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I. CALL TO ORDER

II. ITEMS TOO LATE FOR THE AGENDA

III. PUBLIC COMMENT (*3 Minute Time Limit per Person*)

IV. CORRESPONDENCE AND PRESENTATIONS

- A. Correspondence
 - 1. Dr. Michael Thomas, School District 11 (p.1)
- B. Presentation
 - 1. Ruth Holley Library: Fran Toledo

V. BUSINESS ITEMS

- A. Decision 19-7-1: Minutes of the June 11, 2019 Meeting (p. 2)
- B. Consent Items
 - Consent items shall be acted upon as a whole, unless a specific item is called for discussion.*
 - Any item called for discussion shall be acted upon separately as "New Business".*
- C. Unfinished Business
- D. New Business
 - 1. Decision 19-7-2: Urban Renewal Authority True North Project (Board of Trustees) p. 9
 - 2. Discussion: Project with Pikes Peak Community College (Toby Gannett)
 - 3. Decision 19-7-3: Audit of 2018 Financial Records (M. Varnet) p. 19
 - 4. Decision 19-7-4: Policy Review & Update – Collection Development Policy (T. Blevins) p. 206
 - 5. Decision 19-7-5: Policy Review & Update – Gift Acceptance Policy (L. James) p. 212
 - 6. Decision 19-7-6: Policy Review & Update – Closures & Delays Policy (M. Ray) p. 214
 - 7. Decision 19-7-7: Policy Review & Update – Filming, Recording & Photography Policy (M. Ray) p. 217
 - 8. Decision 19-7-8: Policy Review & Update – Website & Social Media Policy (M. Ray) p. 225
 - 9. Decision 19-7-9: Calhan Renovation Contract (G. Syling) p. 228

VI. REPORTS

- A. Friends of the Pikes Peak Library District Report (D. Gonzales) p. 230
- B. Pikes Peak Library District Foundation Report (L. James) p. 231
- C. Communications Report (M. Ray) p. 232
- D. Facilities Report (G. Syling) p. 235
- E. Financial Report (M. Varnet) p. 237
- F. Human Resources Report (H. Laslie) p. 253
- G. Information Technology Report (R. Peters) p. 254
- H. Public Services Report (T. Blevins) p. 255
- I. Chief Librarian's Report (J. Spears)
- J. Board Reports
 - 1. Governance Committee Report
 - 2. Internal Affairs Committee Report
 - 3. Public Affairs Committee Report
 - 4. Adopt-a-Trustee Reports
 - 5. Board President's Report

VII. ADJOURNMENT

The full packet of materials for this meeting of the Pikes Peak Library District Board of Trustees is available at
<https://pppld.org/board-trustees>



Dr. Michael J. Thomas, Superintendent of Schools

(719) 520-2001
michael.thomas@d11.org

Spring 2019

Pikes Peak Library District
John Spears
20 North Cascade Avenue
Colorado Springs, CO. 80903

Dear Mr. Spears,

Generally, students are the best vehicles for passing on ideas, for their thoughts are plastic and can be molded and they can adjust the ideas of old men to the shape of reality as they find it in villages and hills of China or in ghettos and suburbs of America.

Theodore H. White

As a community, we have the inherent responsibility to educate the future citizens of our world. Our sustainability as a society is dependent upon their ability to apply and adapt their learning and skills to endeavors and challenges none of us can foresee.


Your engagement with District 11 broadens the scope of our educational program and demonstrates to our students that the Colorado Springs community values education and believes that each student's success is a valuable asset to an ever-changing world.

This year Kristin Brown, Betty McDonald, Nancy Maday, Barbara Huff, Evan Kendrick, Carol Scheer, Cameron Riesenberger, Courtney Hom, Tina Matiatos, Milissa Fellers, Ruth Venable, Laura Broderick, Jami Dykema, Brady Nickerson, Emma Weinberg, Sandy Hancock and Larissa Powers gave 115 presentations to 4,668 students.

When many world systems seem to be in flux, we must remain steadfast in our focus on education and maintain a vigilant eye on the future as we prepare students for the 21st century and beyond.

District 11 staff and students are pleased and proud to have your participation in our schools. Your contributions are gratefully appreciated.

Sincerely,



Dr. Michael J. Thomas, Superintendent
Colorado Springs School District 11

**PIKES PEAK LIBRARY DISTRICT
BOARD OF TRUSTEES MEETING
June 11, 2019
4 p.m.
Library 21c**

MEMBERS PRESENT

President Wayne Vanderschuere, Vice President Debbie English, Trustee Keith Clayton, Trustee Cathy Grossman, Trustee Mina Liebert, Trustee Ned Stoll

MEMBERS ABSENT

Secretary/Treasurer Scott Taylor, Trustee Mina Liebert

PIKES PEAK LIBRARY DISTRICT STAFF & OTHERS PRESENT

Chief Librarian & CEO John Spears, Chief Public Services Officer Tim Blevins, Director of Creative Services Becca Cruz, North Region Director Hillary Dodge, El Paso County Commissioner Cami Bremer, Friends of the Pikes Peak Library District Board of Directors President Dora Gonzales, Assistant to the Chief Librarian Sue Hammond, Mark Harris, Development Officer & Foundation Executive Officer Lance James, Director of Adult Education Teona Shainidze Krebs, Chief HR & OD Officer Heather Laslie, Tom Nixon, Colorado Springs Urban Renewal Authority Board Member John Olson, Information Technology Infrastructure Manager Annelise Parker, Chief Information Officer Rich Peters, Chief Communications Officer Michelle Ray, Chief Facilities Management Officer Gary Syling, Library 21c Manager Catie Tierney, Ruth Holley Branch Supervisor Frances Toledo, Chief Finance Officer Michael Varnet, Internal Communications Specialist Jeremiah Walter

CALL TO ORDER

President Vanderschuere called the June 11, 2019 meeting of the Pikes Peak Library District Board of Trustees to order at 4:01 p.m.

ITEMS TOO LATE FOR THE AGENDA

There were no items too late for the agenda.

PUBLIC COMMENT

There was no public comment at this time.

CORRESPONDENCE AND PRESENTATIONS

Correspondence

A letter from AARP Foundation Tax-Aide Colorado State Coordinator David W. Hutchison was included in the Board packet. Mr. Hutchison thanked PPLD for partnering with AARP Tax-Aide to provide free tax preparation services to all taxpayers with an emphasis on seniors, low-to-moderate income taxpayers, students and veterans. PPLD provided facility space for the program at Library 21c during the 2019 tax season.

Presentations

Latvian Conference - Teona Shainidze Krebs

Director of Adult Education Teona Shainidze Krebs was the keynote speaker at the National Library of Latvia earlier this year. Ms. Shainidze Krebs traced her journey to Latvia back to the IFLA Conference in Poland where she made initial contact with Latvian librarians, helping them develop online training for adult education. Her keynote address focused on adult education services at Pikes Peak Library District and included information about many other innovative services PPLD provides. Ms. Shainidze Krebs learned about the services offered by the National Library of Latvia and made new international contacts.

SXSW Conference – Hillary Dodge

PPLD's North Region Director Hillary Dodge attend the SXSW (South x Southwest) annual conference in Austin, Texas in March. She described the ten-day conference as a "creativity incubator". Ms. Dodge noted that she was particularly excited by the trends – including 3-D printers that print food! She hopes to be able to incorporate exciting new ideas into PPLD services going forward.

BUSINESS ITEMS

Board Minutes

Decision 19-6-1: Minutes of the May 10, 2019 Meeting

The minutes of the May 10, 2019 special meeting of the Pikes Peak Library District Board of Trustees were included in the Board packet.

Motion: Keith Clayton moved to approve the minutes of the May 10, 2019 special meeting of the Pikes Peak Library District Board of Trustees as presented.

Second: Debbie English seconded the motion

Vote: The motion was approved unanimously.

Decision 19-6-2: Minutes of the May 14, 2019 Meeting

The minutes of the May 14, 2019 regular meeting of the Pikes Peak Library District Board of Trustees were included in the Board packet.

Motion: Debbie English moved to approve the minutes of the May 14, 2019 meeting of the Pikes Peak Library District Board of Trustees as presented.

Second: Ned Stoll seconded the motion

Vote: The motion was approved unanimously.

Consent Items

No consent items were presented.

Unfinished Business

There was no unfinished business.

New Business

Discussion: Urban Renewal Authority

John Olson is a member of the Colorado Springs Urban Renewal Authority (CSURA) Board of Directors whose role is to serve as the elected representative of the special districts. Mr. Olson expressed a desire to hear from the PPLD Board so that he can better represent the interests of the Library District in CSURA matters. PPLD Board members expressed these concerns:

- The Board has a fiduciary responsibility to the taxpayers to use tax dollars for libraries and not private businesses. It is clear what the voters expected from their approval of the Library mill levy.
- If there is a potential for the Library to benefit from CSURA projects, we are open to participate.
- We would like to see a tangible net benefit for the Library.
- CSURA does not involve us early enough in the process.
- We would like to see a process where all parties could work together.
- CSURA projects create more demand for Library services, yet they reduce our revenue and our ability to provide services to meet demand. We would like to see a process in place that would examine what the project means in terms of services from all of the entities involved.
- The current CSURA process provides no opportunity for give and take. We are expected to merely rubber stamp projects.
- The new hotels being built may not be needed and may have a negative impact on existing hotels.
- Many of those served by PPLD do not live in Colorado Springs, and these projects pull resources away from those other areas of the Library District.

Chief Librarian Spears pointed out that the Downtown Partnership has expressed interest in forming a group for special districts to meet regularly to discuss CSURA projects. Mr. Olson said that that would be excellent and that he would participate. He also again invited the Library to attend the CSURA public meetings, and Chief Librarian Spears assured the Board that the Library will attend those meetings.

Decision 19-6-3: Urban Renewal Authority True North Project

At the May 14, 2019 Board of Trustees meeting, a motion to not approve the Urban Renewal Authority True North project as presented was approved with five in favor of the motion and one opposed. The Board would like to move forward from that action without mediation. Possible courses of action have been discussed with Colorado Springs Urban Renewal Authority Executive Director Jariah Walker and include:

- Percentages of participation at 60% or less
- Space for a PPLD library facility in the True North project to be provided at a reduced rent

Discussions with the Urban Renewal Authority are still in progress, so there was no item to vote upon at this meeting. The Board hopes that the Urban Renewal Authority will provide a way forward that can be voted upon at a Pikes Peak Library District Board of Trustees meeting in the near future.

Related Discussion

Vice President Debbie English and Chief Librarian Spears recently met with City of Colorado Springs Chief of Staff Jeff Greene and City Council Member Jill Gaebler. The meeting was very productive and served to clear the air and foster a collaborative spirit between the City and PPLD.

El Paso County Commissioner Cami Bremer requested the opportunity to offer comment. Commissioner Bremer thanked the Trustees for their volunteer work. She commended PPLD for reaching out to the City and invited PPLD leadership to interact with the El Paso County Commissioners by attending and reporting on PPLD activities and issues at weekly Board of El Paso County Commissioners meetings. Commissioner Bremer noted that she would welcome the role of facilitator in bringing the County, City of Colorado Springs, and PPLD together to discuss Urban Renewal projects going forward. Commissioner Bremer stated that she was confident that the County did not put any pressure on PPLD as far as decisions related to Colorado Springs Urban Renewal Authority Projects.

REPORTS

Friends of the Pikes Peak Library District Report

The Friends of the Pikes Peak Library District report was included in the Board packet. Friends Board President Dora Gonzales reported that the Branch Friends will meet at Rockrimmon Library on June 18, 2019.

Pikes Peak Library District Foundation Report

The Pikes Peak Library District Foundation report was included in the Board packet. Development Officer & Foundation Executive Officer Lance James encouraged the Board to visit the Foundation's social media site. Mr. James reported that the PPLD Foundation is participating in King Soopers Community Rewards Program and Amazon Smile. A portion of purchases from King Soopers and Amazon go to support the PPLD Foundation.

Communications Report

The Communications Report was included in the Board packet. Chief Communications Officer Michelle Ray introduced Jeremiah Walter, the new Internal Communications Specialist. She reported that PPLD was named in seventy news features in May 2019 and offered kudos to the PPLD staff for all the great work that is happening throughout the District. Ms. Ray announced that Elevated Insights has been hired to conduct a community needs assessment. The project will begin soon and should wrap-up by November 2019.

Facilities Report

Chief Facilities Management Officer Gary Syling reported on several projects:

- Library 21c roof project is nearly complete
- Landscape improvements in the Library 21c courtyard are wrapping up
- The contract to construct three offices at Library 21c has been awarded
- The chiller pit at East Library will be repurposed for storage
- The generator at East Library is being replaced
- Design drawings for the Calhan Library have been submitted to the town of Calhan for comment

Chief Librarian Spears commended Gary Syling for skillfully balancing so many diverse projects throughout the District.

Financial Report

The Financial Report for the period ending April 30, 2019 was included in the Board packet. Chief Finance Officer Michael Varnet reported that the budget is tracking right where it should be. Mr. Varnet noted that the 2020 budget process will begin this month. The audit of the District's 2018 financial records is complete and will be presented to the Board at the July Board meeting.

Human Resources Report

Chief Librarian Spears joined the Board in welcoming new Chief HR & OD Officer Heather Laslie. Ms. Laslie reported that there are currently two vacancies in the HR Department and commended the HR team for "doing a lot with a little".

Information Technology Report

Chief Information Officer Richard Peters reported that bandwidth saturation issues are occurring Districtwide. He introduced the new Information Technology Infrastructure Manager Annelise Parker who is working to address the issue through the purchase of additional bandwidth by the end of this month.

Public Services Report

The Public Services Report and the Circulation Report were included in the Board packet. Chief Public Services Officer Tim Blevins noted that both circulation and library visits are down from the previous year in May. He provided some insight into what visitors are doing at various PPLD facilities through a look at circulation per visitor and computer usage per visitor. Mr. Blevins explained that visitors to Special Collections at Penrose Library may be down because the Pikes Peak Genealogical Society has moved its meeting place from Penrose to Library 21c.

Mr. Blevins read a compliment from a patron who recently visited the Children's area at Library 21c. The patron commented that she was impressed by the culturally diverse and inclusive collection and services that welcome and celebrate all members of our community.

Chief Public Services Officer Blevins announced that he will be leaving PPLD in September to be closer to his family in New Mexico.

Chief Librarian Spears noted that Mr. Blevins was the most kind, capable, and dedicated person with whom he has had the pleasure of working. Mr. Spears and the Board thanked Mr. Blevins for his service to PPLD.

Chief Librarian Spears noted that thanks to the work of Janice McPherson, Lynne Proctor, and Tim Blevins great momentum has been gained in the new Public Services roles created through the reorganization. He does not want PPLD to lose the benefit of that progress and announced that he has appointed Adult Education Director Teona Shainidze Krebs to fill the Chief Public Services Officer position when Mr. Blevins leaves. Ms. Shainidze Krebs will be training with Mr. Blevins until his departure.

Chief Librarian's Report

Chief Librarian & CEO John Spears reported on a few notable happenings from the past week.

- Crime: PPLD was impacted by the theft of a Facilities van from East Library (the van has been recovered), the theft of license plates from Library vehicles at Library 21c, and shootings in the parking lots at Sand Creek Library and Library 21c (shootings were not directed towards the Libraries or Library staff). No one was hurt in any of these instances. He reported that PPLD will be replacing all security cameras to bring the cameras up to where they should be.
- Manitou Springs Library Expansion: Manitou Springs City Council support for only a portion of a proposed 0.3% sales tax, one third of which would be used to fund expansion of the library building, is splitting support for the issue. Citizens may petition to place the issue on the ballot if Council support is not there. It has been suggested by a member of City Council that City administrative offices be moved into the current Library building and the Library be relocated to Hiawatha Gardens. Chief Librarian Spears has asked Mayor Jaray to include the Library in any future discussions of this or other ideas involving the Library.
- The parameters of a proposed project (Tesla Commons) with Pikes Peak Community College to create parking and affordable housing utilizing land currently occupied by the lower parking lot at Penrose Library continue to change and develop. The original benefit to the Library District was parking for staff and patrons, with the PPLD Foundation benefiting from ownership of the building after fifty years. At this time, PPLD is questioning the availability of staff parking in the structure, and the timeline for ownership has grown to seventy-five years. PPLD also has questions related to AMI (Area Median Income). Most of the units will be available for 60-70% AMI while many of those expected to be served by the units are at 30% or less AMI. Project developer Toby Gannett will attend the July 9, 2019 Board meeting. Chief Librarian Spears has submitted a letter of support for the project to the Colorado Housing and Finance Authority.

Board Reports

Governance Committee

Governance Committee member Keith Clayton reported on the May 22, 2019 meeting of the Governance Committee. The Committee conducted the following business:

- Reviewed and discussed the May 10, 2019 Special Board meeting URA Workshop
- Reviewed and updated the PPLD Board of Trustees job description
- Planned for the July 27, 2019 Board retreat
- Reviewed the Conflict of Interest Statement
- Reviewed and discussed a volunteer agreement for Board members

Trustee Clayton noted that the Board retreat is planned for July 27, 2019 from 9 am to 3 pm at Penrose House. The agenda includes Board training presented by Crystal Schimpf of the State Library, a luncheon for all three PPLD boards, budget report by Mike Varnet, and brainstorming budget strategies by the three boards followed by discussion.

Internal Affairs Committee

Internal Affairs Committee Chair Debbie English reported that the Committee did not meet in May.

Public Affairs Committee

The Public Affairs Committee did not meet in May.

Adopt-a-Trustee Reports

- Debbie English attended the Unstoppable Women luncheon honoring Peggy Shivers.
- Ned Stoll represented the Board at the annual Regional History Symposium.
- Cathy Grossman attended the annual Friends Literary Luncheon.
- Wayne Vanderschuere attended the Friends Board meeting on May 15, 2019.

Board President's Report

President Vanderschuere did not have a report.

Dates for Board Committee meetings were announced:

- June 26
- July 17
- August 21
- September 18
- October 16

ADJOURNMENT

There being no further business to conduct, President Vanderschuere adjourned the June 11, 2019 meeting of the Pikes Peak Library District Board of Trustees at 6:28p.m.



July 2, 2019

Pikes Peak Library District Board of Trustees
P.O. Box 1579
Colorado Springs, Colorado 80901

RE: Visitors Center Development - Office Development

To Whom It May Concern,

My understanding is the Pikes Peak Library District (PPLD) desires to have a location in the Office Project at the Visitor Center Complex located at the North Gate of the United States Air Force Academy in Colorado Springs, Colorado. LOGE Capital Partners will be developing, leasing and the owner of the 180,000 square foot Office Project.

As a follow-up to my ongoing discussions with Dan Schnepf of Blue and Silver Development Partners, I want to provide the following regarding the Visitor Center Development at North Gate.

LOGE Capital Partners is willing to offer the following terms to advance further discussions with PPLD, which are contingent upon signing a Letter of Intent to lease space in the Premises:

- Landlord – LOGE Capital Partners
- Tenant – Pikes Peak Library District (PPLD)
- Premises – 180,000 square foot Office Building as part of the Visitor Center Complex
- Lease area – 2,500 RSF – 5,000 RSF (Ground Floor)
- Lease Rate – 15% Discount of Class A NNN Market Rate offered in building
- Lease Term – 10 years minimum

I look forward to working with you and your staff at PPLD to further enhance the ability to provide opportunities that positively impact the residents of El Paso County. Please don't hesitate to contact me at 214-534-0400.

Most sincerely,

A handwritten signature in blue ink, appearing to read "Robert McFarlane".

Robert McFarlane
Managing Partner
LOGE Capital Partners LLC

cc: Eric Smith – Blue and Silver Development Partners

PROPERTY TAX INCREMENT REVENUE AGREEMENT
(Pikes Peak Library District)
(True North Commons Urban Renewal Plan)

This Property Tax Increment Revenue Agreement (the “Agreement”) is entered into as of _____, 2018 (the “Effective Date”) by and between the COLORADO SPRINGS URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado (the “Authority”), whose address is 30 South Nevada Avenue, Colorado Springs, Colorado 80903, and the PIKES PEAK LIBRARY DISTRICT, a political subdivision of the State of Colorado (the “Library District”), whose address is 12 North Cascade Avenue, Colorado Springs, Colorado 80903. The Authority and the Library District are referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS.

The following recitals are incorporated in and made a part of this Agreement. Capitalized terms used herein and not otherwise defined are defined in Section 1 below.

A. Proposed Redevelopment. The Parties have been advised that the real property described in Exhibit A (the “Property”) lying within the corporate limits of the City of Colorado Springs, Colorado (the “City”) is being studied for designation as an urban renewal area to be redeveloped by one or more developers and/or property owner(s) as a mixed use development(s) that will eliminate existing blighted conditions which constitute threats to the health, safety and welfare of the community and barriers to development.

B. Urban Renewal and Tax Increment Financing. To accomplish the proposed redevelopment and to provide certain required public improvements, the Authority has recommended inclusion of the Property in a proposed urban renewal plan, entitled as the “True North Commons Renewal Plan” (the “Plan” or “Urban Renewal Plan”) authorizing and utilizing tax increment financing in accordance with the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31, C.R.S. (the “Act”), to pay Eligible Costs of the Improvements. The proposed Plan that includes the Property has been provided to the Library District under separate cover. The final Plan approved by the City Council of the City shall be the “Plan” for purposes of this Agreement.

C. Nature of Urban Renewal Project and Purpose of Agreement. The proposed Urban Renewal Project consists of designing, developing and constructing the Improvements (which includes paying the Eligible Costs of public improvements) necessary to serve the proposed Urban Renewal Area and to comply with §31-25-107(4)(g) of the Act that requires the Plan to afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the rehabilitation or redevelopment of the Urban Renewal Area by private enterprise. Approval of the Urban Renewal Plan is subject to recent legislation, including requirements imposed by HB 15-1348 for new urban renewal plans adopted after January 1, 2016.

D. Impact Report. The Authority has submitted to the Library District a copy of the Impact Report required to be submitted to El Paso County by §31-25-107(3.5) of the Act, which includes a tax forecast for the Library District.

E. Colorado Urban Renewal Law. In accordance with the Act as amended to the date of this Agreement (including the requirements of HB 15-1348 and SB 18-248), the Parties desire to enter into this Agreement to facilitate adoption of the Plan and redevelopment of the proposed Urban Renewal Area described therein. The Agreement addresses, among other things, the estimated impacts of the Urban Renewal Plan on Library District services associated solely with the Urban Renewal Plan.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants, promises and agreements of each of the Parties hereto, to be kept and performed by each of them, it is agreed by and between the Parties hereto as set forth herein.

1. DEFINITIONS. As used in this Agreement:

1.1. “Act” means the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31, C.R.S.

1.2. “Agreement” means this Agreement, as it may be amended or supplemented in writing. References to sections or exhibits are to this Agreement unless otherwise qualified.

1.3. “Authority” means the Party described in the Preamble to this Agreement, the Colorado Springs Urban Renewal Authority, a body corporate and politic of the State of Colorado.

1.4. “Bonds” shall have the same meaning as defined in §31-25-103 of the Act.

1.5. “City” means the Party described in Recital A to this Agreement, the City of Colorado Springs, Colorado.

1.6. “District Increment” means the portion of Property Tax Increment Revenues generated by the District’s mill levy received by the Authority from the El Paso County Treasurer and paid into the Special Fund as specified in Section 3.1.

1.7. “Duration” means the twenty-five (25) year period that the tax increment or tax allocation provisions will be in effect as specified in §31-25-107(9)(a) of the Act, the Plan, and the Impact Report.

1.8. “Eligible Costs” means those costs eligible to be paid or reimbursed from the Tax Increment Revenues pursuant to the Act.

1.9. “Future Mill Levy” has the meaning set forth in Section 3.2.

1.10. “Impact Report” means the impact report setting forth the burdens and benefits of the Urban Renewal Project previously submitted to the Library District.

1.11. “Improvements” means the public improvements and private improvements to be constructed on the Property pursuant to the Plan.

1.12. “Library District” means the Party described in the Preamble to this Agreement, Pikes Peak Library District, a public body corporate and political subdivision of the State of Colorado.

1.13. “Party” or “Parties” means the Authority or the Library District or both and their lawful successors and assigns.

