,775,364  | \$5,259,163  | 80.25                   | 74.39  | 80.2   | 90.89  | 126,168                    | 124,736 | 83,747  | No Data | 0.52                      | 0.51 | 0.63 | 0.76 | 118%                                    | 125% | 84%  | No Data |
| Poudre River Public Library District      | \$10,900,034            | \$8,534,815  | \$8,398,891  | \$4,018,675  | 105.05                  | 91.75  | 74.5   | 64.5   | 162,201                    | 138,076 | 115,293 | 88,151  | 0.36                      | 0.29 | 0.32 | 0.41 | 81%                                     | 77%  | 66%  | 74%     |
| Pueblo City-County Library District       | \$10,614,192            | \$8,930,455  | \$7,346,695  | \$5,659,252  | 103.68                  | 93.3   | 85.05  | 76     | 95,036                     | 115,381 | 92,492  | 74,112  | 0.44                      | 0.52 | 0.67 | 0.82 | 57%                                     | 72%  | 59%  | 52%     |
| Rangeview Library District (Adams County) | \$19,149,151            | \$13,232,384 | \$12,809,577 | \$2,793,728  | 130.13                  | 108.75 | 78     | 42.25  | 109,372                    | 120,704 | 62,121  | 173,387 | 0.57                      | 0.48 | 0.93 | 0.80 | 28%                                     | 35%  | 19%  | No Data |
| Total                                     | \$48,640,999            | \$38,017,622 | \$35,330,527 | \$17,730,818 | 419.11                  | 368.19 | 317.75 | 273.64 | 492,777                    | 498,897 | 353,653 | 335,650 | 1.89                      | 1.8  | 2.55 | 2.79 |   |      |      |         |
| Average                                   | \$12,160,250            | \$9,504,406  | \$8,832,632  | \$4,432,705  | 104.78                  | 92.05  | 79.44  | 68.41  | 123,194                    | 124,724 | 88,413  | 111,883 | 0.47                      | 0.45 | 0.64 | 0.70 | 71%                                     | 82%  | 65%  |         |

1. Comparison libraries average increase in operating revenue = 225%. BPL's increase in operating revenue = 51%. Using the Bureau of Labor Statistics "CPI Inflation Calculator" BPL's budget in 2000 is worth \$7,842,384. in 2018. In other words, adjusted for inflation BPL's budget has grown just over 1.6% above inflation.
2. Comparison libraries average increase in FTE = 85%. BPL's **decrease** over the same period of time = **-12%**
3. Comparison libraries increase in registered borrowers = 1=48%. BPL's increase since 2008 = 34%.
4. Comparison libraries decrease in staffing per 10,000 items circulated = 31.5%. BPL's decrease = 31%.
5. On average registered borrowers as a percent of population has increased for comparison libraries by 7%. BPL's registered borrowers as a percent of population has increased nearly 5X [five times] that rate = 34%.

**POPULATION GROWTH:**

The Front Range has grown at high and often disproportionate rates over the last 20 years. Adams County grew from 363,000 to 498,000 residents from 2000 to 2016 [37%.] Larimer County, Fort Collins' population also increased 33%. The city of Boulder population has grown from 94,300 to 108,090 [15%]. Pueblo County has grown 12% in that same time.