1.14. “Plan” means the urban renewal plan defined in Recital B above.

1.15. “Project” shall have the same meaning as Urban Renewal Project.

1.16. “Property Tax Increment Revenues” means all the TIF revenues derived from ad valorem property tax levies described in §31-25-107(9)(a)(II) of the Act allocated to the Special Fund for the Duration of the Urban Renewal Project.

1.17. “Special Fund” means the fund described in the Plan and §31-25-107(9)(a)(II) of the Act into which the Property Tax Increment Revenues will be deposited.

1.18. “TIF” means the property tax increment portion of the property tax assessment roll described in §31-25-107(9)(a)(II) of the Act.

1.19. “Urban Renewal Area” means the area included in the boundaries of the Plan.

1.20. “Urban Renewal Plan” means the urban renewal plan defined in Recital B above.

1.21. “Urban Renewal Project” means all undertakings and activities, or any combination thereof, required to carry out the Urban Renewal Plan pursuant to the Act.

2. Impact Report. The Parties acknowledge and agree that the Impact Report addresses the following information and hereby make and adopt the following findings relating to the Impact Report:

(a) The Urban Renewal Project is projected to create significant new employment opportunities and other benefits as specified in the Impact Report that will benefit the Parties, the region, and the State of Colorado.

(b) The Duration of time estimated to complete the Urban Renewal Project is the twenty-five (25) year period of time specified in §31-25-107(9)(a) of the Act.

(c) The estimated annual Property Tax Increment Revenue to be generated by the Urban Renewal Project for the Duration of the Urban Renewal Project and the portion of such Property Tax Increment Revenue to be allocated to fund the Urban Renewal Project are set forth in this Agreement and the Impact Report.

(d) The nature and relative size of the revenue and other benefits expected to accrue to the City, the Library District, and other taxing entities that levy property taxes in the Urban Renewal Area are set forth in the Impact Report and include, without limitation:

- (i) The increase in base value resulting from biennial general reassessments for the Duration in accordance with §31-25-107(9)(e) of the Act;
- (ii) The benefit of improvements in the Urban Renewal Area to existing taxing entity infrastructure in accordance with §31-25-107(3.5) of the Act;
- (iii) The estimate of the impact of the Urban Renewal Project on Library District and taxing entity revenues in accordance with §31-25-107(3.5) of the Act;
- (iv) The cost of additional Library District and taxing body infrastructure and services required to serve development in the Urban Renewal Area in accordance with §31-25-107(3.5) of the Act;
- (v) The capital or operating costs of the Parties, the City, and other taxing bodies that are expected to result from the Urban Renewal Project in accordance with HB 15-1348;
- (vi) The legal limitations on the use of revenues belonging to the Parties, the City, and any taxing entity in accordance with HB 15-1348 and SB 18-248; and
- (vii) The other estimated impacts of the Urban Renewal Project on Library District and other taxing body services or revenues in accordance with §31-25-107(3.5) of the Act.

3. RETENTION OF PROPERTY TAX INCREMENT REVENUES. In compliance with the requirements of HB 15-1348 and SB 18-248, the Parties have negotiated and agreed to the sharing of Property Tax Increment Revenues as set forth herein.

3.1. District Increment Revenues. The Library District and the Authority agree that the Authority may retain and expend in furtherance of the Urban Renewal Project one hundred percent (100%) of the District Increment, commencing on the date of approval by the City of the Plan, and lasting for the Duration.

3.2. Mill Levy Allocation. If the Library District’s eligible electors approve a new or increased mill levy for any lawful purpose (“Future Mill Levy”), any revenue derived from the Future Mill Levy shall not be considered part of the District Increment. Rather, upon approval by the eligible electors of the Library District of a Future Mill Levy, the Library District shall provide notification of the same to the Authority. From the date of such notice until the Duration has expired, the Authority shall annually deduct from the Property Tax Increment Revenue it receives any revenues attributable to the Future Mill Levy, as applicable, and shall remit such revenues to the Library District.

4. PLEDGE OF PROPERTY TAX INCREMENT REVENUES. The Library District recognizes and agrees that in reliance on this Agreement and in accordance with the provisions of §31-25-109(12) of the Act, the adoption and approval of the Plan includes an irrevocable pledge of all of the Property Tax Increment Revenues, including the District Increment, to pay the Authority’s Bonds and other financial obligations in connection with the Urban Renewal Project.

The Authority has elected to apply the provisions of §11-57-208, C.R.S., to this Agreement. The Property Tax Increment Revenues, when and as received by the Authority are and shall be subject to the lien of such pledge without any physical delivery, filing, or further act and are and shall be an obligation of the Parties pursuant to §31-25-107(9) of the Act. The Parties agree that the creation, perfection, enforcement and priority of the pledge of the Property Tax Increment Revenues as provided herein shall be governed by §11-57-208, C.R.S. The lien of such pledge on the Property Tax Increment Revenues shall have priority over any of all other obligations and liabilities of the Parties with respect to the Property Tax Increment Revenues.

5. NOTIFICATION OF PROPOSED MODIFICATIONS OF THE PLAN; AGREEMENT NOT PART OF PLAN. The Authority agrees to notify the Library District of any intended modification of the Plan as required by §31-25-107(7) of the Act. This Agreement is not part of the Plan.

6. WAIVER. Except for the notices required by this Agreement, the Library District, as authorized by §31-25-107(9.5)(b) and §31-25-107(11) of the Act, hereby waives any provision of the Act that provides for notice to the Library District, requires any filing with or by the Library District, requires or permits consent from the Library District, and provides any enforcement right to the Library District for the Duration, provided, however, that the Library District shall have the right to enforce this Agreement.

7. LIMITATION OF AGREEMENT. This Agreement applies only to the District Increment, as calculated, produced, collected and paid to the Authority from the Urban Renewal Area by the El Paso County Treasurer in accordance with §31-25-107(9)(a)(II) of the Act and the rules and regulations of the Property Tax Administrator of the State of Colorado, and does not include any other revenues of the City or the Authority.

8. MISCELLANEOUS.

8.1. Delays. Any delays in or failure of performance by any Party of its obligations under this Agreement shall be excused if such delays or failure are a result of acts of God; fires; floods; earthquake; abnormal weather; strikes; labor disputes; accidents; regulation or order of civil or military authorities; shortages of labor or materials; or other causes, similar or dissimilar, including economic downturns, which are beyond the control of such Party.

8.2. Termination and Subsequent Legislation or Litigation. In the event of termination of the Plan, including its TIF financing component, the Authority may terminate this Agreement by delivering written notice to the Library District. The Parties further agree that in the event legislation is adopted or a decision by a court of competent jurisdiction after the Effective Date of this Agreement that invalidates or materially effects any provisions hereof, the Parties will in good faith negotiate for an amendment to this Agreement that most fully implements the original intent, purpose and provisions of this Agreement, but does not impair any otherwise valid contracts in effect at such time.

8.3. Entire Agreement. This instrument embodies the entire agreement of the Parties with respect to the subject matter hereof. There are no promises, terms, conditions, or obligations other than those contained herein; and this Agreement shall supersede all previous

communications, representations, or agreements, either verbal or written, between the Parties hereto. No modification to this Agreement shall be valid unless agreed to in writing by the Parties.

8.4. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the Parties and their successors in interest.

8.5. No Third-Party Enforcement. It is expressly understood and agreed that the enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the undersigned Parties and nothing in this agreement shall give or allow any claim or right of action whatsoever by any other person not included in this Agreement. It is the express intention of the undersigned Parties that any person or entity other than the undersigned Parties receiving services or benefits under this Agreement shall be an incidental beneficiary only.

8.6. No Waiver of Immunities. Nothing in this Agreement shall be construed as a waiver of the rights and privileges of the Parties pursuant to the Colorado Governmental Immunity Act, § 24-10-101, et seq., C.R.S., as the same may be amended from time to time. No portion of this Agreement shall be deemed to have created a duty of care which did not previously exist with respect to any person not a party to this agreement.

8.7. Amendment. This Agreement may be amended only by an instrument in writing signed by the Parties.

8.8. Parties not Partners. Notwithstanding any language in this Agreement or any other agreement, representation, or warranty to the contrary, the Parties shall not be deemed to be partners or joint venturers, and no Party shall be responsible for any debt or liability of any other Party.

8.9. Interpretation. All references herein to Bonds shall be interpreted to include the incurrance of debt by the Authority in any form consistent with the definition of “Bonds” in the Act, including payment of Eligible Costs or any other lawful financing obligation.

8.10. Incorporation of Recitals and Exhibits. The provisions of the Recitals and the Exhibits attached to this Agreement are incorporated in and made a part of this Agreement.

8.11. No Assignment. No Party may assign any of its rights or obligations under this Agreement.

8.12. Section Captions. The captions of the sections are set forth only for the convenience and reference of the Parties and are not intended in any way to define, limit, or describe the scope or intent of this Agreement.

8.13. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.

8.14. Governing Law. This Agreement and the provisions hereof shall be governed by and construed in accordance with the laws of the State of Colorado.

8.15. No Presumption. The Parties to this Agreement and their attorneys have had a full opportunity to review and participate in the drafting of the final form of this Agreement. Accordingly, this Agreement shall be construed without regard to any presumption or other rule of construction against the Party causing the Agreement to be drafted.

8.16. Notices. Any notice required by this Agreement shall be in writing. All notices, demands, requests and other communications required or permitted hereunder shall be in writing, and shall be (a) personally delivered with a written receipt of delivery; (b) sent by a nationally-recognized overnight delivery service requiring a written acknowledgement of receipt or providing a certification of delivery or attempted delivery; (c) sent by certified or registered mail, return receipt requested; or (d) sent by confirmed facsimile transmission or electronic delivery with an original copy thereof transmitted to the recipient by one of the means described in subsections (a) through (c) no later than 5 business days thereafter. All notices shall be deemed effective when actually delivered as documented in a delivery receipt; provided, however, that if the notice was sent by overnight courier or mail as aforesaid and is affirmatively refused or cannot be delivered during customary business hours by reason of the absence of a signatory to acknowledge receipt, or by reason of a change of address with respect to which the addressor did not have either knowledge or written notice delivered in accordance with this paragraph, then the first attempted delivery shall be deemed to constitute delivery. Each Party shall be entitled to change its address for notices from time to time by delivering to the other Party notice thereof in the manner herein provided for the delivery of notices. All notices shall be sent to the addressee at its address set forth in the Preamble to this Agreement.

8.17. Days. If the day for any performance or event provided for herein is a Saturday, a Sunday, a day on which national banks are not open for the regular transactions of business, or a legal holiday pursuant to C.R.S. § 24-11-101(1), such day shall be extended until the next day on which such banks and state offices are open for the transaction of business.

8.18. Authority. The persons executing this Agreement on behalf of the Parties covenant and warrant that each is fully authorized to execute this Agreement on behalf of such Party.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Authority and the Library District have caused their duly authorized officials to execute this Agreement effective as of the Effective Date.

PIKES PEAK LIBRARY DISTRICT, a political
subdivision of the State of Colorado

By: _____
Title: _____

ATTEST:

By: _____

COLORADO SPRINGS URBAN RENEWAL
AUTHORITY, a body corporate and politic of the
State of Colorado

By: _____
Title: _____

ATTEST:

By: _____

Exhibit A

The Property

Completion of Financial Audit of PPLD's 2018 Financial Records

The Local Government Audit Law (Section 29-1-601 et seq., C.R.S.) requires Colorado local governments such as the Pikes Peak Library District (the District) to have an annual audit of their financial statements. The law states that the audit must be performed by an independent Certified Public Accountant, and be in accordance with Generally Accepted Accounting Standards.

PPLD's 2018 financial records were audited by BKD, LLP. The audit was completed in accordance with all applicable State statutes and in accordance with Generally Accepted Auditing Standards.

Included with this document is PPLD's 2017 Comprehensive Annual Financial Report (CAFR). Also included with this document is BKD, LLP's communication letter to the Board of Trustees, Internal Affairs Committee and Management.

BKD, LLP issued an "unqualified" opinion, meaning the financial records are materially correct as presented. Their opinion is included on pages 27 - 29 in the 2018 CAFR. A second report, "Independent Auditor's Report on Internal Controls Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards" is located on pages 175 - 176 of the 2018 CAFR.

BKD, LLP met with the Internal Affairs Committee on June 26, 2019 to present the results of the audit. The Internal Affairs Committee will present the results of the audit to the Board of Trustees at the July 9, 2019 Board meeting. In short, there were no audit adjustments, no passed audit adjustments (adjustments that they consider as immaterial and do not need to be posted to the financial records), and there were no management letter comments or other significant items of deficiency.

Recommendation

Management recommends acceptance of the results of the audit of PPLD's 2018 financial records as described above.

Pikes Peak Library District

Comprehensive Annual Financial Report

For the year ended December 31, 2018

Board of Trustees

(As of December 31, 2018)

Kathleen Owings	President
Wayne Vanderschuere.....	Vice President
Keith Clayton, II.....	Secretary/Treasurer
Debbie English	Trustee
Cathy Grossman	Trustee
Mina Liebert.....	Trustee
Scott Taylor.....	Trustee

Chief Librarian and Chief Executive Officer
John Spears

Prepared by
Michael E. Varnet, CPA, CPFO
Chief Financial Officer

Administrative Offices
20 N. Cascade Avenue
Colorado Springs, Colorado 80903

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(719) 531-6333

ppld.org

P.O. Box 1579

Colorado Springs, CO 80901

Members of the Board of Trustees
Pikes Peak Library District
20 N. Cascade Avenue
Colorado Springs, Colorado 80903

Dear Trustees:

I am pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Pikes Peak Library District (the District) for the year ended December 31, 2018.

This is the 28th consecutive year that an annual financial report has been submitted to you in CAFR format, in accordance with guidelines of the Government Finance Officers Association of the United States and Canada (GFOA).

Please refer to pages 31 to 43 for the section of the CAFR called “Management’s Discussion and Analysis.” This section provides a discussion of the significant issues and analysis of the District’s 2018 financial statements.

Last year’s CAFR received the Certificate of Achievement for Excellence in Financial Reporting from the GFOA for the 27th consecutive year. This award represents affirmation that the District has achieved excellence in financial reporting. The District will submit the 2018 CAFR for recognition again this year.

I want to take this opportunity to thank PPLD’s Chief Financial Officer and the Finance Office staff for their operational support that ensures financial excellence, and the Board of Trustees for their stewardship of the District’s fiscal activities and their supportive and future-oriented planning.

Respectfully submitted,

A handwritten signature in black ink that reads "John Spears". The signature is written in a cursive style and is positioned above a thin blue horizontal line.

John Spears
Chief Librarian and Chief Executive Officer
June 23, 2019

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(719) 531-6333

ppld.org

P.O. Box 1579

Colorado Springs, CO 80901

June 23, 2019

To the Board of Trustees and the Citizens of the Pikes Peak Library District:

State law requires that every general-purpose local government publish within seven months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2018.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

BKD, LLP, our independent certified public accountants, has issued an unmodified (“clean”) opinion on the Pikes Peak Library District’s (the District or PPLD) financial statements as of and for the year ended December 31, 2018. The independent auditor’s report is located at the front of the financial section of this report.

Management’s Discussion and Analysis (MD&A) immediately follows the Independent Auditor’s Report, and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

Government Structure

The District is considered a “Library District,” which is a separate legal entity, and was created through Colorado State Statute (C.R.S. 24-90-110). The District is not considered a component unit of any other government entity, including El Paso County, Colorado, and is financially, managerially and operationally independent, and meets the guidelines outlined by the Governmental Accounting Standards Board.

Pikes Peak Library District has one component unit affiliation: Pikes Peak Library District Foundation, Inc. (a discretely presented component unit), which organized in 2003 to raise funds for the sole benefit of PPLD. PPLD provides library services to all of El Paso County, excluding Security/Widefield School District #3. Security/Widefield and the town of Manitou Springs did not join the Library District when it was formed in 1962. The town of Manitou Springs subsequently voted to join PPLD effective January 1, 2013.

There are 14 library facilities and 3 mobile libraries covering a service area of approximately 2,070 square miles. PPLD owns seven facilities: East Library, Fountain Library, High Prairie Library, Library 21c, Old Colorado City Library, Penrose Library Complex, and Sand Creek Library. The District leases the other seven facilities: Cheyenne Mountain Library, Manitou Springs Library, Monument Library, Palmer Lake Library, Rockrimmon Library, Ruth Holley Library, and Ute Pass Library. Additionally, a mobile fleet delivers library services to remote sites and to special non-mobile populations.

PPLD's 14 library facilities and mobile fleet are structured by region—north, southeast, and west—and their daily operations include circulation, shelving, and security. Library Services encompasses Adult Education, Adult Services, Children's Services, Collection Management, Creative Services, Regional History and Genealogy (including Special Collections), and Young Adult Services. The administrative offices and departments comprise of the Chief Librarian and CEO, Communications (branding, marketing, video production, and community relations), Development, Facilities, Finance, Human Resources, and Information Technology.

PPLD's Board of Trustees consists of seven members from the community. The citizen volunteers are appointed jointly by the Colorado Springs City Council and El Paso County Commissioners for a maximum of two five-year terms. The Trustees convene at regular meetings, as well as at special meetings when necessary, to conduct the business of PPLD. Trustees are prohibited by law from receiving compensation, and their duties and responsibilities are defined in law (C.R.S. 24-90-109).

The Board of Trustees is required to adopt a final budget no later than December 15 of each fiscal year. The annual budget serves as a foundation of PPLD's financial planning and control. The budget is prepared by fund and by department. Managers and supervisors may transfer funds within the same expenditure category, but transfers between expenditure categories require special approval by the Board of Trustees.

About Pikes Peak Library District

Pikes Peak Library District (PPLD) seeks to engage and transform people's lives via its 14 library facilities, online resources, and mobile library services. With a mission to provide resources and opportunities that impact individual lives and build community, PPLD welcomes all community members to enrich their minds, make connections, and reach their full potential.

As a national leader and the second largest library system in Colorado, the District serves a population of more than 650,000 residents across 2,070 square miles of El Paso County. Thanks to an employee base of nearly 475 full- and part-time staff and about 1,700 volunteers, PPLD continues to be recognized for its commitment to diversity and community collaboration, its innovative and community-focused programs, and excellent customer service.

The history of public libraries in the Pikes Peak Region began in October 1885 when the Colorado Springs Social Union established a library on the corner of Tejon and Cucharras Streets in downtown Colorado Springs. In 1905, a new library opened at 21 West Kiowa Street, with funds donated by Andrew Carnegie and land granted by General William Jackson Palmer. In 1962, a majority of El Paso County citizens voted to establish a special taxing district and PPLD was formed. The District serves residents of El Paso County, with the exception of Security/Widefield School District #3, including all unincorporated areas and municipalities of Calhan, Colorado Springs, Ellicott, Falcon, Fountain, Manitou Springs, Monument, and Palmer Lake.

The District's Strategic Plan for the years 2017 – 2020 follows:

Providing resources and opportunities that impact individual lives and build community.

Pikes Peak Library District
Strategic Plan 2017-2020



STRATEGIC FOCUS	EFFORTS	OUTCOMES
COMMUNITY	<p>Steward the alignment of the community's talents, abilities and relationships to enrich lives.</p> <p>Facilitate enlightened dialogues to serve as a social connector.</p>	<p>PPLD is a people-focused public library that embraces new ways of working together to advance greater integration and cooperation in our community.</p>
RESOURCES	<p>Provide, maintain and improve a variety of flexible, sustainable and innovative resources.</p> <p>Explore and develop opportunities with other organizations for collaborative resources both internal and external, throughout the District.</p>	<p>PPLD is the center of a thriving community.</p>
INNOVATION/CREATIVITY	<p>Focus on community interests and trends to create opportunities for individuals to collaborate, innovate, inspire one another and generate content.</p> <p>Utilize innovation and creativity to highlight the history and culture of the Pikes Peak Region.</p>	<p>PPLD will support lifelong learning and foster a learning community that allows each individual to maximize their creative potential.</p>
SERVICE	<p>Design and implement services to anticipate and meet the needs of increasingly diverse communities with unique needs and expectations.</p> <p>Remove barriers and take bold risks to design and deliver exemplary services that set a national standard of excellence for libraries.</p>	<p>The customer experience at PPLD will emphasize convenience, speed, ease and satisfaction.</p> <p>PPLD collections and services will be responsive to community needs and relevant to residents' lives.</p>
INTERNAL – STAFF	<p>Create and maintain an environment that allows employees to take maximum advantage of their abilities to grow personally and professionally in alignment with PPLD's mission.</p> <p>Offer competitive compensation, benefits and work environment to attract and retain quality employees.</p> <p>Develop and maintain an organizational structure that is responsive, agile and quality focused.</p>	<p>PPLD staff members are community-focused, confident and motivated.</p>
ACCOUNTABILITY	<p>Build institutional capacity to ensure the future of PPLD.</p> <p>Promote efficient and effective use of financial resources entrusted to PPLD.</p> <p>Foster community understanding of PPLD with a focus on initiatives tied to strategic efforts.</p>	<p>PPLD will be prudent in the utilization of its financial resources.</p> <p>PPLD will have a strong brand as a trusted community resource, asset and partner.</p>

MAJOR INITIATIVES IN 2018

Pikes Peak Library District continued its focus on the 2017-2020 Strategic Plan by building community, providing valuable resources, fostering innovation and creativity, delivering exemplary services, empowering staff, and ensuring accountability. Here are some key accomplishments, introductions, and milestones during 2018:

For four consecutive years, PPLD has surpassed 1 million digital circulations via OverDrive. PPLD ended the year with nearly 1,682,000 checkouts—the most of any library system in Colorado.

PPLD and Urban Peak Colorado Springs launched a first-of-its-kind initiative in the state. Aimed at helping teen runaways and youth experiencing homelessness, the partnership resulted in PPLD facilities becoming a part of the National Safe Place Network.

PPLD honored its first groups of Career Online High School graduates in February and October of 2018. The nationally accredited 18-month program, which Adult Education began offering in 2017, allows students to earn a high school diploma, prepare for career entry or advancement by earning a career certificate, and gain employment search skills and support tools. There is no cost to students, thanks to scholarships provided by the PPLD Foundation.

As the use of electronic resources continues to grow, PPLD expanded its CyberShelf with new additions of Kanopy and eComics on hoopla. Kanopy, a popular on-demand streaming service, showcases more than 30,000 of the world's best films and documentaries. eComics on hoopla provides instant access to more than 12,000 titles, with the option of kids mode and action view technology.

PPLD transitioned to a new online reservation system for meeting and study rooms, migrating from Evanced to Library Market during May of 2018. Patrons and staff made more than 53,000 reservations over the course of 2018.

Past and present staff members, patrons, and supporters celebrated Penrose Library's 50th anniversary on July 15, 2018, with a ceremony and full day of activities.

The top official of the world's oldest and largest library association kicked off a national tour of six library systems at PPLD during October of 2018. Loida Garcia-Febo, president of the American Library Association, explored four of the 14 libraries during her two-day visit. First, Garcia-Febo participated in Culture Mash at Sand Creek Library, addressing the crowd in Spanish and recording her speech in the library's studio. Then, she discussed why “Libraries = Strong Communities” during a special event at Library 21c. Garcia-Febo concluded her visit with a rally at the annual Harvest Festival, hosted by High Prairie Library, and a tour of Penrose Library.

PPLD introduced "Family Stargazing Backpacks" to its catalog during November of 2018, in partnership with the Space Foundation Discovery Center (SFDC), to encourage families to get outdoors and explore the night sky. The backpacks include binoculars, star and moon charts, a book about astronomy, and a free family admission pass to SFDC.

East Library, Library 21c, and Sand Creek Library acted as Voting Services and Polling Centers as well as ballot drop-off sites for the November 2018 elections. Sand Creek Library, which provided such services to voters for the first time, was one of only three voting and polling locations in Southeast Colorado Springs.

PPLD released a new mobile app in November of 2018. It has a number of new features that make it easy for users to access millions of resources as well as library information. With the new app, library cardholders can easily place holds and search for materials across PPLD's locations, as well as link accounts and use "my barcode" to initiate service at PPLD self-checkout stations.

Renovations within the 1905 Carnegie Building of Penrose Library resulted in transitions and moves for Special Collections of Regional History and Genealogy during the fall of 2018. For example, Genealogy now resides in the Carnegie Reading Room.

PPLD hosted several successful annual programs and events throughout the year, including but not limited to: Winter Adult Reading Program, Human Library, Mountain of Authors, Teen Fiction Writing Contest, Summer Adventure, Pikes Peak Regional History Symposium, All Pikes Peak Reads, Indie Author Day, Colorado Springs Mini Maker Faire, and two naturalization ceremonies.

LOCAL ECONOMY

The information included in the following paragraphs under this caption has been extracted and summarized from the Colorado Springs Chamber of Commerce, Colorado Department of Revenue, Colorado Springs Economic Development Corporation, Colorado Department of Education, the Bureau of Labor Statistics, U.S. Census Bureau, and the Colorado Springs Convention and Visitors Bureau.

Population

As of December 31, 2018, the population of El Paso County is 709,959 (the District’s legal service is 639,625 and is included in this total). Colorado Springs, the largest municipality within El Paso County (the County), is the 42nd largest city in the nation. The County’s population has increased by approximately 190,100 since 2000, with approximately half of the increase due to migration from other states and the balance due to natural growth.

Age

The projected median age for El Paso County is 34.4 at the end of 2018. The following are estimates of the population for El Paso County by certain age categories:

	2018		2017	
Under 15	143,940	20.3%	142,475	20.4%
15-24	114,430	16.1%	112,412	16.1%
25-44	195,048	27.5%	188,375	27.0%
45-64	168,836	23.8%	170,320	24.4%
65+	87,705	12.3%	84,771	12.1%
Total	709,959		698,353	

Industries

The following chart shows the percentage of employment by industry type:

	2018	2017
Government, including military	18.1%	18.1%
Professional and business	15.6%	15.1%
Wholesale and retail trade	15.2%	15.7%
Education, health care	13.2%	13.8%
Leisure and hospitality	13.6%	12.9%
Financial	6.3%	6.4%
Manufacturing	4.0%	4.0%
All other	14.0%	14.0%

Wage/Salary

Wages are competitive with similarly sized cities, but the average education of the El Paso County employee is greater, providing employers with a high value workforce.

In regularly conducted surveys, local employers rank the quality, dependability and stability of the El Paso County workforce as some of the community's top strengths. Local employers also consistently rank the caliber of their employees as higher than that of employees in sister facilities elsewhere.

The following chart depicts the estimated annual mean of wage levels for certain occupations.

Occupation	2018 Annual Wages	2017 Annual Wages
Accountants and Auditors	\$ 79,920	\$ 76,940
Bank Tellers	30,090	28,600
Bookkeeping, Accounting, and Auditing Clerks	37,490	36,180
Carpenters	45,080	41,930
Civil Engineers	92,460	92,330
Computer Programmers	90,960	99,000
Correctional Officers	56,180	68,980
Dental Hygienists	76,410	77,300
Electrical Engineers	113,580	105,870
Elementary School Teachers	47,580	47,290
Executive Secretaries	52,460	51,740
Financial Analysts	87,050	91,960
Graphic Designers	53,190	54,380
Order Clerks	28,820	26,950
Payroll Clerks	43,460	43,630
Physicians and Surgeons	208,690	235,520
Property Managers	64,700	68,250
Social Workers	66,300	65,650
Systems Analysts	102,440	93,710

Consumer Spending

Retail sales for 2018 were about 3.7% higher than 2017. Population and per capita income drive consumer spending. Both are expected to increase in the future.

Cost of Living

Colorado Springs' cost of living index for 2018 was 98.8, which is slightly lower than the nation as a whole. The following chart compares the cost of living index for Colorado Springs to other cities:

	2018	2017
Seattle, WA	154.8	149.0
Los Angeles, CA	148.2	148.0
Portland, OR	131.0	129.3
Denver, CO	113.2	112.0
Dallas, TX	105.4	102.1
Salt Lake City, UT	102.8	97.1
National Average	100.0	100.0
Colorado Springs, CO	98.8	95.7
Phoenix, AZ	97.4	95.0
Boise, ID	97.2	92.5
Albuquerque, NM	96.9	94.9

Housing

Colorado Springs currently has a supply of reasonably affordable housing, which is important because much of the country is having a difficult time providing this necessity. Colorado Springs' median household income is currently above the levels needed to meet the average cost of housing.

The following chart compares the average price of a new 2,400 sq. ft. home in Colorado Springs to other cities at the end of 2018.

	2018	2017
Los Angeles, CA	\$ 809,182	\$ 786,269
Seattle, WA	725,929	649,370
Portland, OR	549,358	507,368
Denver, CO	489,272	442,949
Salt Lake City, UT	361,743	317,989
National Average	347,825	336,448
Dallas, TX	327,946	317,177
Colorado Springs, CO	323,230	312,724
Boise, ID	320,087	297,092
Phoenix, AZ	319,590	317,372
Albuquerque, NM	315,185	314,655

At the end of 2018, apartment rental rates are equally reasonable when compared to approximately 950 square foot apartments with two bedrooms and one and a half or two full baths in other cities:

	2018	2017
	Per Month	Per Month
Los Angeles, CA	\$ 2,730	\$ 2,633
Portland, OR	2,595	2,482
Seattle, WA	2,508	2,366
Dallas, TX	1,440	1,318
Denver, CO	1,439	1,414
Colorado Springs, CO	1,273	1,201
Salt Lake City, UT	1,109	1,010
National Average	1,094	1,044
Phoenix, AZ	1,065	1,032
Albuquerque, NM	963	968
Boise, ID	958	893

Tourism

Tourism remains one of the main draws to the Colorado Springs area. More than 23 million visitors per year put nearly \$2.3 billion dollars into the local economy. Top attractions include the world-renowned Garden of the Gods followed by the United States Air Force Academy. Most visitors to the Colorado Springs area come from Colorado followed by Texas and California.

Roads

Colorado Springs is conveniently located near the geographical center of the United States, providing easy access to Interstate 70 heading east and west and Interstate 25 heading north and south. To the city's east, Powers Boulevard is a major north-south thoroughfare providing rapid access for the city's growing eastern edge. Highway 24 bypass provides an east-west route.

Airport

Air travel is easy from Colorado Springs with two airports from which to choose in close proximity. The Colorado Springs airport features 12 gates and a 13,500-foot runway, which allows modern aircraft to reach any city in North America. The airport is capable of handling all jet aircraft including wide body planes. Denver International Airport is just 75 miles to the north (about 1 hour and 30 minutes by car on Interstate 25 and E-470).

Legislation

The State of Colorado operates under the Taxpayer Bill of Rights (TABOR), which imposes restrictions on collected property tax revenues in relation to fiscal year spending. Both amounts cannot exceed the prior year's amount (adjusted for inflation and a growth factor) without voter approval. TABOR also imposes restrictions and stipulations on elections, including bond issuances and mill levy increases.

Education

El Paso County has 17 school districts, as well as private elementary/high schools, charter schools, and the state-sponsored Colorado School for the Deaf and the Blind. The 82.5% high school graduation rates in El Paso County are higher than those for Colorado, but are still below the Colorado Department of Education's target of 90%.

Colorado Springs has 18 institutions of higher education. The three largest are:

	Total Enrollment	Total Enrollment
Pikes Peak Community College	13,572	15,299
University of Colorado at Colorado Springs	12,932	12,258
United States Air Force Academy	4,276	4,237

National Rankings

- Colorado Springs ranked #1 in U.S. News and World Report's 25 Most Desirable Places to live in 2018. Affordability and job market were cited as contributing factors in the decision.
- Colorado Springs ranked #7 in *Money's* Top 10 Best Big Cities to live in Right Now. The score was based primarily on the city's outdoor attractions, livability and reasonable cost of living.
- CompTIA scored Colorado Springs #20 on their 2018 Tech Town Index as one of the best places in the country for IT professionals to live and work based on cost of living, number of open IT positions, and projected job growth over the next five years.
- Colorado Springs ranked #3 on WalletHub's 2018 Best Places for Veterans to Live based on four key dimensions: employment, economy, quality of life and health.

- Colorado Springs was ranked the nation's fourth most business friendly city according to Thumbtack's [2018 Small Business Friendliness Survey](#). The survey ranked 57 cities and 7,500 small business owners based on eight factors, including licensing requirements, tax regulations, and labor and hiring regulations.
- *Chief Executive* released its new state business report, the [Best and Worst States for Business 2018](#). Colorado ranked #8, experiencing an increase of five spots from 2017. The ranking considered state regulations, workforce quality, and living environment.
- Colorado Springs ranked #12 on Forbes' 2018 Best Places for Business and Careers list. Major industries, median home price, and job growth factored into the ranking.
- Colorado Springs ranked #2 best large metro area for first-time homebuyers by WalletHub. The survey compared 300 cities of varying size across 27 key indicators of market attractiveness, affordability, and quality of life.

OTHER ITEMS

Internal Controls

The District has a number of policies and procedures, which govern the operations of the District to ensure effective cash management, compliance with government accounting regulations, and good business practice. The objectives of these policies and procedures are commensurate with our District-wide goals to effectively manage the current assets and resources of the District.

The oversight responsibilities of the financial operations of the District rest with the Board of Trustees. Each month the Board is provided detailed financial information, prepared by the Finance Office, including financial statements and budget analysis for each fund. The Board is responsible for all budgetary resolutions and approvals, and for setting the mill levy annually. The Board is also responsible for the approval of any real estate transactions, bonded debt, borrowing of funds, and major contracts.

The Chief Librarian and Chief Executive Officer has the authority to negotiate and sign regular operational contracts, and to approve expenditures up to \$100,000. The Chief Financial Officer can authorize purchase orders under \$100,000. Purchases in excess of \$100,000 are submitted to the Board of Trustees for approval. These, and other stipulations, are included in an extensive Financial Guidelines Policy, which was approved by the Board of Trustees.

Segregation of duties is a guiding principle in the Finance Office. For example, the staff members who count the cash and prepare deposit slips are not authorized to record deposits in the accounting system. Only a few staff members are given the combination to the safe, and only the Chief Finance and Business Officer and the Executive Director are authorized to affect wire transfers or banking transactions.

The Chief Financial Officer approves all purchase orders, payments of services, and journal entries. The accounting system is carefully set up to allow rights for certain functions to the appropriate staff members only. A staff member who does not have cash receipt or cash disbursement responsibility processes bank reconciliations, but such reconciliations must be reviewed and approved by the Chief Finance and Business Officer.

Internally performed cash audits of all petty cash and cash registers banks are scheduled periodically at the Library locations.

We believe that the cash management procedures in place are thorough and comprehensive, providing an effective environment of safety and good stewardship of the taxpayers' trust.

FINANCIAL POLICIES

The 2018 CAFR has been prepared in compliance with the District's Financial Guidelines without exception.

AWARDS and ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Pikes Peak Library District for its Comprehensive Annual Financial Report for the year ended December 31, 2017. This was the 27th consecutive year that the District has received this prestigious award.

In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting, the government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must justify both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement for Excellence in Financial Reporting program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

We wish to thank the members of the Board of Trustees for their leadership and support.

Finally, we would like to offer special thanks to the following individuals who are (or have been) employed by the District's Finance Office, and whose efforts and contributions made the preparation of the 2018 CAFR a success:

Dana Austin, Sarah Brooks, Randy Green, Tisha Mueller, Dawn Ouradnik, Tatiana Zonte, Merry Zumwalt

Respectfully submitted,

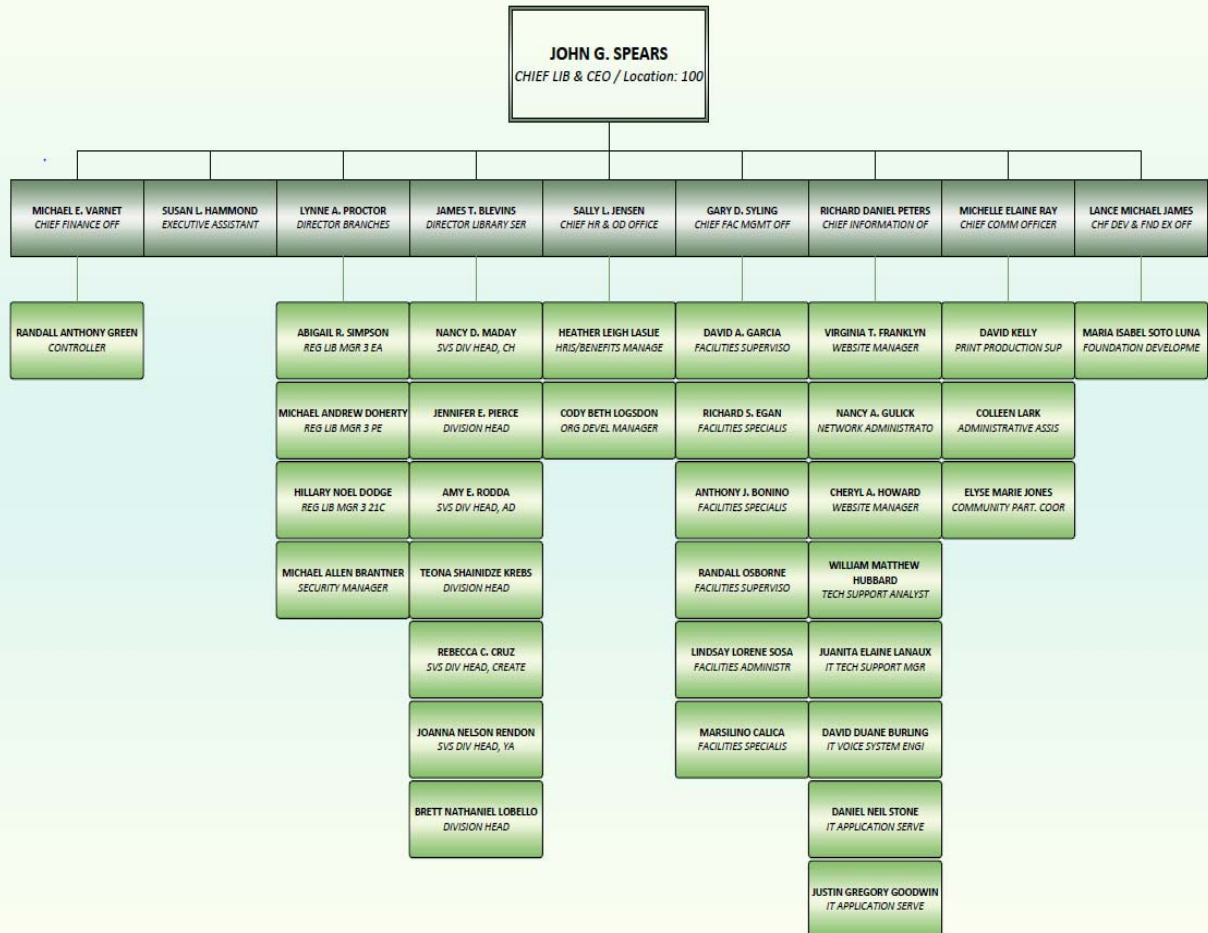


John Spears
Executive Director



Michael E. Varnet, CPA, CPFO
Chief Financial Officer

MUNIS ORG CHART



**Chief Librarian and
Chief Executive Officer's Leadership Team
December 31, 2018**

John SpearsChief Librarian and Chief Executive Officer
Tim Blevins.....Director Library Services
Lance James Chief Development Officer and Foundation Executive Officer
Sally Jensen.....Chief Human Resources and Organizational Development Officer
Lynne Proctor Director Branches
Rich Peters Chief Information Officer
Michelle RayChief Communications Officer
Gary Syling Chief Facilities Management Officer
Michael Varnet, CPA, CPFO..... Chief Financial Officer
Sue Hammond.....Assistant to the Chief Librarian and Chief Executive Officer

**Pikes Peak Library District
List of Managers
As of December 31, 2018**

<u>Manager's Name</u>	<u>Job Title</u>
Abbott, Steve	Branch Manager 2, Rockrimmon Library
Asmar, Michael	Circulation Services Supervisor, Penrose
Blakely, Evelyn	Supervisor, Old Colorado City Library
Blevins, James	Director, Library Services
Carrier, Jean	Supervisor, Monument Library
Cruz, Rebecca	Division Head, Creative Services
Dodge, Hillary	Regional Library Manager, North
Doherty, Michael	Regional Manager, West
Fletcher, Mark	Supervisor, Fountain Library
Ford, Terry	Supervisor, East Library Circulation Services
Foye, Laura	Supervisor, High Prairie Library
Fuqua-Jones, Linda	Supervisor, Palmer Lake Library
Garcia, David	Facilities Lead, East Library Facilities
Garcia, Lisa	Supervisor, Sand Creek Library
Brantner, Michael	Program Supervisor, Security
Gomori, Alicia	Branch Manager 1, Fountain
Goodwin, Janina	Branch Manager 3, East Library
Green, Randall	Manager, Finance
Hancock, Sandy	Branch Manager 1, Old Colorado City
Hart, Andrew	Branch Manager 2, Monument/Palmer Lake Libraries
Holton-Johnson, Christy	Supervisor, Cheyenne Mountain Library
Krupicka-Smith, Antonia	Branch Manager 3, Penrose Library
Kelly, David	Supervisor, Print Production
Lanaux, Juanita	ITVS Support Manager
Lobello, Brett	Division Head, Regional History & Genealogy
Logsdon, Cody	Organization Development Manager
London, Laura	Supervisor, Rockrimmon Library
Maday, Nancy	Division Head, Children's Services
Marez-Frutchey, Amanda	Supervisor, Interlibrary Loan
Maxon, Scott	Supervisor, Adult Education
Morris, Margaret	Branch Manager 2, Manitou Springs, Ute Pass Library
Morris, Tim	Manager, Special Collections
Osborne, Randall	Facilities Lead, Penrose Library Facilities
Paisley, Tiffany	Branch Manager 2, Cheyenne Mountain Library
Pierce, Jenny	Division Head, Collection Management
Proctor, Lynne	Director , Branches
Rendon, Joanna	Division Head, Young Adult Services
Robert, Marion	Supervisor, East Library Shelving Services

**Pikes Peak Library District
List of Managers
As of December 31, 2018**

Rodda, Amy	Division Head, Adult Services
Roes, Greg	Supervisor, 21c Shelving & Circulation Services
Rundle, Jacob	Branch Manager 2, Sand Creek Libraries
Shainidze-Krebs, Teona	Division Head, Adult Education
Simpson, Abby	Regional Manager, Southeast
Tierney, Catie	Branch Manager 3, Library 21c
Toledo, Fran	Supervisor, Ruth Holley Library
Ward, Lisa	Supervisor, Mobile Library Services
Willhoff, Elizabeth	Branch Manager 2, High Prairie Libraries
Wren, Joelle	Branch Manager 2, Ruth Holley



Government Finance Officers Association

Certificate of
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Reporting

Presented to

**Pikes Peak Library District
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrill

Executive Director/CEO

Independent Auditor's Report

Board of Trustees
Pikes Peak Library District
Colorado Springs, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Pikes Peak Library District (the District), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 unit, each major fund, and the aggregate remaining fund information of the Pikes Peak Library District as of December 31, 2018, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary and pension information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund statements and schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The 2018 combining and individual fund statements and schedules are the responsibility of management and were derived from and relate 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 auditing standards generally accepted in the United States of America. In our opinion, the 2018 combining and individual fund statements and schedules are fairly stated, in all material respects in relation to the basic financial statements as a whole. We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the District's basic financial statements as of and for the year ended December 31, 2017, which are not presented with the

Board of Trustees
Pikes Peak Library District

accompanying financial statements. In our report dated June 12, 2018, we expressed unmodified opinions on the respective financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information. In our opinion, the 2017 comparative combining and individual fund financial statements and schedules supplementary information is fairly stated in all material respects in relation to the basic financial statements as of and for the year ended December 31, 2017, taken as a whole.

The Statistical Section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2019, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

BKD, LLP

Colorado Springs, Colorado
June 24, 2019

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Pikes Peak Library District

Management's Discussion and Analysis (Unaudited)

December 31, 2018

As management of the Pikes Peak Library District, we offer readers of the Pikes Peak Library District financial statements this narrative overview and analysis of the financial activities of the Pikes Peak Library District (the District or PPLD) for the year ended December 31, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 11 through 21 of this report.

Financial Highlights

- The District's total assets and deferred outflows of resources was \$93,615,738 as of December 31, 2018. Included in this total is current assets of \$44,944,558 (primarily cash and investments of \$15,867,839 and property taxes receivable of \$28,349,290), noncurrent assets (capital assets) of \$35,446,350, and deferred outflow of resources (pension-related amounts) of \$13,224,830.
- The District's total liabilities and deferred inflows of resources was \$58,536,783 as of December 31, 2018. Included in this total is current liabilities of \$2,714,586 (accounts payable of \$1,464,404 and accrued compensation payable of \$1,250,182), noncurrent liabilities of \$27,205,854 (accrued compensation absences of \$1,305,423 and net pension liability of \$25,900,431), and deferred inflows of resources of \$28,616,343 (property taxes of \$28,349,290 and pension-related amounts of \$267,053).
- The District's assets exceed its liabilities by \$35,078,956 (net position) as of December 31, 2018.
- Total net position is comprised of the following:
 - (1) Net investment in capital assets of \$34,938,136 includes property and equipment, net of accumulated depreciation.
 - (2) Net position of \$1,131,310 is restricted by constraints imposed from outside the District, such as gifts, grantors, laws or regulations.
 - (3) Unrestricted net position of (\$990,490) represents the portion available to maintain the District's continuing obligations to citizens and creditors. As discussed below, the District implemented GASB Statement No. 68 effective January 1, 2015. As of December 31, 2018, the District's proportionate share of the Net Pension Liability was \$25,900,431. This balance is included in the unrestricted net position.
- The District's total assets in its Governmental Funds was \$48,080,416 as of December 31, 2018 (primarily cash and investments of \$15,318,262 and property taxes receivable of \$28,349,290).
- The District's total liabilities of its Governmental Funds was \$5,739,707 as of December 31, 2018 (accounts payable of \$1,325,120, accrued compensation payable of \$690,715, and amounts due to other funds of \$3,723,872).
- The District's total deferred inflows of resources was \$28,411,841 (property taxes of \$28,349,290 and unavailable fund resources of \$62,551).

Pikes Peak Library District
Management's Discussion and Analysis (Unaudited) (Continued)
December 31, 2018

- The District's General Fund reported total ending fund balance of \$10,725,941 as of December 31, 2018. This compares to the prior year ending fund balance of \$10,432,837, showing an increase of \$293,104 during the current year.
- At the end of the current calendar year, unassigned fund balance for the General Fund was \$8,900,930, or 28.5%, of total General Fund expenditures, including transfers for the year ended December 31, 2018.
- Overall, the District continues to maintain a moderately strong financial position.

The above financial highlights are explained in more detail in the "Financial Analysis of the District as a Whole" section of this document.

Overview of the Financial Statements

This Management's Discussion and Analysis document introduces the District's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves. Comparative data is presented when available.

Government-wide Financial Statements

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

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

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

Both government-wide financial statements distinguish governmental activities of the District that are principally supported by property taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general library operations. The District has no business-type activities.

Pikes Peak Library District
Management's Discussion and Analysis (Unaudited) (Continued)
December 31, 2018

The government-wide financial statements also include the financial statements of Pikes Peak Library District Foundation, Inc., a legally separate entity. Financial information for this component unit is reported separately from the financial information presented for the District (primary government) in accordance with GASB standards.

The government-wide financial statements are presented on pages 45 through 50 of this report.

Fund Financial Statements

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

The District has the following fund types:

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

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

The basic governmental fund financial statements are presented on pages 51 through 54 of this report.

The Internal Service Fund (Employee Health Plan) is reported in the fund financial statements, and generally reports employee and employer contributions along with benefit claims paid and administrative costs related to the District's partially self-insured health plan offered to employees with a regularly scheduled workweek of 30 or more hours.

The basic internal service fund financial statements are presented on pages 55 through 57 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because those resources are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for the government-wide statements.

The basic fiduciary fund financial statement can be found on page 58 of this report.

Pikes Peak Library District
Management's Discussion and Analysis (Unaudited) (Continued)
December 31, 2018

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 57 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's detailed budget presentations for its General Fund, the District's proportionate share of the net pension liability, and District contributions. These statements and schedules demonstrate compliance with the District's adopted and final revised budget. The required supplementary information can be found on pages 88 through 93.

As discussed, the District reports one major fund and several non-major funds in the basic financial statements. The individual governmental fund comparative statements are presented in a subsequent section of this report beginning on page 95.

Financial Analysis of the District as a Whole

The District's net position at calendar year-end is \$35,078,956. The following table provides a summary of the District's net position as of December 31, 2018 and 2017:

Pikes Peak Library District
Management's Discussion and Analysis (Unaudited) (Continued)
December 31, 2018

	Summary of Net Position			
	2018		2017	
	Governmental Activities	Percentage of Total	Governmental Activities	Percentage of Total
Assets				
Current and other assets	\$ 44,944,558	56%	\$ 41,283,472	53%
Capital assets	35,446,350	44%	36,862,309	47%
Total assets	80,390,908	100%	78,145,781	100%
Deferred Outflows of Resources	13,224,830	100%	1,057,282	100%
Liabilities				
Current liabilities	2,714,586	9%	2,360,801	18%
Noncurrent liabilities	27,205,854	91%	10,790,009	82%
Total liabilities	29,920,440	100%	13,150,810	100%
Deferred Inflows of Resources	28,616,343	100%	27,308,811	100%
Net Position				
Net investment in capital assets	34,938,136	99%	36,767,440	95%
Restricted	1,131,310	3%	1,004,708	3%
Unrestricted	(990,490)	-2%	971,294	2%
Total net position	\$ 35,078,956	100%	\$ 38,743,442	100%

The District continues to maintain a moderately high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. However, to make this ratio meaningful, we have eliminated the property taxes receivable for governmental activities. After this elimination, governmental activities' current assets are \$16,595,268. As a result, the current ratio for the District overall is 6.1 to 1, which is comparable to the December 31, 2017 ratio of 6.2 to 1. This ratio is strong.

The District reported positive balances in net position. Net position decreased by (\$3,664,486) for governmental activities.

Approximately 99% of the District's net position is comprised of capital assets as of December 31, 2018. The District uses these capital assets to provide services to its citizens.

The following table provides a summary of the District's changes in governmental activities' net position for the years ended December 31, 2018 and 2017:

Pikes Peak Library District
Management's Discussion and Analysis (Unaudited) (Continued)
December 31, 2018

	Summary of Changes in Net Position			
	2018		2017	
	Governmental Activities	Percentage of Total	Governmental Activities	Percentage of Total
Revenues				
Program				
Charges for services, sales and fines	\$ 114,964	0%	\$ 274,186	1%
Operating grants/donations	426,310	1%	596,824	2%
Capital grants/donations	914,553	3%	342,593	1%
General				
Taxes	30,244,545	94%	29,310,125	95%
Other	552,058	2%	370,425	1%
Total revenues	32,252,430	100%	30,894,153	100%
Program expenses				
Public services	23,333,788	64%	20,382,695	64%
Human Resources Office	495,338	1%	-	0%
Administrative services	-	0%	3,914,245	13%
Chief Librarian and CEO's Office	311,333	1%	474,077	2%
Development Office	182,018	1%	-	0%
Finance Office	629,124	2%	551,706	2%
Facilities Office	3,885,930	11%	-	0%
Information Technology Office	2,794,960	8%	1,868,122	6%
Communications Office	979,183	3%	830,962	3%
Other administration	3,299,412	9%	3,222,456	10%
Total expenses	35,911,086	100%	31,244,263	100%
Special item - TABOR refund	(5,830)		(543,196)	
Change in net position	(3,664,486)		(893,306)	
Beginning net position	38,743,442		39,636,748	
Ending net position	\$ 35,078,956		\$ 38,743,442	

During 2018, the District completed a reorganization of its departmental operations, and the changes are part of the 2018 balances. The 2017 balances reflect the structure prior to the reorganization, and the balances may not be comparable between the two years.

Pikes Peak Library District
Management's Discussion and Analysis (Unaudited) (Continued)
December 31, 2018

Governmental Revenues

The District is heavily reliant on taxes to support governmental activities. Taxes provided 94% of the District's total revenues. Also, note that program revenues generated only 4% of governmental activities' revenues for the year ended December 31, 2018. This means that the District's taxpayers and the District's other general revenues fund provided 100% of the governmental activities. As a result, the general economy and the changes in both residential and commercial property values have a major impact on the District's revenue streams.

Governmental Function Expenses

Approximately 72% of the District's expenses provide supporting services to the public service and information technology functions. In addition, approximately \$1.4 million of depreciation expense on the District's buildings is included in total expenses, and total depreciation expense was approximately \$3.8 million.

Financial Analysis of the District's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflows and outflows of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$13,928,868.

Fund balances as of December 31, 2018 and 2017 include:

	2018	2017
Nonspendable	\$ 311,114	\$ 345,662
Restricted	1,131,310	1,004,708
Committed	3,199,791	2,710,995
Assigned	385,723	377,741
Unassigned	8,900,930	7,848,739
	\$ 13,928,868	\$ 12,287,845

Major Governmental Funds

General Fund

The General Fund is the District's primary operating fund and the largest source of day-to-day service delivery. The General Fund's balance increased by \$293,104 during 2018. The total fund balance of the

Pikes Peak Library District
Management's Discussion and Analysis (Unaudited) (Continued)
December 31, 2018

General Fund as of December 31, 2018 was \$10,725,941. The total fund balance as of December 31, 2017 was \$10,432,837.

The fund balance of the General Fund is broken down as follows as of December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Nonspendable	\$ 311,114	\$ 339,785
Restricted	1,128,386	1,001,784
Committed	-	865,000
Assigned	385,511	377,529
Unassigned	<u>8,900,930</u>	<u>7,848,739</u>
	<u><u>\$ 10,725,941</u></u>	<u><u>\$ 10,432,837</u></u>

The total Committed Fund Balance was fully utilized during 2018 to help fund the renovation of the Penrose Library.

As noted previously, total fund balance increased during 2018 by \$293,104. This figure is net of the \$865,000 that was utilized as discussed above. Excluding this total, the fund balance increased by \$1,158,104, which approximates the change in Unassigned Fund Balance from 2017 to 2018.

Nonmajor Governmental Funds

Nonmajor governmental funds include one Special Revenue Fund and four Capital Projects Funds.

Special Revenue Fund – Total fund balance as of December 31, 2018 was \$160,758. This amount is \$70,824 less than the fund balance of \$231,582 as of December 31, 2017.

Capital Projects Funds – As of December 31, 2018, fund balance for specific funds equals the following and represents ongoing projects; funds not listed have zero balances and were closed as the projects were completed:

	<u>2018</u>	<u>2017</u>
North Facility Project Fund	\$ 252,263	\$ 177,499
East Library Renovation Fund	78,224	107,231
Penrose Library Renovation Fund	1,003,369	84,339
Capital Reserve Fund	<u>1,708,313</u>	<u>1,254,357</u>
	<u><u>\$ 3,042,169</u></u>	<u><u>\$ 1,623,426</u></u>

Pikes Peak Library District
Management’s Discussion and Analysis (Unaudited) (Continued)
December 31, 2018

The fund balance for the Penrose Library Renovation Fund increased by \$919,030 from 2017 to 2018 primarily because a major phase of the renovation was in progress as of December 31, 2018, and it was completed in 2019.

For 2018, capital outlay for those specific funds equaled the following:

North Facility Project Fund	\$ 92,364
East Library Renovation Fund	61,508
Penrose Library Renovation Fund	843,102
Capital Reserve Fund	736,618

Budgetary Highlights

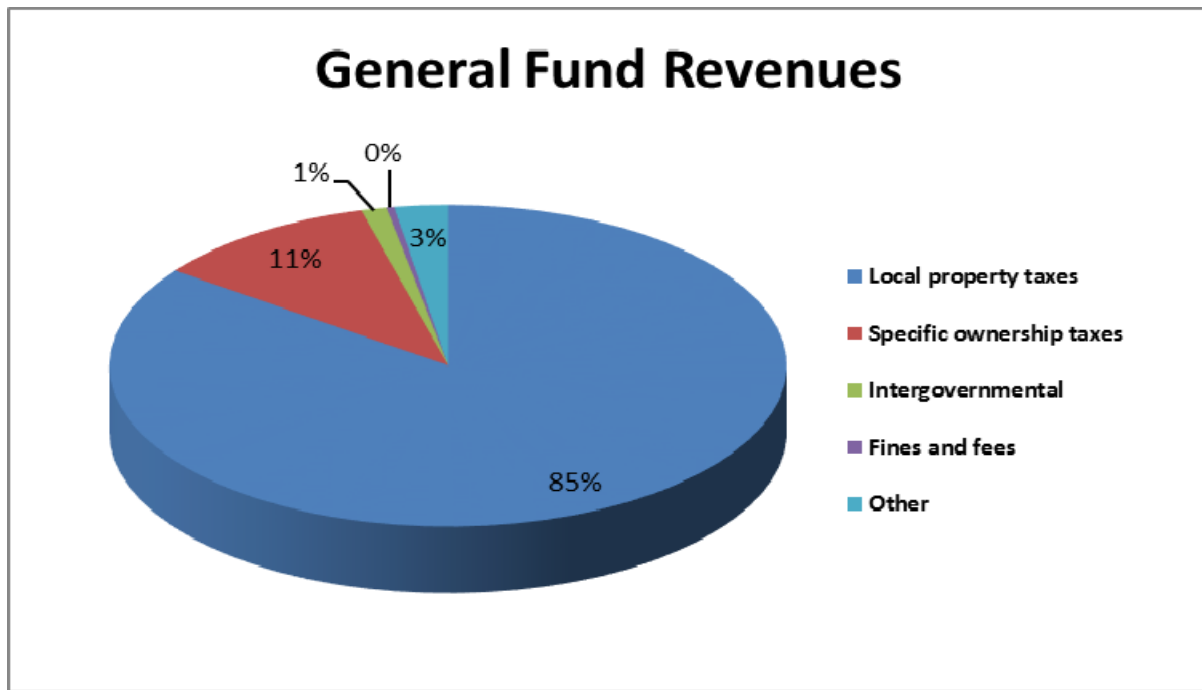
General Fund

The original budget (expenditures and transfers out) was amended by \$657,859, principally to utilize prior year fund balances that were primarily either reserved for encumbrances or designated for specific capital projects. Such reserves and designations of fund balance were not included in the original 2018 budget.

General Fund Revenues

Total General Fund actual revenues for fiscal year 2018 were \$31,546,749. This amount was less than the 2018 budget, as amended, by (\$525,300) which is approximately (1.6%) of the total revenue budget.

The following chart depicts General Fund revenue for 2018 by category:

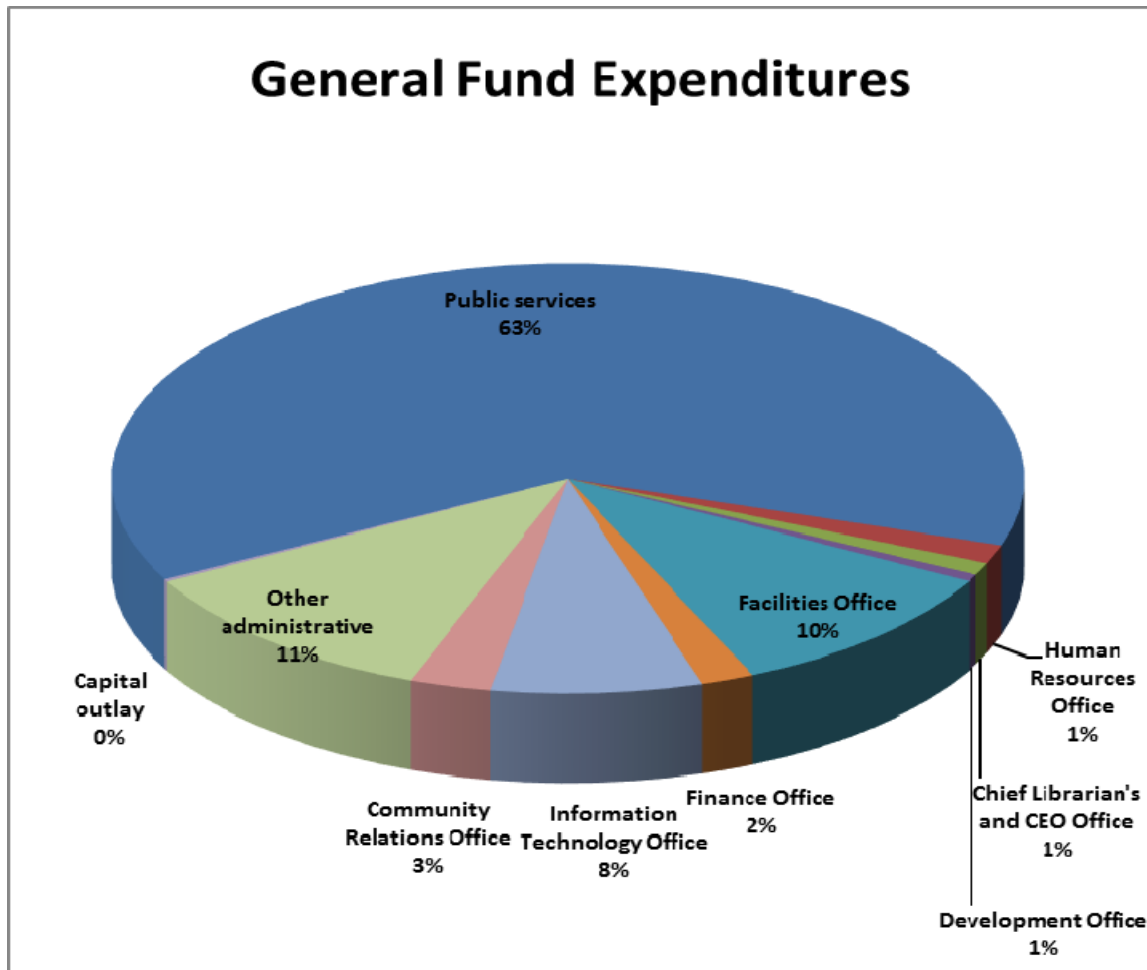


Pikes Peak Library District
Management's Discussion and Analysis (Unaudited) (Continued)
December 31, 2018

General Fund Expenditures

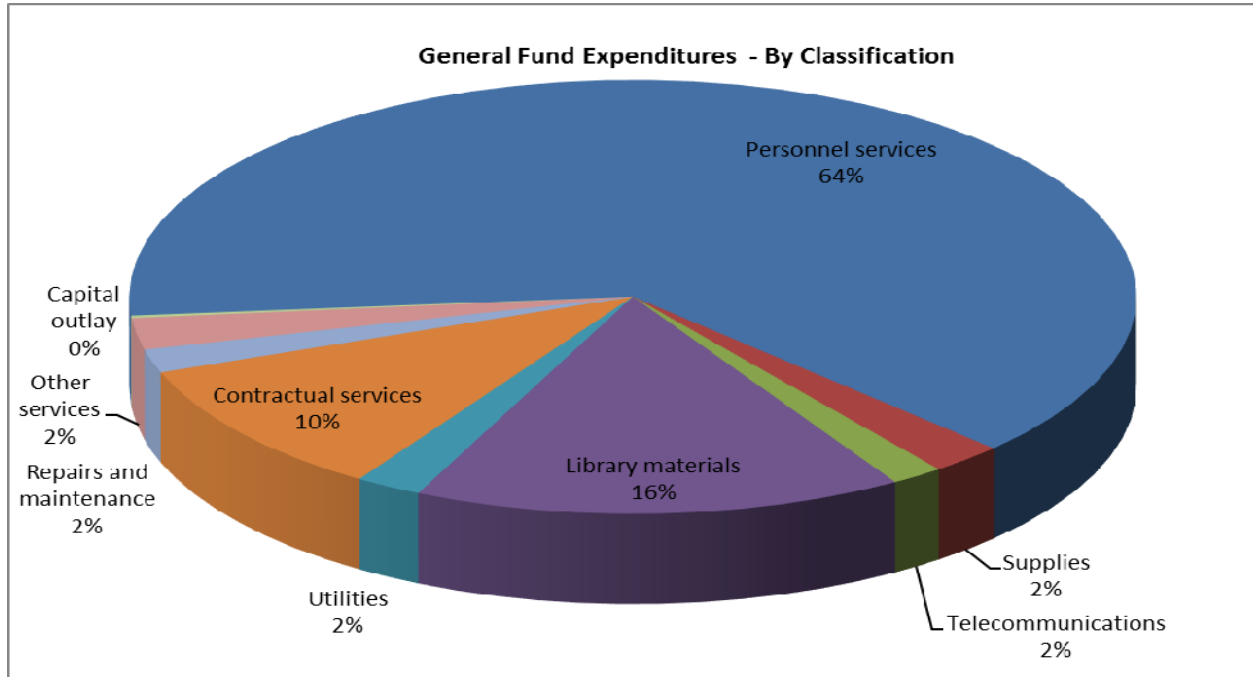
Total General Fund actual expenditures for fiscal year 2018 was \$28,826,256. This amount was less than the 2018 budget, as amended, by \$2,938,810, which is approximately 9.3% of the total budget.

The following chart depicts 2018 General Fund expenditures by function:



Pikes Peak Library District
Management's Discussion and Analysis (Unaudited) (Continued)
December 31, 2018

The following chart depicts 2018 General Fund expenditures by classification:



The following is a summary of the departments or accounts that significantly contributed to the difference between the 2018 budget and actual expenditures:

Reorganization – The District completed its reorganization during 2018. Certain departments (Facilities Office, Human Resources Office, and the Development Office) are shown separately for financial statement purposes. In addition, the District’s Collection Management Department, which was previously shown as part of the District’s Information Technology Office, is now presented under Public Services.

Public Services – For 2018, this function was under budget by \$1,478,868. The primary cause is due to staff positions that were vacant at some point throughout 2018. The District’s 2018 budget included the 26 new full-time positions, and the majority of these positions were included under Public Services. They were filled at different times throughout the year. The annual budget includes all authorized positions budgeted at the amount for full employment for the entire year. The time periods that such positions were vacant resulted in budget savings.

Other Administrative Services – For 2018, this function was under budget by \$576,870. Included in this total is \$300,000, which is a contingency for unanticipated designated fund activity at the time the 2018 budget was approved. This same amount appears under revenue as well.

Information Technology – For 2018, this function was under budget by \$261,330. The primary reason for the budget savings is the amount spent on repairs and maintenance was less than budget by \$102,532. In general, budget accounts under this category include estimates for contingencies for unknown items at the time the budget was prepared. Actual expenditures may vary from year to year depending on identified needs throughout the year.

Pikes Peak Library District
Management's Discussion and Analysis (Unaudited) (Continued)
December 31, 2018

Capital outlay – For 2018, this function was under budget by \$109,717.

Capital Assets

The District's capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2018 was \$35,446,350. See note III-D on page 77 for additional information about changes in capital assets during the calendar year and balances at the end of the year.

The following table provides a summary of capital assets as of December 31, 2018 and 2017:

	Capital Assets			
	2018		2017	
	Governmental Activities	Percentage of Total	Governmental Activities	Percentage of Total
Nondepreciable assets				
Land	\$ 5,317,363	6%	\$ 5,317,363	6%
Collections of historical treasures	9,795,541	12%	9,789,208	12%
Construction in progress	957,786	1%	38,644	0%
	16,070,690		15,145,215	
Depreciable assets				
Land improvements	871,954	1%	871,954	1%
Leasehold improvements	1,017,507	1%	1,017,507	1%
Buildings	42,501,662	51%	42,378,101	51%
Equipment, furniture and fixtures	5,792,171	8%	6,087,291	7%
Vehicles	866,609	1%	825,471	1%
Books and materials	16,066,399	19%	17,381,081	21%
	67,116,302	100%	68,561,405	100%
Less accumulated depreciation	(47,740,642)		(46,844,311)	
Book value - depreciable assets	19,375,660		21,717,094	
Percentage depreciated	71%		68%	
Book value - all capital assets	\$ 35,446,350		\$ 36,862,309	

At December 31, 2018, the depreciable capital assets for governmental activities were 71% depreciated. This compares consistently to the December 31, 2017 percentage of 68%.

Pikes Peak Library District
Management's Discussion and Analysis (Unaudited) (Continued)
December 31, 2018

Economic Factors and Next Year's Budget and Mill Levy

The following factors were considered when the 2018 budget was prepared:

1. The unemployment rate for El Paso County, Colorado was 2.8%, which is a decrease from a rate of 3.5% a year ago.
2. Inflationary trends in the region and cost of living indices in the region compare favorably to national indices.

At December 31, 2018, unassigned fund balance in the General Fund totaled \$8,900,930. The District has appropriated \$2,099,116 of this balance for spending in the 2019 fiscal year budget.

For the fiscal year 2019 budget, the total mill levy is 4.000 mills (4.000 mills for general operating expenses, 0.018 mills for refunds and abatements, and a temporary mill levy credit of (0.018) for a refund to taxpayers for excess revenue collected during 2018 above the legal limit). The mill levy for fiscal year 2018 was 3.812 mills. The gross assessed valuation for all taxable property within the District's legal service area is \$7,198,824,710 and \$7,080,595,440 for taxes to be paid in 2019 and 2018, respectively.

Requests for Information

This Financial Report is designed to provide a general overview of the District's finances, compliance with finance-related laws and regulations, and demonstrate the District's commitment to public accountability. If you have any questions about this report, or would like to request additional information, contact the District's Financial Office at 1175 Chapel Hills Drive, Colorado Springs, Colorado 80920.

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Pikes Peak Library District
Statement of Net Position
December 31, 2018

	Primary Government Governmental Activities
Assets and Deferred Outflows of Resources	
Current Assets	
Cash and investments	\$ 15,867,839
Property taxes receivable	28,349,290
Other receivables	80,328
Due from other governments	299,320
Prepaid items	347,781
Total current assets	44,944,558
Noncurrent Assets	
Capital assets	
Nondepreciable property	16,070,690
Depreciable building, property and equipment, net	19,375,660
Total noncurrent assets	35,446,350
Total assets	80,390,908
Deferred Outflows of Resources	
Pension-related amounts	13,224,830
Total assets and deferred outflows of resources	93,615,738
Liabilities and Deferred Inflows of Resources	
Current Liabilities	
Accounts payable	1,341,543
Due to discretely presented component unit	122,861
Accrued compensation payable	1,250,182
Total current liabilities	2,714,586
Noncurrent Liabilities	
Noncurrent portion of long-term obligations	
Net pension liability	25,900,431
Accrued compensated absences	1,305,423
Total noncurrent liabilities	27,205,854
Total liabilities	29,920,440
Deferred Inflows of Resources	
Property taxes	28,349,290
Pension-related amounts	267,053
Total deferred inflows of resources	28,616,343
Total liabilities and deferred inflows of resources	58,536,783
Net Position	
Net investment in capital assets	34,938,136
Restricted for	
Declared emergencies	931,085
Gifts and grants	200,225
	1,131,310
Unrestricted	(990,490)
Total net position	\$ 35,078,956

Pikes Peak Library District Foundation, Inc.
Statement of Financial Position
December 31, 2018

Assets

Cash	\$	241,718
Contributions receivable, net		10,400
Accounts receivable		40,607
Due from PPLD		120,826
Prepaid items		4,726
Investments		<u>1,456,042</u>
Total assets	\$	<u><u>1,874,319</u></u>

Liabilities and Net Assets

Liabilities

Accounts payable	\$	<u>7,618</u>
------------------	----	--------------

Net Assets

Without donor restrictions		
Undesignated		82,007
Board-designated		<u>709,688</u>
		791,695
With donor restrictions		<u>1,075,006</u>
Total net assets		<u><u>1,866,701</u></u>
Total liabilities and net assets	\$	<u><u>1,874,319</u></u>

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Pikes Peak Library District
Statement of Activities
Year Ended December 31, 2018

Functions/Programs	Expenses	Charges for Services, Sales and Fines
Primary Government		
Governmental activities		
Public Services	\$ 23,333,788	\$ 114,964
Human Resources Office	495,338	-
Chief Librarian and CEO's Office	311,333	-
Development Office	182,018	-
Finance Office	629,124	-
Facilities Office	3,885,930	-
Information Technology Office	2,794,960	-
Communications Office	979,183	-
Other administration	3,299,412	-
	<u>\$ 35,911,086</u>	<u>\$ 114,964</u>
General revenues		
Property taxes levied for library purposes		
Specific ownership taxes		
Investment earnings		
Miscellaneous		
Total general revenues		
Special item		
TABOR refund of property tax revenue in excess of limit		
Total general revenues and special item		
Change in net position		
Net position, January 1		
Net position, December 31		

Program Revenues		Net (Expense) Revenue and Changes in Net Position
Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities
\$ 426,310	\$ 709,178	\$ (22,083,336)
-	-	(495,338)
-	-	(311,333)
-	-	(182,018)
-	-	(629,124)
-	118,863	(3,767,067)
-	86,512	(2,708,448)
-	-	(979,183)
-	-	(3,299,412)
<u>\$ 426,310</u>	<u>\$ 914,553</u>	<u>(34,455,259)</u>
		26,834,122
		3,410,423
		386,768
		<u>165,290</u>
		<u>30,796,603</u>
		(5,830)
		<u>30,790,773</u>
		<u>(3,664,486)</u>
		<u>38,743,442</u>
		<u>\$ 35,078,956</u>

Pikes Peak Library District Foundation, Inc.

Statement of Activities

Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains and Other Support			
Contributions	\$ 92,148	\$ 377,944	\$ 470,092
Contributed services	154,830	-	154,830
Gifts in kind	268	8,706	8,974
Investment loss, net	(61,762)	(42,384)	(104,146)
Net assets released from restrictions	1,121,550	(1,121,550)	-
Total revenues, gains and other support	1,307,034	(777,284)	529,750
Expenses			
Program services			
Distributions to PPLD	1,154,393	-	1,154,393
Other	8,974		8,974
	1,163,367	-	1,163,367
Support services			
General and administrative			
Contributed services	15,484	-	15,484
Fundraising			
Contributed services	139,346	-	139,346
Other	18,054	-	18,054
	157,400	-	157,400
Total support services	172,884	-	172,884
Total expenses	1,336,251	-	1,336,251
Change in Net Assets	(29,217)	(777,284)	(806,501)
Net Assets, Beginning of Year	820,912	1,852,290	2,673,202
Net Assets, End of Year	\$ 791,695	\$ 1,075,006	\$ 1,866,701

Pikes Peak Library District
Balance Sheet – Governmental Funds
December 31, 2018

	General	Other Funds	Total Governmental Funds
Assets			
Cash and investments	\$ 15,318,262	\$ -	\$ 15,318,262
Property taxes receivable	28,349,290	-	28,349,290
Other receivables	78,558	-	78,558
Due from other governments	299,320	-	299,320
Due from other funds	-	3,723,872	3,723,872
Prepaid items	311,114	-	311,114
Total assets	\$ 44,356,544	\$ 3,723,872	\$ 48,080,416
Liabilities			
Accounts payable	\$ 681,314	\$ 520,945	\$ 1,202,259
Due from discretely presented component unit	122,861	-	122,861
Accrued compensation payable	690,715	-	690,715
Due to other funds	3,723,872	-	3,723,872
Total liabilities	5,218,762	520,945	5,739,707
Deferred Inflows of Resources			
Unavailable revenue - property taxes	28,349,290	-	28,349,290
Unavailable fund resources	62,551	-	62,551
Total deferred inflows of resources	28,411,841	-	28,411,841
Fund Balances			
Nonspendable:			
Prepaid expenditures	311,114	-	311,114
Restricted for:			
Declared emergencies	931,085	-	931,085
Gifts and grants	197,301	2,924	200,225
Committed to:			
Capital projects	-	3,199,791	3,199,791
Assigned to:			
Purchased contracts	157,962	-	157,962
Library materials	227,549	-	227,549
Gifts and grants	-	212	212
Unassigned	8,900,930	-	8,900,930
Total fund balances	10,725,941	3,202,927	13,928,868
Total liabilities, deferred inflows of resources, and fund balances	\$ 44,356,544	\$ 3,723,872	\$ 48,080,416

Pikes Peak Library District
Reconciliation of the Balance Sheet of Governmental
Funds to the Statement of Net Position
December 31, 2018

Amounts reported for governmental activities in the statement of net position (page 45) are different because:

Fund balances - total governmental funds (page 51)		\$ 13,928,868
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		
Cost of capital assets	\$ 83,186,992	
Less: accumulated depreciation	<u>(47,740,642)</u>	
Net capital assets		35,446,350
Certain long-term pension related costs and adjustments are not payable currently and are therefore not reported in the funds.		
Net pension-related amounts		(12,942,653)
Liabilities that are not due and payable in the current period and, therefore, are not reported in the funds		
Accrued compensated absences		(1,864,890)
Certain revenue earned but not available, classified as deferred inflows in governmental funds is susceptible to full accrual on the entity-wide statements		
		62,551
Internal service funds are used by management to charge the costs of certain activities, such as health insurance, to the individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position		
		<u>448,730</u>
Net position - governmental activities (page 45)		<u><u>\$ 35,078,956</u></u>

Pikes Peak Library District
Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2018

	General	Other Funds	Total Governmental Funds
Revenues			
Taxes	\$ 30,244,545	\$ -	\$ 30,244,545
Intergovernmental	384,404	-	384,404
Fines and fees	114,964	-	114,964
Interest earnings	386,768	-	386,768
Donations	270,283	711,271	981,554
Miscellaneous	145,785	-	145,785
Total revenues	31,546,749	711,271	32,258,020
Expenditures			
Current			
Public Services	18,108,679	-	18,108,679
Human Resources Office	408,698	-	408,698
Chief Librarian and CEO Office	270,454	-	270,454
Development Office	154,831	-	154,831
Finance Office	541,527	-	541,527
Facilities Office	3,005,864	-	3,005,864
Information Technology Office	2,154,427	-	2,154,427
Communications Office	827,575	-	827,575
Other administrative	3,299,412	-	3,299,412
Capital outlay	54,789	1,804,416	1,859,205
Total expenditures	28,826,256	1,804,416	30,630,672
Excess (deficiency) of revenues over (under) expenditures	2,720,493	(1,093,145)	1,627,348
Other financing sources (uses)			
Transfers in	-	2,441,064	2,441,064
Transfers out	(2,441,064)	-	(2,441,064)
Proceeds from sale of capital assets	19,505	-	19,505
Total other financing sources (uses)	(2,421,559)	2,441,064	19,505
Special item			
TABOR refund of property tax revenue in excess of limit	(5,830)	-	(5,830)
Net change in fund balances	293,104	1,347,919	1,641,023
Fund balances, beginning of year	10,432,837	1,855,008	12,287,845
Fund balances, end of year	\$ 10,725,941	\$ 3,202,927	\$ 13,928,868

Pikes Peak Library District
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended December 31, 2018

Amounts reported for governmental activities in the statement of activities (pages 48 and 49) are different because:

Net change in fund balances - total governmental funds (page 53)	\$ 1,641,023
Revenues in the statement of activities that do not provide current financial resources are not reported in the fund statements until they become available. This amount is the difference in the treatment of revenue recognition.	(25,095)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The details of this difference are as follows:	
Depreciation expense	(3,796,705)
Capital outlay for building, furniture, land and vehicles	1,161,114
Amounts paid for books, audio visual materials and historical collections	1,812,545
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
In the statement of activities, only the loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the book value of the capital assets sold.	(592,913)
Pension expense at the fund level represents cash contributions to the defined benefit plan. For the activity level presentation, the amounts represent the actuarial cost of the benefits for the fiscal year.	
Pension related amounts	(3,732,930)
Compensated absences expenses reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(90,288)
Internal service funds are used by management to charge the costs of certain activities, such as health insurance, to the individual funds. The net revenue of the internal service fund is reported with governmental activities.	(41,237)
Change in net position - governmental activities (page 49)	\$ (3,664,486)

Pikes Peak Library District
Statement of Net Position
Proprietary Fund
December 31, 2018

	Governmental Activities - Internal Service Fund
Assets	
Current Assets	
Cash and cash equivalents	\$ 549,577
Accounts receivable	1,770
Deposit	36,667
Total current assets	\$ 588,014
 Liabilities	
Current Liabilities	
Claims payable	\$ 139,284
 Net Position	
Total Net Position - Unrestricted	\$ 448,730

Pikes Peak Library District
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
Year Ended December 31, 2018

	Governmental Activities - Internal Service Fund
Operating revenues	
Employer contributions	\$ 1,664,100
Employee contributions	375,737
Total operating revenues	2,039,837
Operating expenses	
Claims incurred	1,281,802
Administrative	799,404
Total operating expenses	2,081,206
Operating loss	(41,369)
Nonoperating revenues	
Investment earnings	132
Change in net position	(41,237)
Total net position, beginning of year	489,967
Total net position, end of year	\$ 448,730

Pikes Peak Library District
Statement of Cash Flows
Proprietary Fund
Year Ended December 31, 2018

	Governmental Activities - Internal Service Fund
Cash flows from operating activities	
Employee and employer contributions	\$ 2,040,533
Payment of claims and administrative expenses	<u>(2,013,454)</u>
Net cash provided by operating activities	<u>27,079</u>
Cash flows from investing activities	
Interest received	<u>132</u>
Net increase in cash and cash equivalents	27,211
Cash and cash equivalents - January 1	<u>522,366</u>
Cash and cash equivalents - December 31	<u><u>\$ 549,577</u></u>
Reconciliation of operating gain to net cash provided by operating activities	
Operating loss	<u>\$ (41,369)</u>
Adjustments to reconcile operating loss to net cash provided by operating activities	
Change in accounts receivable	696
Change in claims payable	<u>67,752</u>
Total adjustments	<u>68,448</u>
Net cash provided by operating activities	<u><u>\$ 27,079</u></u>

Pikes Peak Library District
Statement of Fiduciary Assets and Liabilities
Fiduciary Fund
December 31, 2018

	<u>Agency Fund</u>
Assets	
Cash and cash equivalents	<u>\$ 69,465</u>
Liabilities	
Accounts payable	<u>\$ 69,465</u>

Pikes Peak Library District
Notes to Financial Statements
December 31, 2018

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Pikes Peak Library District

Notes to Financial Statements

December 31, 2018

Note I: Summary of Significant Accounting Policies

The financial statements of the Pikes Peak Library District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (US GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

I-A. Reporting Entity

The District is considered a "Special Library District" and was created through state statute (C.R.S. 24-90-110). A joint committee equally represented by the City of Colorado Springs, Colorado and El Paso County, Colorado appoints members of the District's seven-member Board of Trustees.

As required by US GAAP, these financial statements present the District and its discretely presented component unit, the Pikes Peak Library District Foundation, which is reported in a separate statement in the financial statements to emphasize it is legally separate from the District.

Depending upon the significance of the District's financial and operational relationships with various separate entities, the organizations are classified as blended or discrete component units, related organizations, joint ventures, or jointly governed organizations, and the financial disclosure is treated accordingly.

Related Organizations – The District had no financial relationships of this type during the fiscal year ended December 31, 2018.

Joint Ventures – The District did not participate in any joint venture during the fiscal year ended December 31, 2018.

Jointly Governed Organizations – The District had no financial relationships of this type during the fiscal year ended December 31, 2018.

Discretely Presented Component Unit

The Pikes Peak Library District Foundation, Inc. (the Foundation).

The Foundation, which was formed in 2003, was established exclusively for the benefit of, to perform the function of, or to carry out the charitable and educational purposes of the Pikes Peak Library District. The Foundation is a tax-exempt corporation under the provisions of 501(c)(3) of the Internal Revenue Code. The Foundation issues separate financial statements and a copy can be obtained from the District's Financial Office at 1175 Chapel Hills Drive, Colorado Springs, Colorado 80920.

The District maintains control of the Foundation in the following areas:

- The Board of Trustees of the District originally elected members of the Foundation's Board of Directors. The Members of the Foundation Board make subsequent Board appointments.

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- The Foundation may not disburse funds for costs that have not been recommended by the District's Board of Trustees.
- Two members of the District's Board of Trustees serve on the Foundation's Board of Directors at all times.

I-B. Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a statement of net position, a statement of financial position and statements of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements – The government-wide financial statements include the District's statement of net position, the Foundation's statement of financial position and a statement of activities for the District and the Foundation. These statements report financial information on all of the non-fiduciary activities of the District and its component unit. The effect of interfund activity has been removed from these statements. The primary government and the discretely presented component unit are presented separately within these financial statements with the focus on the primary government. Individual funds are not displayed and the statements report governmental activities, generally supported by taxes and District general revenues. The District does not have any business-type activities, which rely to a significant extent on fees and charges for support.

The District's statement of net position presents the financial position of the governmental activities of the District at year-end. The Foundation's statement of financial position presents the financial position of the Foundation at year-end using not-for-profit accounting and financial reporting principles promulgated by the Financial Accounting Standards Board.

The District's statement of activities presents a comparison between direct expenses and program revenues for the year for each function of the District's governmental activities. The Foundation's statement of activities presents the activities of the Foundation using not-for-profit accounting and financial reporting principles promulgated by the Financial Accounting Standards Board. Direct expenses are those that are specifically associated with a function and, therefore, clearly identifiable to that particular function. The District does not allocate indirect expenses to functions in its statement of activities.

The Foundation reports under not-for-profit accounting and financial reporting principles promulgated by the Financial Accounting Standards Board, including FASB Codification ASC 958-205. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the District's financial reporting entity for these differences. Because the Foundation uses generally accepted accounting principles (GAAP) reporting model that is different from the District's reporting model, the District has elected to present the Foundation's financial statements separately from those of the District as provided for under GASB standards.

The District's statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the

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expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services that report fees and other charges to users of the District's services; (2) operating grants and contributions that finance annual operating activities including restricted investment income; and (3) capital grants and contributions that fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which functions the revenues are *restricted*.

Taxes and other revenue sources not properly included with program revenues are reported as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements – During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. Fund financial statements are provided for governmental, proprietary and fiduciary funds.

The major individual governmental fund (the General Fund) is reported in a separate column with a composite column for non-major funds.

Fund Accounting – The District uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The District uses three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds – Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The District reports the difference between governmental fund assets, liabilities, and deferred inflows of resources as fund balance.

The following is the District's major governmental fund:

General Fund – The General Fund accounts for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Colorado.

Additionally, the District reports the following non-major governmental fund type:

Special Revenue Fund – This fund accounts for resources that are restricted or committed for specific purposes, specifically gifts and grants.

Capital Projects Funds – These funds account for the financial activity related to significant capital projects.

The District also reports the following proprietary fund type:

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Internal Service Fund – This fund accounts for the health insurance plan that is provided to eligible District employees (employees with a regularly scheduled workweek of 30 hours or more).

Additionally, the District reports the following fiduciary fund type:

Agency Fund – This fund is used to report resources held by the District in a purely custodial capacity. This fund is used to account for contributions made by employees who elect to participate in the District’s Flexible Spending Program as authorized under Section 125 of the Internal Revenue Code.

As a rule, interfund services provided and used are not eliminated in the process of consolidation of the government-wide statement of activities.

Proprietary funds distinguish operating revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the District’s Internal Service Fund are charges to customers for sales and services. Operating expenses for the District’s Internal Service Fund include the cost of sales and services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

I-C. Measurement Focus

Government-wide Financial Statements – The District’s government-wide financial statements are prepared using the economic resources measurement focus. All assets, all liabilities, and all deferred inflows of resources associated with the operation of the District are included on the statement of net position. The statement of activities reports revenues and expenses.

Fund Financial Statements – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current liabilities, and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenue and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

I-D. Basis of Accounting

District

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, governmental funds use the modified accrual basis of accounting and the fiduciary fund uses the accrual basis of accounting. Differences in the

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accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year.

The District considers revenues, other than grants, to be measurable and available if collected within three months after year-end. Grants are considered measurable and available if 1) they are collected within one year after year-end, and 2) all eligibility requirements, including incurring allowable costs, have been met.

Revenues – Non-exchange Transactions – Non-exchange transactions in which the District receives value without directly giving equal value in return, include property taxes, specific ownership taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note III-B-1.). Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 90 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered susceptible to accrual: property taxes, specific ownership taxes, interest and federal and state grants.

Unearned Revenue – Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as unearned revenue.

Deferred Outflows and Inflows of Resources – Deferred outflows related to pensions arise from differences between expected and actual experience with regard to economic and demographic factors, changes in assumptions or other inputs, projected and actual pension plan earnings, and changes in proportional share. These deferrals are amortized over a closed period. The amounts not recognized as a pension expense in the current year are reported as deferred outflows related to pensions.

Deferred inflows of resources is an acquisition of net position by the District that is applicable to a future reporting period, and deferred outflows of resources is a consumption of net position by the District that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the statement of net position but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate.

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Under the modified accrual basis of accounting, revenues and other fund financial resources are recognized in the period in which they become both measureable and available. Assets recorded in the fund financial statements for which the revenues are not available are reported as deferred inflows of resources. In addition, property tax receivables are reported as deferred inflows of resources when levied in the fund statements.

Since property taxes are levied in December (i.e., there is a legal claim) for the next calendar year's operations, the total levy is reported as taxes receivable and deferred inflows.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred inflows (i.e., they are measurable but not available) rather than as revenue.

In addition, deferred outflows related to pension liabilities are presented separately under this category, and they are more fully described under note IV-A.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

Foundation

The Foundation uses the accrual basis of accounting.

Temporarily restricted net assets are those whose use by the Foundation has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by the Foundation in perpetuity.

Gifts of cash and other assets received without donor stipulations are reported as unrestricted revenue and net assets. Gifts received with a donor stipulation that limits their use are reported as temporarily or permanently restricted revenue and net assets. When a donor stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Gifts and investment income that are originally restricted by the donor, and for which the restriction is met in the same time period, are recorded as temporarily restricted and then released from restriction.

Gifts of land, buildings, equipment and other long-lived assets are reported as unrestricted revenue and net assets unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as temporarily or permanently restricted revenue and net assets.

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are reported at the present value of estimated future cash flows. The resulting discount is amortized using the level-yield method and is reported as contribution revenue.

Conditional gifts depend on the occurrence of a specified future and uncertain event to bind the potential donor and are recognized as assets and revenue when the conditions are substantially met and the gift becomes unconditional.

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In addition to receiving cash contributions, the Foundation receives in-kind contributions from various donors. It is the policy of the Foundation to record the estimated fair value of certain in-kind donations as an expense in its financial statements, and similarly increase contribution revenue by a like amount.

The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar provision of state law. However, the Foundation is subject to federal income tax on any unrelated business taxable income. The Foundation had no unrelated business taxable income for the year ended December 31, 2018. The Foundation is not considered a private foundation.

I-E. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Fund Balances

I-E-1. Cash, Cash Equivalents and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the District.

Investments are stated at fair value based on quoted market prices.

Under Colorado statutes, the District, its funds and fund types may lawfully invest eligible funds in the following securities:

- a. Obligations of the United States and certain U.S. government agencies' securities;
- b. Certain international agency securities;
- c. General obligation and revenue bonds of U.S. local government entities;
- d. Bankers' acceptances of certain banks;
- e. Commercial paper;
- f. Local government investment pools;
- g. Written repurchase agreements collateralized by certain authorized securities;
- h. Certain money market funds;
- i. Guaranteed investment contracts;
- j. Certain corporate bonds

The District may also deposit funds in Colorado financial institutions that are members of the Federal Deposit Insurance Corporation.

I-E-2. Receivables

All trade and property tax receivables are reported net of an allowance for uncollectible amounts, when applicable. Property tax allowance as of December 31, 2018 was \$105,000.

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I-E-3. Restricted Assets

Restricted assets are reported when restrictions on asset use change the nature or normal understanding of the availability of the asset. Restrictions on assets can be externally imposed by creditors, grantors, contributors, laws, or regulations of other governments, or can be imposed by law through constitutional provisions or enabling legislation.

I-E-4. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after the non-operating revenues/expenses section in the Internal Service Fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. Transfers between funds reported in the governmental activities column are eliminated.

I-E-5. Prepaid Items

Payments made to vendors for services (e.g., insurance, rents, and library services from other libraries) that will benefit periods beyond December 31, 2018, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is classified as nonspendable, as this amount is not available for general appropriation.

I-E-6. Capital Assets

Capital assets include land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, books and audiovisual materials and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. These assets generally result from expenditures in governmental funds. The District reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the governmental fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The District maintains a capitalization threshold of \$5,000. Improvements to capital assets are capitalized. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend an asset's life are expensed.

All reported capital assets are depreciated except for land, collections of historical treasures and construction-in-progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Leasehold improvements are depreciated over the shorter of the term of the lease or the estimated useful life of the asset. Depreciation is computed using the straight-line method over the following useful lives:

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Description	Estimated
Land improvements	20 years
Buildings	20 years
Vehicles	5 to 10 years
Computer equipment	3 to 5 years
Other equipment	3 to 5 years
Furniture and fixtures	10 to 30 years
Books and audio visual materials	6 years

The District capitalizes its library books and audiovisual materials. Purchased items are recorded at cost, and donated items are capitalized at fair value on the date donated. Damage and lost materials are deleted from the inventory, using the specific identification method.

I-E-7. Compensated Absences

Employees earn 15 to 20 days of vacation leave annually based on length of service. District policy allows employees to carryover up to 320 hours of unused vacation leave into the next year for full-time employees, prorated for part-time employees. All outstanding vacation leave is payable upon resignation, termination, retirement or death.

Employees also earn sick leave and can accumulate up to 180 days of sick leave. Accumulated sick leave is payable only upon retirement or termination after twenty years of service at 50% of the accrued balance as specified in the District’s policies. Upon resignation, termination or death prior to 20 years of service, any outstanding sick leave is forfeited.

The District estimates its accrued sick leave liability based on the sick leave accumulated at the statement of net position date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the District’s past experience of making termination payments.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated absence liability at the fund reporting level only “*when matured*”.

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I-E-8. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, and are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are “due for payment” during the current year.

I-E-9. Net Position or Fund Balances

Fund equity at the governmental fund financial reporting level is classified as “fund balance”. Fund equity for all other reporting is classified as “net position”.

Net Position – Net position is assets minus liabilities plus deferred inflows of resources. Net investment in capital assets consist of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

Fund Balance – Generally, fund balances reflect assets minus liabilities and deferred inflows of resources. Financial reporting standards establish criteria for classifying fund balance amounts into specifically defined categories to make the nature and extent of constraints on these amounts more useful and understandable. The categories comprise a hierarchy based on the extent to which constraints must be honored for a specified purpose and for which amounts can be spent. Fund balances of governmental funds may be categorized as nonspendable, restricted, committed, assigned, and unassigned.

Nonspendable Fund Balance – cannot be spent because it is either in nonspendable form or is legally or contractually required to be maintained intact. Examples include items not expected to be converted to cash such as inventories and prepaid assets.

Restricted Fund Balance – is restricted for specific purposes based on constraints externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – is constrained for a specific purpose by formal action (resolution or ordinance) adopted by the Board of Trustees, and can be rescinded only through the same type of formal action used to establish the original commitment. Trustee actions require either an ordinance or resolution. Both are equally binding for their respective purposes and are mutually exclusive, not interchangeable with one another.

Assigned Fund Balance – is constrained for specific purposes as determined by management and the Board of Trustees through the budget process. The Executive Director is the only employee authorized to assign fund balance.

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Unassigned Fund Balance – is unconstrained and comprised of residual uncategorized fund balance amounts. The General Fund is the only fund that reports a positive unassigned fund balance. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative fund balance in those funds.

As previously discussed, the District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted resources are available. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, committed amounts are considered to be reduced first, followed by assigned amounts and then unassigned amounts.

I-E-10. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note II: Stewardship, Compliance and Accountability

II-A. Budgetary Information

The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

1. The District adopts an annual operating budget for its General Fund, Special Revenue Fund, Debt Service Fund (none for 2018) and Capital Projects Funds. During October, the Chief Librarian/CEO submits to the Board of Trustees a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and means of financing them.
2. Public hearings are conducted by the Board of Trustees to obtain taxpayer comments.
3. Prior to December 15, the budget is adopted by formal resolution.
4. Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between departments within any fund and the reallocation of budget line items within any department in the General Fund rests with the Executive Director and/or Chief Finance Officer. The Board of Trustees must approve revisions that alter the total expenditures of any fund.
5. Budgets for all fund types are adopted on a basis consistent with generally accepted accounting principles.

Budgeted amounts reported in the accompanying financial statements are as originally adopted per a separate budget report, and as amended by the Executive Director and/or the Board of Trustees throughout the year.

The original appropriation (including transfers out) for all governmental funds has been amended as follows:

Pikes Peak Library District

Notes to Financial Statements

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Changes to Original Budget

	Original Budget	Revised Budget	Budget Change
General Fund	\$ 33,853,819	\$ 34,511,678	\$ 657,859
Designated Purpose Fund	-	149,282	149,282
North Facility Project Fund	208,500	344,627	136,127
East Library Renovation Fund	70,700	139,732	69,032
Penrose Library Renovation Fund	1,351,000	1,846,471	495,471
Capital Reserve Fund	842,618	2,444,931	1,602,313

6. All original and supplemental appropriations for all funds lapse at the end of the year.

II-B. Encumbrances

Appropriations in governmental funds are encumbered upon issuance of purchase orders, contracts or other forms of legal commitments. While appropriations lapse as of the end of the fiscal year, the succeeding year's budget is amended for the re-appropriation of year-end encumbrances.

Note III: Detailed Notes on All Funds

III-A. Deposits and Investments

III-A-1. Deposits

Deposits include bank accounts and short-term investments.

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by State regulators. Amounts on deposit in excess of federal deposit insurance levels must be collateralized. The eligible collateral is determined by PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another financial institution or held in trust. The fair value of the collateral must be equal to 102% of the aggregate uninsured deposits.

The District has transaction accounts that are covered under FDIC insurance. The FDIC insurance limit for cash accounts is \$250,000. The carrying amount of the District's deposits, excluding the cash held in the Agency Fund of \$69,465, as of December 31, 2018 was \$1,264,457. The bank balances, excluding the cash held in the agency fund of \$69,465, were \$2,041,534, of which \$1,791,534 is not covered by federal deposit insurance. While this amount is uninsured, it is collateralized in accordance with provisions of the PDPA. Additionally, the District had \$17,818 in cash on hand as of December 31, 2018.

III-A-2. Investments

Investment decisions are governed by the District's investment policy.

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The primary objectives of the investment policy are:

Safety of Principal – The primary objective is to protect against the loss of any principal.

Liquidity – Investments will be managed to ensure that funds are available to meet obligations as necessary.

Yield – Investments will be managed to optimize returns within the appropriate safety and liquidity constraints.

The standard of prudence to be used shall be the “prudent investor” standard which states “Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for preservation, considering the probable safety of their capital as well as probable income to be derived.”

Interest Rate Risk – The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The following is a list of eligible instruments for investments:

U.S. Treasury Obligations – Treasury Bills, Notes and Bonds with a maturity of five years or less.

Federal Agency Securities – Instruments such as those issued by the Government National Mortgage Association (GNMA) that are backed by the full faith and credit of the U.S. Treasury. Such securities must have a maturity of five years or less.

Federal Instrumentality Securities – Instruments such as those issued by the Federal National Mortgage Association (FNMA), Federal Farm Credit Bank (FFCB), Federal Home Loan Bank (FHLB), and the Federal Home Loan Mortgage Corporation (FHLMC). These obligations carry only an implied government guarantee. Such securities must have a maturity of five years or less.

Repurchase Agreements – Such instruments must be collateralized at 102% by U.S. Treasury securities, Federal Agency securities, or Federal Instrumentality securities.

Prime Commercial Paper – Such instruments must have a maturity of 270 days or less, and be rated in the highest category by one or more nationally recognized rating services.

Bonds – Instruments/debt issued by a U.S. corporation or bank with a net worth in excess of \$250 million. Securities must mature within three years and must be rated at least AA or Aa3 by two or more nationally recognized rating services.

Bankers Acceptances – Instruments issued by a state or national bank with a combined capital surplus of at least \$250 million.

General Obligation Debt or Revenue Obligation Debt – Debt with a maturity of five years or less, issued by any state or any political subdivision of any state.

Local Government Investment Pools – Investment pools, such as COLOTRUST, which are authorized by C.R.S. 24-75-701 and 702 at seq.

Pikes Peak Library District

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Money Market Mutual Funds – Funds that are registered under the Investment Company Act of 1940 that are no load and maintain a constant share price. Funds must be rated in the highest category by one or more nationally recognized rating services and must have a weighted average maturity in accordance with Federal Securities Regulation 2a-7.

Interest-bearing Accounts, Certificates of Deposit – Such accounts either must be fully insured by the FDIC or are approved to accept public deposits and which have pledged eligible collateral to secure uninsured public funds on deposit with such institution in accordance with the requirements of the PDPA.

The District has invested in the Colorado Government Liquid Asset Trust (COLOTRUST). This investment vehicle has been established for local government entities in Colorado to pool surplus funds for investment purposes by state statute. This fund operates similarly to a money market fund and each share is equal in value to \$1.00. This investment pool operates under the authority and in conformity with Part 6 of Article 75 of Title 24 of the Colorado State Revised Statutes.

Credit Risk

The composition of the portfolio will vary according to market opportunities; however, the investment should be diversified by security type and institution.

Instrument	Allowed	Per Issuer
U.S. Treasury Obligations	100%	100%
Federal Agency Securities	75%	50%
Federal Instrumentality Securities	75%	50%
Repurchase Agreements	100%	50%
Prime Commercial Paper	100%	100%
Bonds	50%	50%
Banker's Acceptances	50%	50%
General Obligation Debt or Revenue Obligation Debt	50%	50%
Local Government Investment Pools	100%	100%
Money Market Mutual Funds	100%	100%
Interest-bearing Accounts, Certificates and Deposits	100%	100%

The maturity of the securities shall be structured to avoid undue concentration in any sector of the yield curve. No investment maturity shall exceed three years. Exceptions to this structure may be allowed where maturities can be structured to accommodate readily identifiable cash flows as approved by the Board.

The District's policy permits investment in local government investment pools. Current investments of \$14,585,563 are held in COLOTRUST, which was rated AAAM by Standard & Poor's at December 31, 2018. The District policy also encourages diversification of investments, limited to the Colorado Revised Statute CRS 24-75-701.

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December 31, 2018

Cash and Investment Reconciliation

	Cash and Cash Equivalents	Investments	Total
Governmental activities - statement of net position	\$1,282,276	\$14,585,563	\$15,867,839
Agency Fund	69,465	-	69,465
Less cash on hand and petty cash	(17,818)	-	(17,818)
	<u>\$1,333,923</u>	<u>\$14,585,563</u>	<u>\$15,919,486</u>
 Total deposits and investments	<u>\$1,333,923</u>	<u>\$14,585,563</u>	<u>\$15,919,486</u>
 Per note disclosure above			
Deposits			\$1,333,923
Investments			14,585,563
			<u>14,585,563</u>
 Primary government total			<u>\$15,919,486</u>

The Foundation's cash and investments are comprised of the following as of December 31, 2018:

	2018 Amount	Institutions	Insurance or Collateral	Credit Ratings of Underlying Securities *
Money market savings account	\$241,717	ENT Federal Credit Union	\$241,717	N/A
Investments (stocks, bonds, mutual funds)	1,388,564	Members Trust Company	-	A/AAA
Investment level money market account	67,478	Members Trust Company	-	A1/P1
	<u>67,478</u>			
 Total	<u>\$1,697,759</u>			

* As applicable

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the

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possession of an outside party. The Foundation's cash and investments are exposed to \$1,456,042 of custodial credit risk as of December 31, 2018.

Investment in a State Investment Pool

During the year, the District invested in Colotrust, a public fund investment pool. The fair value of the position of the pool is measured at net asset value and is designed to approximate the share value. The pool's governing body is comprised of individuals who are employees, officers, or elected officials of the participants in the fund or do not have a business relationship with the fund and are qualified to advise. Investment objective and strategies of the pool are to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short-term marketable securities. The pool offers same day access to the investment funds.

III-B. Taxes

III-B-1. Property Taxes

Property taxes for the current year are certified in arrears to El Paso County on December 15 and attach as a lien on property the previous January 1. For example, property taxes owed in 2018 are certified to the County in December 2017 and are available for collection on the due date, January 1, 2018. Property taxes are payable in full by April 30 or in two equal installments due February 28 and June 15. El Paso County bills and collects property taxes for all taxing districts in the County. The property tax receipts collected by El Paso County are remitted to the District in the subsequent month.

Property taxes are reported as a receivable and as deferred inflows of resources when the District has an enforceable legal claim to the taxes and as revenue when available for collection in the following year.

III-B-2. Specific Ownership Taxes

Specific ownership taxes are collected by El Paso County for motor vehicles and other personal property registered in the District's assessment area. Specific ownership taxes are recorded as revenue when collected by El Paso County.

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III-C. Interfund Receivables, Payables, and Transfers

The following schedule reflects the District's interfund receivables and payables as of December 31, 2018.

<u>Receivable Fund</u>	<u>Payable Fund</u> <u>General Fund</u>
Designated Purpose Fund	\$ 173,489
Penrose Library Renovation Fund	1,281,802
East Library Renovation Fund	93,224
North Facility Project Fund	271,331
Capital Reserve Fund	<u>1,904,026</u>
Total	<u>\$ 3,723,872</u>

Interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers:

<u>Transfers In</u>	<u>Transfers Out</u> <u>General Fund</u>
Penrose Library Renovation Fund	1,335,841
Capital Reserve Fund	<u>1,105,223</u>
	<u>\$ 2,441,064</u>

Transfers are used to:

- (1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them,
- (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and
- (3) as residual equity transfers of remaining fund balances when funds are closed out.

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III-D. Capital Assets

Capital asset activity for the year ended December 31, 2018 was as follows:

	Balance January 1, 2018	Additions	Deletions	Transfers	Balance December 31, 2018
Governmental activities					
Capital assets not being depreciated					
Land	\$ 5,317,363	\$ -	\$ -	\$ -	\$ 5,317,363
Collections of historical treasures	9,789,208	12,411	(6,078)	-	9,795,541
Construction in progress	38,644	939,442	-	(20,300)	957,786
Total capital assets not being depreciated	15,145,215	951,853	(6,078)	(20,300)	16,070,690
Capital assets, being depreciated					
Land improvements	871,954	-	-	-	871,954
Leasehold improvements	1,017,507	-	-	-	1,017,507
Buildings	42,378,101	103,261	-	20,300	42,501,662
Equipment, furniture and fixtures	6,087,291	69,601	(364,721)	-	5,792,171
Vehicles	825,471	48,810	(7,672)	-	866,609
Books and audio visual materials	17,381,081	1,800,134	(3,114,816)	-	16,066,399
Total capital assets being depreciated	68,561,405	2,021,806	(3,487,209)	20,300	67,116,302
Less accumulated depreciation for					
Land improvements	(48,124)	(43,572)	-	-	(91,696)
Leasehold improvements	(1,014,551)	(985)	-	-	(1,015,536)
Buildings	(27,431,667)	(1,362,593)	-	-	(28,794,260)
Equipment, furniture and fixtures	(4,565,071)	(555,101)	355,642	-	(4,764,530)
Vehicles	(664,990)	(47,595)	7,672	-	(704,913)
Books and audio visual materials	(13,119,908)	(1,786,859)	2,537,060	-	(12,369,707)
Total accumulated depreciation	(46,844,311)	(3,796,705)	2,900,374	-	(47,740,642)
Total capital assets, being depreciated, net	21,717,094	(1,774,899)	(586,835)	20,300	19,375,660
Governmental activities capital assets, net	\$ 36,862,309	\$ (823,046)	\$ (592,913)	\$ -	\$ 35,446,350
Governmental activities depreciation expense					
Public services					\$ 3,345,369
Administrative services					261,216
Information Technology					190,120
Total governmental activities depreciation expense					\$ 3,796,705

Pikes Peak Library District
Notes to Financial Statements
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III-E. Long-term Liabilities

III-E-1. Changes in Long-term Liabilities

Long-term liability activity of the District for the year ended December 31, 2018 was as follows:

	Balance January 1, 2018	Additions	Reductions	Balance December 31, 2018	Due Within One Year
Governmental activities					
EPCRP net pension liability	\$ 9,547,787	\$ 16,352,644	\$ -	\$ 25,900,431	\$ -
Compensated absences *	1,774,603	1,747,914	1,657,627	1,864,890	559,467
Total governmental activities long-term liabilities	<u>\$ 11,322,390</u>	<u>\$ 18,100,558</u>	<u>\$ 1,657,627</u>	<u>\$ 27,765,321</u>	<u>\$ 559,467</u>

Compensated absences are generally liquidated by the General Fund.

* Reported in accrued compensation payable in the statement of net position.

III-E-2. Computation of Legal Debt Margin

Assessed valuation	<u>\$7,080,595,440</u>
Debt limitation - 1.5% of total assessed value	<u>\$ 106,208,932</u>
Total debt (excluding compensated absences)	<u>-</u>
Total debt applicable to limitation	<u>-</u>
Legal debt margin	<u>\$ 106,208,932</u>

Capital leases are not included as debt for purposes of calculating legal debt margin (Colorado Revised Statute 22-42-104).

III-F. Operating Agreements

The District has entered into several agreements for building leases, equipment and services. All agreements are renewable on a year-to-year basis. Should the Board of Trustees fail to appropriate funds for the subsequent budget year, the agreements can be terminated. The total cost for such agreements was \$1,034,405 for the year ended December 31, 2018.

Pikes Peak Library District
Notes to Financial Statements
December 31, 2018

The future minimum payments for the agreements, subject to the renewal process described above, are as follows:

Year Ending

2019	\$ 1,015,495
2020	670,383
2021	486,526
2022	413,640
2023	413,854
Future years	<u>1,968,239</u>
Total	<u><u>\$ 4,968,137</u></u>

Note IV: Other Information

IV-A. Retirement Plan

The District participates in the El Paso County Retirement Plan (the Plan), a cost-sharing multiple-employer defined benefit pension plan. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the Plan have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General — The Plan is a cost-sharing multiple employer defined benefit plan covering all permanent, full-time and job-share employees of the participating employers upon their date of employment. Employers, as defined in the plan document, include El Paso County, El Paso County Public Health, Pikes Peak Library District, 4th Judicial District Attorney and El Paso County Retirement Plan. All employees hired after September 1, 1967 are required to participate. Employees hired from 1974 through 1981 who were age 60 or older at their date of employment could elect to become a member as of January 1, 1982.

The participants of the Plan consisted of the following as of January 1, 2018 (the most recent actuarial valuation date):

Inactive plan members or beneficiaries currently receiving benefits	1,630
Inactive plan members entitled to but not yet receiving benefits	330
Active plan members	<u>2,693</u>
Total	<u><u>4,653</u></u>

Pikes Peak Library District

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The El Paso County Board of Retirement (the Board) manages and administers the Plan. The Board consists of five members, one of whom is the El Paso County Treasurer, two of whom are appointed by the El Paso County Board of Commissioners (the Board of Commissioners) and two of whom are employees of the participating employers elected by participants. The Board shall have all powers necessary to effect the management and administration of the Plan in accordance with its terms. The Board has the powers set forth in Part 1, Title 24, Article 54, of the Colorado Revised Statutes.

Plan Amendments — The Board has the right to alter, amend, or terminate the Plan or any part thereof in such manner as it may determine; provided that no such alteration or amendment shall provide that a retirement benefit payable to any retired member shall be less than that provided by his or her accumulated contributions or affect the right of any member to receive a refund of his accumulated contributions and provided further that no alteration, amendment or termination of the Plan or any part thereof shall permit any part of the Plan to revert to or be recoverable by any employer or be used for or diverted to purposes other than the exclusive benefit of members, retired members, terminated vested members or beneficiaries under the Plan, except such funds, if any, as may remain at termination of the Plan after satisfaction of all liabilities with respect to members, retired members, terminated vested members and beneficiaries under the Plan and are due solely to erroneous actuarial calculations.

The Plan is intended to comply with the requirements of the applicable provisions of Internal Revenue Service Code Section 401(a) as now in effect or hereafter amended, and any modification or amendment of the Plan may be made retroactive, as necessary or appropriate, to establish and maintain such compliance.

Contributions — Contribution requirements are established and may be amended by the Board. Through December 31, 2009, participants contributed 6% of their monthly compensation to the Plan. The Plan was amended during 2009 to increase the participant monthly contribution rate to 6.5% effective January 1, 2010, 7.0% effective January 1, 2011 and 7.5% effective January 1, 2012. The Plan was further amended in 2013 to increase the participant monthly contribution rate to 8.0% effective January 1, 2014. The participating employers make monthly contributions at least equal to the contributions made by the participants. Interest is credited on employee contributions at the rate of 3% per annum, compounded monthly. Employee and employer basic contributions amounted to 16% of covered payroll for both 2018 and 2017.

Contributions are tax-deferred to the participants for federal income tax purposes. If participants have at least five or eight years of credited service (see Retirement Benefits below), they are eligible to receive a future monthly retirement benefit. Any refund of contributions paid waives all future rights to any benefits. However, eligible participants who return to employment with a participating employer within 48 months and were previously refunded their contributions may reinstate withdrawn service if they repay the Plan the amount received when employment was terminated, plus interest, within twelve months of rehire.

Active participants who have completed five years of service if hired before January 1, 2013 and eight years of service if hired on or after January 1, 2013 may purchase up to five years of service credit for any period of full-time, nonvested previous employment with any public or private

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employer. One month of service credit may be purchased for each full month of full-time, nonvested, noncovered employment. The cost to purchase one month of service credit for noncovered employment is the “actuarial equivalent cost”, as determined by the actuary for the Plan.

Participants may elect to pay for purchases of service credit in a lump sum or on an installment basis. Effective July 2016, service credit purchases may also be made by rollover contributions from an eligible retirement plan. Payments may be made on a monthly, quarterly or annual basis with interest due at the actuarial equivalent interest rate for periodic benefits. The period over which installment payments may be made cannot exceed a period equal to the total amount of credited service to be purchased. Purchased service is recognized when paid.

Contributions to the plan by the District were \$806,737 for 2018.

Administrative Expenses — The Plan's administrative expenses are paid from the assets of the Plan accumulated from contributions and investment earnings. During 2018 and 2017, the Plan received \$1,099,000 and \$450,000, respectively, from the Plan's employers for reimbursement of administrative and investment expenses, which is included in Other Income in the accompanying financial statements.

Termination Benefits — Participants vest in accumulated contributions as follows:

- (a) If hired before January 1, 2013 and credited with less than five years of service or hired on or after January 1, 2013 and credited with less than eight years of service: Refund of the participant's accumulated contributions.
- (b) If hired before January 1, 2013 and credited with five or more years of service or hired on or after January 1, 2013 and credited with eight or more years of service:
 - (i) The participant may elect to receive a deferred retirement benefit which shall be equal to the participant's accrued benefit as of the date of termination and payable on the participant's normal retirement date. The participant may elect to receive a reduced retirement benefit beginning on the first day of any month subsequent to the participant's attainment of age 55. The reduction shall be 3% for each year by which payments commence prior to the first of the month following the participant's normal retirement date.
 - (ii) In lieu of (i), a participant may elect a current refund of accumulated contributions made by the participant.

Retirement Benefits — Participants hired before January 1, 2010 are eligible for normal retirement on the first of the month coincident with attainment of age 62. Participants hired after December 31, 2009 are eligible for normal retirement after attainment of age 62, but not before the completion of 60 months of continuous service. Participants hired after December 31, 2012 are eligible for normal retirement after attainment of age 62, but not before the completion of 96 months of continuous service.

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If hired before January 1, 2010, the monthly benefit payable at normal retirement is equal to 2.22% times the final average monthly compensation, times years of credited service earned through December 31, 2012 and 2.00% times the final average monthly compensation, times years of credited service earned after December 31, 2012. If hired on or after January 1, 2010, the monthly benefit payable at normal retirement is equal to 2.00% times final average monthly compensation times years of credited service.

The normal retirement benefit will not be greater than 75% of the participant's final average monthly compensation if hired before January 1, 2013 and not greater than 60% of final average monthly compensation if hired on or after January 1, 2013. Final average compensation is the highest monthly average of considered compensation during the 36 consecutive calendar months of credited service out of the last 120 calendar months of credited service.

A participant is eligible for an early retirement benefit at age 55, provided the member has completed five or eight years of credited service. If the participant is hired before January 1, 2013, five years is required. If hired on or after January 1, 2013, eight years is required. The monthly pension is based on the vested portion of the normal retirement benefit, reduced by 3% for each year the early retirement date precedes the normal retirement date.

A participant is eligible for special early retirement benefits if the sum of the participant's age and credited service equals 75 or more. Employees hired on or after January 1, 2016 must be a minimum age of 50 to be eligible under this provision. The monthly benefit is equal to the normal retirement benefit and is not reduced for early commencement.

The annuity for delayed retirement is computed by the normal retirement formula considering credited service and compensation to actual retirement.

Disability Benefits — A participant is eligible for disability benefits if the participant's employment is terminated due to total and permanent disability as determined by eligibility for and receipt of disability benefits continuously until the normal retirement date under (1) the employer's long-term disability plan, or (2) Title II of the Federal Social Security Act. The annuity, payable at age 62, shall be calculated as for normal retirement considering the credited service that would have accrued had the participant been employed until the normal retirement date and the final average compensation during the calendar year preceding the year of the member's disability retirement.

Payment of Benefits — The monthly benefit, computed as set forth above, shall be paid in equal monthly payments commencing one month after the actual retirement date continuing at monthly intervals for the retired participant's lifetime thereafter. If the retired participant's death occurs prior to the payment of 120 monthly payments, the remainder of the 120 payments shall be paid to the participant's beneficiary.

Death Benefits Prior to Retirement — Death benefits prior to retirement are as follows:

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In the event that an active participant or vested participant dies prior to their normal retirement date, the participant's surviving beneficiary will be entitled to either two times the participant's accumulated contributions payable immediately or a monthly benefit equal to 60% of the monthly retirement benefit earned by the member prior to the date of death. Payment of the monthly benefit to the beneficiary will begin on the first of the month following the death or the date the member would have attained age 55, if later. If the participant met the rule of 75 while working and had not applied for retirement nor ceased employment as of date of death, their beneficiary will be entitled to a monthly benefit. Under these circumstances, the participant will be deemed to have retired on the first day of the month of their death. If no optional benefit had been elected prior to death, the participant shall be deemed to have elected the full joint and survivor benefit and such benefit shall be payable for the life of the participant's designated beneficiary, if living, following the participant's death.

Between normal and delayed retirement — In the event that a participant dies after their normal retirement date but prior to their actual retirement, their beneficiary will be entitled to a monthly benefit. Under these circumstances, the participant will be deemed to have retired on the first day of the month of their death. If no optional benefit had been elected prior to death, the participant shall be deemed to have elected the full joint and survivor benefit and such benefit shall be payable for the life of the participant's designated beneficiary, if living, following the participant's death.

Death Benefits After Retirement — Death benefits after retirement consist of a lump-sum benefit of \$3,000 payable upon the death of a retired participant.

Plan Termination — Although not presently contemplated, the Board has the right to terminate the Plan at any time, subject to limitations. In the event of termination, after payment of expenses, accumulated contributions would be returned to the participants, and the remaining assets distributed on a pro rata method to the participants based on accrued benefits. Participating employers would not receive any Plan assets.

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

At December 31, 2018, the District reported a liability of \$25,900,431 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018. Standard update procedures were used to roll forward the total pension liability to December 31, 2018. The District's proportion of the net pension liability was based on the District's contribution to the El Paso County Retirement Plan for the calendar year 2017 relative to the total contributions of participating employers to the EPCRP. The net pension liability is the difference between the total pension liability and fiduciary net position as of December 31, 2018.

As of December 31, 2018, the District's proportion was 6.54%, which was an increase of 0.12% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2018, the District recognized pension expense of \$4,539,670. As of December 31, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 245,722	\$ 35,882
Changes in actuarial assumptions	10,644,577	-
Net difference between projected and actual earnings on pension plan investments	1,730,553	-
Changes in proportion	603,978	231,171
Total	\$13,224,830	\$ 267,053

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2019	\$ 3,673,304
2020	3,208,066
2021	3,268,195
2022	2,808,211
2023	-
Total	\$ 12,957,776

The Plan determined that the average expected remaining service lives for active and inactive members at January 1, 2017 was 4.80 years.

Actuarial Assumptions — The total pension liability was determined by an actuarial valuation as of December 31, 2017, and rolled forward to the measurement date of December 31, 2018. The liability reflects various actuarial assumption changes adopted by the Board in October 2018. The following is a summary of the actuarial assumptions:

Inflation	2.5%
Salary increases	Graded by service, from 8.00% to 3.00%
Investment rate of return	7.5%, net of investment expenses. This is based on an average inflation rate of 2.5% and a real rate of return of 5.0%.

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Mortality rates were based on the RP-2000 Sex-Distinct Mortality Table projected generationally using Projection Scale MP-2017. Mortality rates used for disabled members is based on the RP-2000 Disabled Mortality Table projected generationally using Projection Scale MP-2017.

The actuarial assumptions were based on the results of an actuarial experience study for the period from January 1, 2013 to December 31, 2017, resulting in changes in actuarial assumptions adopted by the Board to better reflect expected future experience.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in the pension plan's target asset allocation are summarized in the following table (note that the rates shown below exclude the inflation component):

Asset Class	Long-Term Expected Real Rate of Return
US equity	7.91%
International equity	6.43%
Emerging markets	9.82%
Private equity	11.39%
Fixed income	3.99%
Real estate	4.89%
Hedge funds of funds	3.96%

Pikes Peak Library District
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December 31, 2018

Discount Rate — The discount rate used to measure the total pension liability was 5.23%. The projection of cash flows used to determine the discount rate assumed that employer contributions will continue to follow the current funding policy adopted by the Board. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate — The following presents the District's proportionate share of the net pension liability, calculated using the discount rate of 5.23%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.23%) or 1-percentage-point higher (6.23%) than the current rate:

	1% Decrease (4.23%)	Current Discount Rate (5.23%)	1% Increase (6.23%)
District's proportionate share of the net pension liability	\$ 32,940,161	\$ 25,900,431	\$ 20,105,620

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial reports found at www.epcreirement.org.

Additional Information - Additional information supporting the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer is located in the Plan's financial statements. This information is available by contacting the Executive Director of the Plan at: El Paso County Retirement Plan, 2880 International Circle, Suite N030, Colorado Springs, CO 80910.

IV-B. Deferred Compensation Plan

The District offers its employees the Pikes Peak Library District Deferred Compensation Plan, an Internal Revenue Code Section 457 deferred compensation plan. Participation is voluntary. The District does not contribute to the Plan, and the maximum amount that may be deferred under the Plan for 2018 excluding catch-up provisions, was the lesser of \$18,500 or 33-1/3 percent of the participant's includable compensation. The District does not have fiduciary accountability for the Plan and does not hold the Plan's assets in a trustee capacity. Accordingly, the Plan's assets and related liabilities to Plan participants are not recorded on the financial statements of the District.

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IV-C. Contingencies

IV-C-1. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District carries commercial insurance for the risks of loss, including worker’s compensation and employee accident insurance. There were no significant reductions in insurance coverage from the prior year, and there have been no settlements that exceed the District’s insurance coverage during the past three years.

The following is a summary of claims activity for the District’s employee health plan for the years ended December 31, 2018 and 2017:

	Claims Payable Beginning of Year	Claims Incurred	Claims Paid	Claims Payable End of Year
Fiscal Year 2018	\$ 71,532	\$ 1,281,802	\$ (1,214,050)	\$ 139,284
Fiscal Year 2017	\$ 67,661	\$ 1,240,751	\$ (1,236,880)	\$ 71,532

The plan is partially self-insured and is offered to employees with a regularly scheduled workweek of 30 or more hours.

IV-C-2. Grants

The District periodically receives federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to a request for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. District management believes disallowances, if any, will be immaterial.

IV-C-3. TABOR Amendment

In November 1992, the people of the State of Colorado passed an amendment to the State’s constitution (Article X, Section 20) known as the Taxpayer’s Bill of Rights (TABOR), which was effective December 31, 1992. TABOR’s intended purpose was to reasonably restrain the growth of government by imposing spending and revenue limits on the state and any local government, excluding enterprises. Provisions of TABOR require, among other things, that:

- Each district shall reserve for use in declared emergencies 3% or more of its fiscal year spending (as defined by TABOR) excluding bonded debt service, and this amount is set aside as part of reserved fund balance, called “declared emergencies”.

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- If revenue from sources not excluded from fiscal year spending exceeds the limits prescribed by TABOR in dollars for that fiscal year, the excess shall be refunded in the next fiscal year unless voters approve a revenue change as an offset.
- Revenue collected, kept, or spent illegally since four full fiscal years before an individual or class action enforcement suit is filed shall be refunded with 10% annual simple interest from the initial conduct.
- With minor exceptions, advance voter approval is required for any new tax, tax rate increase, or mill levy above that for the prior year or creation of any multiple-fiscal year direct or indirect district debt or other financial obligation without certain cash reserve amounts or a non-appropriation clause contained within the legal documents.
- Management believes it complies with all aspects of TABOR.

IV-C-4. Claims and Litigation

There are various claim(s) pending against the District as of December 31, 2018. Although the outcome of such claim(s) cannot be predicted with certainty, the District believes that adequate insurance coverage exists and that the final settlements of such matters will not materially affect the financial statements of the District.

IV-D. Commitments

Total encumbrances outstanding as of December 31, 2018 by fund are as follows:

Fund	Balance
General Fund	\$ 346,236
Penrose Library Fund	605,852
Capital Reserve Fund	91,624
North Facility Fund	17,822

Required Supplementary Information

Pikes Peak Library District
Schedule of the District's Proportionate Share
Of the Net Pension Liability
(Required Supplementary Information)
EI Paso County Retirement Plan

	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Proportionate share of total pension liability	\$ 49,488,139	\$ 34,179,173	\$ 30,304,461	\$ 30,891,857
Proportionate share of fiduciary net position	<u>(23,587,708)</u>	<u>(24,631,386)</u>	<u>(20,673,246)</u>	<u>(20,867,698)</u>
Proportionate share of net pension liability	<u>\$ 25,900,431</u>	<u>\$ 9,547,787</u>	<u>\$ 9,631,215</u>	<u>\$ 10,024,159</u>
District's proportion of the net pension liability	<u>6.54%</u>	<u>6.42%</u>	<u>5.98%</u>	<u>6.45%</u>
District's covered payroll	<u>\$ 10,084,281</u>	<u>\$ 9,584,675</u>	<u>\$ 8,456,687</u>	<u>\$ 8,572,275</u>
District's proportionate share of the net pension liability as a percentage of its covered payroll	<u>256.84%</u>	<u>99.62%</u>	<u>113.89%</u>	<u>116.94%</u>
Plan fiduciary net position as a percentage of the total net pension liability	<u>46.34%</u>	<u>72.07%</u>	<u>68.22%</u>	<u>67.55%</u>

Note - Information determined under the provisions of GASB 68 is not available prior to 2015. In future years, additional years will be added until 10 years of historical data are presented. Information provided in this schedule has been determined as of the District's measurement date (December 31) of the net pension liability in accordance with GASB Statement No. 68.

**Pikes Peak Library District
Schedule of District's Contributions
(Required Supplementary Information)
El Paso County Retirement Plan**

	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Contractually required contributions	\$ 806,737	\$ 766,774	\$ 676,535	\$ 685,782
Actual contributions	<u>(806,737)</u>	<u>(766,774)</u>	<u>(676,535)</u>	<u>(685,782)</u>
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	<u>\$ 10,084,281</u>	<u>\$ 9,584,675</u>	<u>\$ 8,456,687</u>	<u>\$ 8,572,275</u>
Contributions as a percentage of covered payroll	<u>8.0%</u>	<u>8.0%</u>	<u>8.0%</u>	<u>8.0%</u>

Note - Information determined under the provisions of GASB 68 is not available for years prior to 2015. In future reports, additional years will be added until 10 years of historical data is presented. Information presented in this schedule has been determined as of the District's most recent fiscal year-end (December 31) in accordance with GASB Statement No. 68.

Note - The following are the changes in actuarial assumptions made during 2018:

- * Inflation from 3.5% in 2017 to 2.5% in 2018
- * Graded by service, from 7.76% to 3.75% in 2017 to 8.0% to 3.0% in 2018
- * Investment rate of return from 8.0% in 2017 to 7.5% in 2018
- * Discount rate from 8.0% in 2017 to 5.23% in 2018

Pikes Peak Library District
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
General Fund
Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
Revenues				
Taxes				
Local property taxes				
Current	\$ 26,972,219	\$ 26,972,219	\$ 26,767,115	\$ (205,104)
Delinquent	15,000	15,000	17,132	2,132
Omitted	4,000	4,000	5,451	1,451
Specific ownership taxes	3,400,000	3,400,000	3,410,423	10,423
Interest on taxes	33,000	33,000	35,319	2,319
Payment in lieu of taxes	10,500	10,500	9,105	(1,395)
Total taxes	<u>30,434,719</u>	<u>30,434,719</u>	<u>30,244,545</u>	<u>(190,174)</u>
Intergovernmental	370,000	370,000	384,404	14,404
Fines and fees	200,000	100,000	114,964	14,964
Interest earnings	210,000	335,000	386,768	51,768
Donations/fundraising	694,725	694,725	270,283	(424,442)
Miscellaneous				
Copy sales	85,000	85,000	104,614	19,614
Parking lot collections	34,000	34,000	27,439	(6,561)
Other	20,000	20,000	13,732	(6,268)
Total miscellaneous	<u>139,000</u>	<u>139,000</u>	<u>145,785</u>	<u>6,785</u>
Total revenues	<u>32,048,444</u>	<u>32,073,444</u>	<u>31,546,749</u>	<u>(526,695)</u>
Expenditures				
Current				
Public Service				
Personnel services	12,324,984	13,897,697	12,840,585	1,057,112
Supplies	367,520	408,441	306,560	101,881
Library materials	4,253,165	4,512,850	4,331,763	181,087
Contractual services	544,354	565,356	455,660	109,696
Other services	200,954	203,203	174,111	29,092
Total Public Service	<u>17,690,977</u>	<u>19,587,547</u>	<u>18,108,679</u>	<u>1,478,868</u>

Pikes Peak Library District
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
General Fund
Year Ended December 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Human Resources Office				
Personnel services	368,577	447,583	320,075	127,508
Supplies	4,050	4,050	2,999	1,051
Contractual services	9,500	9,500	8,793	707
Other services	137,475	157,574	76,831	80,743
Total Human Resources Office	519,602	618,707	408,698	210,009
Chief Librarian and CEO Office				
Personnel services	252,219	259,796	257,533	2,263
Supplies	1,000	1,000	353	647
Other services	25,500	25,500	12,568	12,932
Total Chief Librarian and CEO Office	278,719	286,296	270,454	15,842
Development Office				
Personnel services	169,615	174,185	127,697	46,488
Supplies	500	500	279	221
Contractual services	19,000	19,000	13,750	5,250
Other services	21,200	21,200	13,105	8,095
Total Development Office	210,315	214,885	154,831	60,054
Finance Office				
Personnel services	447,412	494,015	414,677	79,338
Supplies	8,000	8,000	5,547	2,453
Contractual services	157,500	157,500	103,914	53,586
Other services	18,700	18,700	17,389	1,311
Total Finance Office	631,612	678,215	541,527	136,688
Facilities Office				
Personnel services	610,449	660,580	660,960	(380)
Supplies	73,700	73,700	64,760	8,940
Utilities	723,848	723,270	615,141	108,129
Contractual services	1,277,513	1,290,648	1,252,483	38,165
Repairs and maintenance	421,700	428,289	341,556	86,733
Other services	62,150	74,871	70,964	3,907
Total Facilities Office	3,169,360	3,251,358	3,005,864	245,494

Pikes Peak Library District
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
General Fund
Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Information Technology Office				
Personnel services	981,345	944,266	958,134	(13,868)
Supplies	288,500	331,882	253,000	78,882
Telecommunications	507,000	537,449	479,359	58,090
Contractual services	150,000	296,795	283,082	13,713
Repairs and maintenance	442,000	252,365	149,833	102,532
Other services	53,000	53,000	31,019	21,981
Total Information Technology Office	<u>2,421,845</u>	<u>2,415,757</u>	<u>2,154,427</u>	<u>261,330</u>
Communications Office				
Personnel services	671,446	697,094	605,343	91,751
Supplies	17,100	28,314	21,954	6,360
Contractual services	131,000	131,000	100,167	30,833
Repairs and maintenance	7,500	12,853	12,480	373
Other services	107,800	107,800	87,631	20,169
Total Communications Office	<u>934,846</u>	<u>977,061</u>	<u>827,575</u>	<u>149,486</u>
Other administrative				
Personnel services	4,137,160	2,288,277	2,177,915	110,362
Supplies	19,160	24,926	11,474	13,452
Library materials	147,400	152,566	196,627	(44,061)
Contractual services	723,122	723,122	718,837	4,285
Other services	706,657	687,391	194,559	492,832
Total other administrative	<u>5,733,499</u>	<u>3,876,282</u>	<u>3,299,412</u>	<u>576,870</u>
Capital outlay	<u>84,585</u>	<u>164,506</u>	<u>54,789</u>	<u>109,717</u>
Total expenditures	<u>31,675,360</u>	<u>32,070,614</u>	<u>28,826,256</u>	<u>3,244,358</u>
Excess of revenues over expenditures	<u>373,084</u>	<u>2,830</u>	<u>2,720,493</u>	<u>2,717,663</u>
Other financing sources (uses)				
Proceeds from sale of capital assets	25,000	25,000	19,505	(5,495)
Transfers out	(2,178,459)	(2,441,064)	(2,441,064)	-
Total other financing sources (uses)	<u>(2,153,459)</u>	<u>(2,416,064)</u>	<u>(2,421,559)</u>	<u>(5,495)</u>
Special item				
TABOR refund of property tax revenue in excess of limit	-	-	(5,830)	(5,830)
Net change in fund balance	<u>(1,780,375)</u>	<u>(2,413,234)</u>	<u>293,104</u>	<u>2,706,338</u>
Fund balance, beginning of year	<u>10,432,837</u>	<u>10,432,837</u>	<u>10,432,837</u>	<u>-</u>
Fund balance, end of year	<u>\$ 8,652,462</u>	<u>\$ 8,019,603</u>	<u>\$ 10,725,941</u>	<u>\$ 2,706,338</u>

Pikes Peak Library District
Notes to Required Supplementary Information
Year Ended December 31, 2018

Note I: General Fund Budgetary Information

The District adopts an annual operating budget for its General Fund each year. Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between departments within any fund and the reallocation of budget line items within any department in the General Fund rests with the Executive Director and/or Chief Finance and Business Officer. The Board of Trustees must approve revisions that alter the total expenditures of any fund. Budgets for all fund types are adopted on a basis consistent with generally accepted accounting principles.

Note II: Pension Plan Schedules

Proportion, proportionate share and covered-employee payroll amounts are as of the immediate plan year for consistency with the plan's proportionate calculations. Years will be added to these schedules as they become available.

Supplementary Information

MAJOR FUND

General Fund

The General Fund is used to account for all transactions of the District that are not required legally or by sound financial management to be accounted for in another fund. This fund accounts for the District's ordinary operating expenditures, which are financed primarily from property taxes. It is the most significant fund in relation to the District's overall operations.

Pikes Peak Library District
Comparative Balance Sheets
General Fund
December 31, 2018 and 2017

	2018	2017
Assets		
Cash and investments	\$ 15,318,262	\$ 13,392,415
Receivables, net of allowance for uncollectibles		
Property taxes	28,349,290	26,589,594
Accounts	78,558	114,143
Due from discretely presented component unit	-	14,733
Due from other governments	299,320	265,726
Prepaid items	311,114	339,485
	\$ 44,356,544	\$ 40,716,096
Liabilities		
Accounts payable	\$ 681,314	\$ 1,044,038
Due to discretely presented component unit	122,861	-
Accrued compensation payable	690,715	617,981
Due to other funds	3,723,872	1,944,000
	5,218,762	3,606,019
Deferred Inflows of Resources		
Unavailable revenue - property taxes	28,349,290	26,589,594
Unavailable fund resources	62,551	87,646
	28,411,841	26,677,240
Fund Balances		
Nonspendable:		
Prepaid expenditures	311,114	339,785
Restricted for:		
Declared	931,085	890,607
Gifts and grants	197,301	111,177
Committed for:		
Capital projects	-	865,000
Assigned to:		
Purchased contracts	157,962	186,847
Library materials	227,549	190,682
Unassigned	8,900,930	7,848,739
	10,725,941	10,432,837
	\$ 44,356,544	\$ 40,716,096
	\$ 44,356,544	\$ 40,716,096

Pikes Peak Library District
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balance
General Fund
Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Revenues		
Taxes		
Local property taxes		
Current	\$ 26,767,115	\$ 25,709,842
Delinquent	17,132	14,007
Omitted	5,451	5,224
Specific ownership taxes	3,410,423	3,547,865
Interest on taxes	35,319	33,187
Payment in lieu of taxes	9,105	-
Total taxes	<u>30,244,545</u>	<u>29,310,125</u>
Intergovernmental	384,404	458,187
Fines and fees	114,964	274,186
Interest earnings	386,768	187,896
Donations/fundraising	270,283	505,725
Miscellaneous		
Copy sales	104,614	94,826
Parking lot collections	27,439	31,880
Other	13,732	44,183
Total miscellaneous	<u>145,785</u>	<u>170,889</u>
Total revenues	<u>31,546,749</u>	<u>30,907,008</u>
Expenditures		
Current		
Public services	18,108,679	17,459,627
Administrative services	-	3,301,930
Human Resources Office	408,698	-
Chief Librarian and CEO Office	270,454	458,862
Development Office	154,831	-
Finance Office	541,527	533,083
Facilities Office	3,005,864	-
Information Technology Office	2,154,427	2,141,060
Communications Office	827,575	802,203
Other administrative	3,299,412	3,222,456
Capital outlay	54,789	527,824
Total expenditures	<u>28,826,256</u>	<u>28,447,045</u>
Excess of revenues over expenditures	<u>2,720,493</u>	<u>2,459,963</u>
Other financing sources (uses)		
Proceeds from sale of capital assets	19,505	11,640
Transfers out	(2,441,064)	(786,341)
Total other financing sources (uses)	<u>(2,421,559)</u>	<u>(774,701)</u>
Special item		
TABOR refund of property tax revenue in excess of limit	(5,830)	(543,196)
Net change in fund balance	293,104	1,142,066
Fund balance, beginning of year	<u>10,432,837</u>	<u>9,290,771</u>
Fund balance, end of year	<u>\$ 10,725,941</u>	<u>\$ 10,432,837</u>

Pikes Peak Library District
Schedule of Expenditures by Natural Classification-
Budget and Actual
General Fund
Year Ended December 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Expenditures				
Current				
Personnel services	\$ 19,963,207	\$ 19,863,493	\$ 18,362,919	\$ 1,500,574
Supplies	779,530	880,813	666,926	213,887
Telecommunications	507,000	537,449	479,359	58,090
Library materials	4,400,565	4,665,416	4,528,390	137,026
Utilities	723,848	723,270	615,141	108,129
Contractual services	3,011,989	3,192,921	2,936,686	256,235
Repairs and maintenance	871,200	693,507	503,869	189,638
Other services	1,333,436	1,349,239	678,177	671,062
Capital outlay	84,585	164,506	54,789	109,717
Total expenditures	\$ 31,675,360	\$ 32,070,614	\$ 28,826,256	\$ 3,244,358

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUND

A Special Revenue Fund is used to account for financial activity related to funds received that are restricted or committed for specific purposes. The District has one Special Revenue Fund, the Designated Purpose Fund, which is used for this purpose.

CAPITAL PROJECTS FUNDS

A Capital Projects Fund is used to account for all financial activity related to the acquisition, construction, and renovation of major capital facilities. The District has four Capital Projects Funds as follows:

North Facility Project Fund

The North Facility Project Fund, a capital projects fund, is used to account for all financial activity related to the purchase of and renovation of a facility located in northern Colorado Springs. Funds are being accumulated over a period of several years. Primary and anticipated sources of funding for this project include the General Fund and other fundraising activities including grants and donations.

East Library Renovation Fund

This fund is used to account for all financial activity related to the renovation of the East Library facility. Funds are being accumulated over a period of several years. The primary source of funding for this project is the General Fund.

Penrose Library Renovation Fund

This fund is used to account for all financial activity related to the renovation of the Penrose Library complex. Funds are being accumulated over a period of several years. The primary source of funding for this project is the General Fund.

Capital Reserve Fund

This fund is used to account for all financial activity related to capital projects and expenditures of capital items not specifically accounted for under a separate fund. Funds are being accumulated over a period of several years. The primary source of funding for these projects is annual transfers from the General Fund.

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Pikes Peak Library District
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2018

	Special Revenue Fund	Capital	
	Designated Purpose Fund	North Facility Project Fund	East Library Renovation Fund
Assets			
Due from other funds	\$ 173,489	\$ 271,331	\$ 93,224
Liabilities			
Accounts payable	\$ 12,731	\$ 19,068	\$ 15,000
Fund Balance			
Restricted for:			
Gifts and grants	2,924	-	-
Committed to:			
Capital projects	157,622	252,263	78,224
Assigned to:			
Gifts and grants	212	-	-
Total fund balance	160,758	252,263	78,224
Total liabilities and fund balance	\$ 173,489	\$ 271,331	\$ 93,224

Project Funds		
Penrose Library Renovation Fund	Capital Reserve Fund	Total Nonmajor Governmental Funds
\$ 1,281,802	\$ 1,904,026	\$ 3,723,872
\$ 278,433	\$ 195,713	\$ 520,945
-	-	2,924
1,003,369	1,708,313	3,199,791
-	-	212
1,003,369	1,708,313	3,202,927
\$ 1,281,802	\$ 1,904,026	\$ 3,723,872

Pikes Peak Library District
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2018

	Special Revenue Fund	Capital	
	Designated Purpose Fund	North Facility Project Fund	East Library Renovation Fund
Revenues			
Donations	\$ -	\$ 167,128	\$ 32,501
Expenditures			
Capital outlay	70,824	92,364	61,508
Excess (deficiency) of revenues over expenditures	<u>(70,824)</u>	<u>74,764</u>	<u>(29,007)</u>
Other financing sources			
Transfers in	-	-	-
Net change in fund balances	(70,824)	74,764	(29,007)
Fund balances, beginning of year	<u>231,582</u>	<u>177,499</u>	<u>107,231</u>
Fund balances, end of year	<u><u>\$ 160,758</u></u>	<u><u>\$ 252,263</u></u>	<u><u>\$ 78,224</u></u>

Project Funds		
Penrose Library Renovation Fund	Capital Reserve Fund	Total Nonmajor Governmental Funds
\$ 426,291	\$ 85,351	\$ 711,271
843,102	736,618	1,804,416
(416,811)	(651,267)	(1,093,145)
1,335,841	1,105,223	2,441,064
919,030	453,956	1,347,919
84,339	1,254,357	1,855,008
<u>\$ 1,003,369</u>	<u>\$ 1,708,313</u>	<u>\$ 3,202,927</u>

Pikes Peak Library District
Comparative Balance Sheets
Designated Purpose Fund
December 31, 2018 and 2017

	2018	2017
Assets		
Due from other funds	\$ 173,489	\$ 231,582
Liabilities		
Accounts payable	\$ 12,731	\$ -
Fund Balance		
Restricted for:		
Gifts and grants	2,924	2,924
Committed to:		
Capital projects	157,622	228,446
Assigned to:		
Gifts and grants	212	212
Total fund balance	160,758	231,582
Total liabilities and fund balance	\$ 173,489	\$ 231,582

Pikes Peak Library District
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balance
Designated Purpose Fund
Years Ended December 31, 2018 and 2017

	2018	2017
Expenditures		
Capital outlay	\$ 70,824	\$ 44,818
Deficiency of revenues over expenditures	(70,824)	(44,818)
Fund balance, beginning of year	231,582	276,400
Fund balance, end of year	\$ 160,758	\$ 231,582

Pikes Peak Library District
Schedule of Revenues, Expenditures
and Changes in Fund Balance – Budget and Actual
Designated Purpose Fund
Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures				
Other expenditures	\$ -	\$ 1,211	\$ -	\$ 1,211
Capital outlay	-	148,071	70,824	77,247
Total Expenditures	-	149,282	70,824	78,458
Net change in fund balance	-	(149,282)	(70,824)	78,458
Fund balance, beginning of year	231,582	231,582	231,582	-
Fund balance, end of year	<u>\$ 231,582</u>	<u>\$ 82,300</u>	<u>\$ 160,758</u>	<u>\$ 78,458</u>

Pikes Peak Library District
Comparative Balance Sheets
North Facility Project Fund
December 31, 2018 and 2017

	2018	2017
Assets		
Due from other funds	\$ 271,331	\$ 197,799
Liabilities		
Accounts payable	\$ 19,068	\$ 20,300
Fund Balance		
Committed to:		
Capital projects	252,263	177,499
Total liabilities and fund balance	\$ 271,331	\$ 197,799

Pikes Peak Library District
Comparative Statements of Revenue, Expenditures
and Changes in Fund Balance
North Facility Project Fund
Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Revenues		
Donations	\$ 167,128	\$ 35,000
Expenditures		
Capital outlay	92,364	685,166
Excess (deficiency) of revenues over expenditures	<u>74,764</u>	<u>(650,166)</u>
Other financing sources		
Transfers in	<u>-</u>	<u>50,000</u>
Net change in fund balance	74,764	(600,166)
Fund balance, beginning of year	<u>177,499</u>	<u>777,665</u>
Fund balance, end of year	<u>\$ 252,263</u>	<u>\$ 177,499</u>

Pikes Peak Library District
Schedule of Revenue, Expenditures
and Changes in Fund Balance – Budget and Actual
North Facility Project Fund
Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
Revenues				
Donations	\$ 167,128	\$ 167,128	\$ 167,128	\$ -
Expenditures				
Capital outlay	208,500	344,627	92,364	252,263
Net change in fund balance	(41,372)	(177,499)	74,764	252,263
Fund balance, beginning of year	177,499	177,499	177,499	-
Fund balance, end of year	<u>\$ 136,127</u>	<u>\$ -</u>	<u>\$ 252,263</u>	<u>\$ 252,263</u>

Pikes Peak Library District
Comparative Balance Sheets
East Library Renovation Fund
December 31, 2018 and 2017

	2018	2017
Assets		
Due from other funds	\$ 93,224	\$ 107,231
Liabilities		
Accounts payable	\$ 15,000	\$ -
Fund Balance		
Committed to:		
Capital projects	78,224	107,231
Total liabilities and fund balance	\$ 93,224	\$ 107,231

Pikes Peak Library District
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balance
East Library Renovation Fund
Years Ended December 31, 2018 and 2017

	2018	2017
Revenues		
Donations	\$ 32,501	\$ -
Expenditures		
Capital outlay	61,508	25,025
Net change in fund balance	(29,007)	(25,025)
Fund balance, beginning of year	107,231	132,256
Fund balance, end of year	\$ 78,224	\$ 107,231

Pikes Peak Library District
Schedule of Revenues, Expenditures
and Changes in Fund Balance – Budget and Actual
East Library Renovation Fund
Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Donations	\$ -	\$ 32,501	\$ 32,501	\$ -
Expenditures				
Capital outlay	70,700	139,732	61,508	78,224
Deficiency of revenues under expenditures	<u>(70,700)</u>	<u>(107,231)</u>	<u>(29,007)</u>	<u>78,224</u>
Net change in fund balance	(70,700)	(107,231)	(29,007)	78,224
Fund balance, beginning of year	<u>107,231</u>	<u>107,231</u>	<u>107,231</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 36,531</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 78,224</u></u>	<u><u>\$ 78,224</u></u>

Pikes Peak Library District
Comparative Balance Sheets
Penrose Library Renovation Fund
December 31, 2018 and 2017

	2018	2017
Assets		
Due from other funds	\$ 1,281,802	\$ 84,339
Liabilities		
Accounts payable	\$ 278,433	\$ -
Fund Balance		
Committed to:		
Capital projects	1,003,369	84,339
Total liabilities and fund balance	\$ 1,281,802	\$ 84,339

Pikes Peak Library District
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balance
Penrose Library Renovation Fund
Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Revenues		
Donations	\$ 426,291	\$ -
Expenditures		
Capital outlay	843,102	148,557
Deficiency of revenues under expenditures	<u>(416,811)</u>	<u>(148,557)</u>
Other financing sources		
Transfers in	1,335,841	59,690
Net change in fund balance	919,030	(88,867)
Fund balance, beginning of year	<u>84,339</u>	<u>173,206</u>
Fund balance, end of year	<u>\$ 1,003,369</u>	<u>\$ 84,339</u>

Pikes Peak Library District
Schedule of Revenues, Expenditures
and Changes in Fund Balance – Budget and Actual
Penrose Library Renovation Fund
Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Donations	\$ 11,000	\$ 426,291	\$ 426,291	\$ -
Expenditures				
Capital outlay	1,351,000	1,846,471	843,102	1,003,369
Deficiency of revenues under expenditures	<u>(1,340,000)</u>	<u>(1,420,180)</u>	<u>(416,811)</u>	<u>1,003,369</u>
Other financing sources				
Transfers in	1,335,841	1,335,841	1,335,841	-
Net change in fund balance	(4,159)	(84,339)	919,030	1,003,369
Fund balance, beginning of year	84,339	84,339	84,339	-
Fund balance, end of year	<u>\$ 80,180</u>	<u>\$ -</u>	<u>\$ 1,003,369</u>	<u>\$ 1,003,369</u>

Pikes Peak Library District
Comparative Balance Sheets
Capital Reserve Fund
December 31, 2018 and 2017

	2018	2017
Assets		
Due from other funds	\$ 1,904,026	\$ 1,323,049
Prepaid items	-	5,877
Total assets	\$ 1,904,026	\$ 1,328,926
Liabilities		
Accounts payable	\$ 195,713	\$ 74,569
Fund Balance		
Nonspendable:		
Prepaid expenditures	-	5,877
Committed to:		
Capital projects	1,708,313	1,248,480
Total fund balance	1,708,313	1,254,357
Total liabilities and fund balance	\$ 1,904,026	\$ 1,328,926

Pikes Peak Library District
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balance
Capital Reserve Fund
Years Ended December 31, 2018 and 2017

	2018	2017
Revenues		
Donations	\$ 85,351	\$ -
Expenditures		
Capital outlay	736,618	473,482
Deficiency of revenues under expenditures	(651,267)	(473,482)
Other financing sources		
Transfers in	1,105,223	676,651
Net change in fund balance	453,956	203,169
Fund balance, beginning of year	1,254,357	1,051,188
Fund balance, end of year	\$ 1,708,313	\$ 1,254,357

Pikes Peak Library District
Schedule of Revenues, Expenditures
and Changes in Fund Balance – Budget and Actual
Capital Reserve Fund
Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Donations	\$ -	\$ 85,351	\$ 85,351	\$ -
Expenditures				
Capital outlay	842,618	2,444,931	736,618	1,708,313
Deficiency of revenues under expenditures	<u>(842,618)</u>	<u>(2,359,580)</u>	<u>(651,267)</u>	<u>1,708,313</u>
Other financing sources				
Transfers in	842,618	1,105,223	1,105,223	-
Total financing sources	<u>842,618</u>	<u>1,105,223</u>	<u>1,105,223</u>	<u>-</u>
Net change in fund balance	-	(1,254,357)	453,956	1,708,313
Fund balance, beginning of year	<u>1,254,357</u>	<u>1,254,357</u>	<u>1,254,357</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,254,357</u>	<u>\$ -</u>	<u>\$ 1,708,313</u>	<u>\$ 1,708,313</u>

INTERNAL SERVICE FUND

Internal Service Funds are used to account for revenues received from District departments to be used for services to benefit all departments.

The District has one Internal Service Fund.

Employee Health Plan Fund

This fund is used to account for the accumulation of and utilization of financial resources related to the District's partially self-insured medical health plan, offered to employees with a regularly scheduled workweek of 30 or more hours.

Pikes Peak Library District
Internal Service Fund
Comparative Statements of Net Position
Employee Health Plan Fund
December 31, 2018 and 2017

	2018	2017
Assets		
Current Assets		
Cash and cash equivalents	\$ 549,577	\$ 522,366
Accounts receivable	1,770	2,466
Deposit	36,667	36,667
Total current assets	588,014	561,499
 Liabilities		
Current Liabilities		
Claims payable	139,284	71,532
 Net Position		
Total Net Position - Unrestricted	\$ 448,730	\$ 489,967

Pikes Peak Library District
Internal Service Fund
Comparative Statements of Revenue, Expenses
and Changes in Net Position
Employee Health Plan Fund
Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Operating revenues		
Employer contributions	\$ 1,664,100	\$ 1,521,068
Employee contributions	375,737	337,962
	<u>2,039,837</u>	<u>1,859,030</u>
Operating expenses		
Claims incurred	1,281,802	1,240,751
Administrative	799,404	758,477
	<u>2,081,206</u>	<u>1,999,228</u>
Operating loss	<u>(41,369)</u>	<u>(140,198)</u>
Nonoperating revenues		
Investment earnings	132	32
	<u>132</u>	<u>32</u>
Change in net position	(41,237)	(140,166)
Total net position, beginning	<u>489,967</u>	<u>630,133</u>
Total net position, ending	<u>\$ 448,730</u>	<u>\$ 489,967</u>

Pikes Peak Library District
Internal Service Fund
Comparative Statements of Cash Flows
Employee Health Plan Fund
Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities		
Employee and employer contributions	\$ 2,040,533	\$ 1,856,564
Payment of claims and administrative expenses	<u>(2,013,454)</u>	<u>(2,002,815)</u>
Net cash provided by (used in) operating activities	27,079	(146,251)
Cash flows from investing activities		
Interest received	<u>132</u>	<u>32</u>
Net increase (decrease) in cash and cash equivalents	27,211	(146,219)
Cash and cash equivalents, January 1	<u>522,366</u>	<u>668,585</u>
Cash and cash equivalents, December 31	<u>\$ 549,577</u>	<u>\$ 522,366</u>
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ (41,369)	\$ (140,198)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities		
Change in accounts receivable	696	(2,466)
Change in accounts payable	-	(7,458)
Change in claims payable	<u>67,752</u>	<u>3,871</u>
Total adjustments	<u>68,448</u>	<u>(6,053)</u>
Net cash provided by (used in) operating activities	<u>\$ 27,079</u>	<u>\$ (146,251)</u>

AGENCY FUND

Agency funds are used to account for assets held by the District as an agent for individuals, private organizations, and other governments.

The District has one agency fund.

Flexible Spending Accounts

This fund is used to account for contributions made by employees who elect to participate in the District's Internal Revenue Service Section 125 program (medical care or dependent care accounts). Employee contributions for the medical accounts come from wages and/or accrued vacation, and employee contributions for the dependent care accounts come from wages. Such amounts are to be used for either certain medical expenses or dependent care expenses incurred which are not covered by the District's employee benefits coverage.

Pikes Peak Library District
Comparative Statements of Fiduciary Assets and Liabilities
Flexible Spending Accounts – Agency Fund
December 31, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	\$ 69,465	\$ 59,544
Accounts receivable	-	430
Total assets	\$ 69,465	\$ 59,974
Liabilities		
Accounts payable	\$ 69,465	\$ 59,974

Pikes Peak Library District
Statement of Changes in Fiduciary Assets and Liabilities
Flexible Spending Accounts – Agency Fund
Year Ended December 31, 2018

	Flexible Spending Accounts			
	Balance January 1, 2018	Additions	Deletions	
Assets				
Cash and cash equivalents	\$ 59,544	\$ 109,196	\$ 99,275	\$ 69,465
Other receivables	430	-	430	-
Total assets	<u>\$ 59,974</u>	<u>\$ 109,196</u>	<u>\$ 99,705</u>	<u>\$ 69,465</u>
Liabilities				
Accounts payable	<u>\$ 59,974</u>	<u>\$ 109,196</u>	<u>\$ 99,705</u>	<u>\$ 69,465</u>

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STATISTICAL SECTION

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

	Page
Financial Trends	133
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity	146
These schedules contain information to help the reader assess the District's most significant revenue source, the property tax.	
Debt Capacity	158
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
Demographic and Economic Information	165
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
Operating Information	167
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

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Exhibit I-1

**Pikes Peak Library District
Government-wide Net Position by Component
Last Ten Fiscal Years
(Unaudited)**

Governmental Activities					
Fiscal Year	Net Investment			Total	
	In Capital Assets	Restricted	Unrestricted		
2009	\$ 31,464,402	\$ 754,282	\$ 8,313,471	\$ 40,532,155	
2010	32,881,474	771,319	8,894,537	42,547,330	
2011	32,872,879	858,203	10,686,653	44,417,735	
2012	34,818,102	837,421	10,230,456	45,885,979	
2013	33,839,914	1,005,719	12,831,121	47,676,754	
2014	37,633,108	994,338	9,249,165	47,876,611	
2015	38,922,766	998,444	282,577	40,203,787	
2016	37,308,714	956,559	1,371,475	39,636,748	
2017	36,767,440	1,004,708	971,294	38,743,442	
2018	34,938,136	1,131,310	(990,490)	35,078,956	

Exhibit I-2

**Pikes Peak Library District
Government-wide Expenses, Program Revenues and Net Expenses
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Expenses Governmental Activities					
	Public Services	Human Resources	Support and Outreach Services	Administrative Services	Chief Librarian & CEO Office	Development Office
2009	\$ 10,043,347	\$ -	\$ 4,962,156	\$ 3,337,749	\$ 224,311	\$ -
2010	10,029,059	-	5,111,509	3,304,300	239,948	-
2011	8,132,184	-	-	10,916,543	339,211	-
2012	8,115,178	-	-	10,846,365	366,455	-
2013	7,883,922	-	-	12,021,277	373,535	-
2014	8,422,792	-	-	11,964,223	386,564	-
2015	11,479,186	-	-	4,117,367	400,652	-
2016	13,251,004	-	-	3,823,660	466,816	-
2017	20,382,695	-	-	3,914,245	474,077	-
2018	23,333,788	495,338	-	-	311,333	182,018

Fiscal Year	Charges for Services			Program Revenues Governmental Activities Operating Grants and Contributions		
	Public Services	Support and Outreach Services	Total	Public Services	Administrative Services	Information Technology
2009	\$ 379,233	\$ 153,934	\$ 533,167	\$ 194,605	\$ 78,991	\$ -
2010	526,805	-	526,805	163,885	-	-
2011	521,577	-	521,577	181,675	-	-
2012	529,077	-	529,077	99,400	34,536	-
2013	523,316	-	523,316	141,009	213,927	-
2014	530,364	-	530,364	136,227	-	142,433
2015	538,214	-	538,214	258,925	-	15,769
2016	494,493	-	494,493	233,889	-	143,982
2017	274,186	-	274,186	596,824	-	-
2018	114,964	-	114,964	426,310	-	-

Fiscal Year	Total Net Expenses Total Primary Government
2009	\$ (21,641,226)
2010	(23,331,594)
2011	(23,217,741)
2012	(24,222,713)
2013	(24,826,204)
2014	(25,208,590)
2015	(27,268,439)
2016	(28,435,137)
2017	(30,030,660)
2018	(34,455,259)

	Finance Office	Facilities Office	Information Technology Office	Communications Office	Other Administration	Interest Expense	Total Primary Government
\$	514,702	\$ -	\$ 1,343,640	\$ 821,686	\$ 1,973,592	\$ 298	\$ 23,221,481
	449,031	-	1,383,900	797,124	2,153,292	-	23,468,163
	451,191	-	1,472,077	731,409	2,235,421	6,085	24,284,121
	404,789	-	1,634,549	676,199	2,073,758	4,261	24,121,554
	403,231	-	1,531,283	721,944	2,571,087	1,672	25,507,951
	435,422	-	1,716,479	709,136	2,489,209	-	26,123,824
	436,539	-	7,814,245	766,469	2,652,230	-	27,666,688
	522,810	-	7,631,440	764,629	3,116,763	-	29,577,122
	551,716	-	1,868,122	830,962	3,222,456	-	31,244,273
	629,124	3,885,930	2,794,960	979,183	3,299,412	-	35,911,086

Capital Grants and Contributions

	Total	Public Services	Support and Outreach Services	Facilities Office	Administrative Services	Information Technology	Total	Total Primary Government
\$	273,596	\$ 79,354	\$ 787,375	\$ -	\$ -	\$ -	\$ 866,729	\$ 1,673,492
	163,885	1,093,374	-	-	42,873	-	1,136,247	1,826,937
	181,675	168,993	-	-	80,282	-	249,275	952,527
	133,936	98,131	-	-	142,669	-	240,800	903,813
	354,936	166,769	-	-	240,217	-	406,986	1,285,238
	278,660	229,665	-	-	88,553	170,380	488,598	1,297,622
	274,694	836,583	-	-	258,308	550,299	1,645,191	2,458,099
	377,871	142,378	-	-	41,939	85,304	269,621	1,141,985
	596,824	253,467	-	-	53,096	36,030	342,593	1,213,603
	426,310	709,178	-	118,863	-	86,512	914,553	1,455,827

Exhibit I-3

**Pikes Peak Library District
Government-wide General Revenues and Other Changes in Net Position
Last Ten Fiscal Years
(Unaudited)**

						Governmental Activities
						General Revenues
Fiscal Year	Property Taxes	Specific Ownership Taxes	Investment Earnings	Miscellaneous	Total	
2009	\$ 21,881,357	\$ 2,247,518	\$ 50,888	\$ 172,178	\$ 24,351,941	
2010	22,199,204	2,072,875	30,838	169,442	24,472,359	
2011	22,783,130	2,013,321	15,988	226,993	25,039,432	
2012	23,588,482	2,267,050	34,635	182,215	26,072,382	
2013	23,930,258	2,413,142	21,912	264,051	26,629,363	
2014	23,823,607	2,546,327	18,692	180,297	26,568,923	
2015	24,137,929	2,765,049	26,550	201,916	27,131,444	
2016	24,780,995	2,892,197	96,038	155,941	27,925,171	
2017	25,762,260	3,547,865	187,896	182,529	29,680,550	
2018	26,834,122	3,410,423	386,768	165,290	30,796,603	
	Total Changes in Net Position					
	Total					
	Primary Government					
2009	\$ 2,677,688					
2010	2,015,175					
2011	1,870,405					
2012	1,468,244					
2013	1,790,775					
2014	199,857					
2015	(136,995)					
2016	(567,039)					
2017	(893,306)					
2018	(3,664,486)					

TABOR Refund	
Fiscal Year Spending and Property Tax Revenue in Excess of Limit	Total Primary Government
\$ -	\$ 24,351,941
-	24,472,359
-	25,039,432
-	26,072,382
-	26,629,363
-	26,568,923
-	27,131,444
(57,073)	27,868,098
(543,196)	29,137,354
(5,830)	30,790,773

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Exhibit I-4

**Pikes Peak Library District
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Unaudited)**

General Fund

Fiscal Year	Reserved	Unreserved	Non-spendable	Restricted	Committed	Assigned	Unassigned	Total
2009	\$ 1,686,328	\$ 5,594,367	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,280,695
2010	1,684,352	6,671,066	-	-	-	-	-	8,355,418
2011	-	-	302,673	768,933	-	2,283,641	2,681,795	6,037,042
2012	-	-	515,665	849,133	-	1,413,211	4,626,698	7,404,707
2013	-	-	432,357	927,498	-	809,250	4,056,243	6,225,348
2014	-	-	475,065	918,560	-	679,883	3,632,798	5,706,306
2015	-	-	510,377	944,548	900,000	583,947	4,896,422	7,835,294
2016	-	-	386,130	945,380	865,000	668,852	6,425,409	9,290,771
2017	-	-	339,785	1,001,784	865,000	377,529	7,848,739	10,432,837
2018	-	-	311,114	1,128,386	-	385,511	8,900,930	10,725,941

Other Governmental Funds

Fiscal Year	Reserved	Unreserved - Fund Type			Non-spendable	Restricted	Committed	Assigned	Total
		Special Revenue	Capital Projects	Total					
2009	\$ 132,884	\$ 322,133	\$ 2,718,990	\$ 3,041,123	\$ -	\$ -	\$ -	\$ -	\$ 3,174,007
2010	503,381	311,181	1,987,508	2,298,689	-	-	-	-	2,802,070
2011	-	-	-	-	-	89,270	6,930,814	272	7,020,356
2012	-	-	-	-	-	103,501	4,647,272	7,624	4,758,397
2013	-	-	-	-	2,902	78,221	7,399,563	7,624	7,488,310
2014	-	-	-	-	-	75,778	5,394,260	7,624	5,477,662
2015	-	-	-	-	4,990	53,896	1,976,494	7,624	2,043,004
2016	-	-	-	-	14,092	11,179	2,378,444	7,000	2,410,715
2017	-	-	-	-	5,877	2,924	1,845,995	212	1,855,008
2018	-	-	-	-	-	2,924	3,199,791	212	3,202,927

Note: In 2011 GASB 54 was implemented with new fund balance classifications.

Note - For fiscal years 2011 - 2014, the North Facility Project Fund was presented as a Major Fund. For 2015, this Fund was no longer considered a Major Fund. Fund balances for 2011 - 2014 have been reclassified and are now presented as part of Other Governmental Funds

Exhibit I-5

**Pikes Peak Library District
 Summary of Changes in Total Governmental Fund Balances
 Last Ten Fiscal Years
 (Unaudited)**

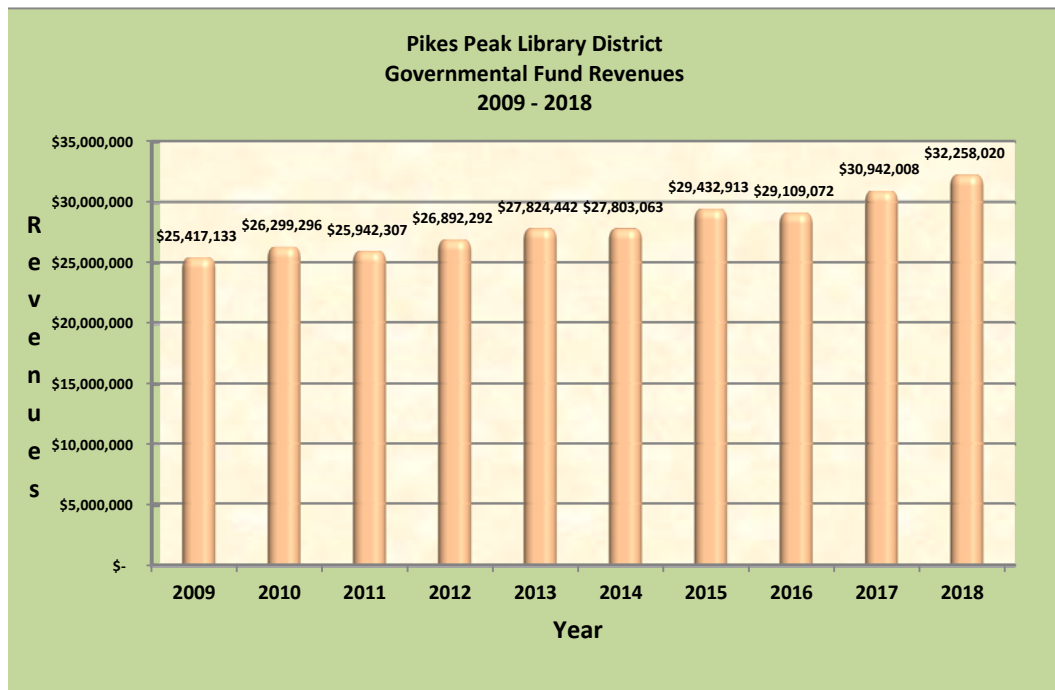
Fiscal Year	Revenues	Expenditures	Other Financing Sources (Uses)		
			Capital Lease Financing	Proceeds from Sale of Capital Assets	Proceeds from Insurance Reimbursement
2009	\$ 26,299,296	\$ 25,818,473	\$ -	\$ 50,724	\$ -
2010	25,942,307	24,092,049	173,756	48,207	-
2011	26,892,292	27,827,510	-	49,652	-
2012	27,824,442	26,370,151	-	40,924	-
2013	27,803,063	30,383,156	-	83,277	12,985
2014	29,432,914	30,383,156	-	50,403	-
2015	29,432,914	30,785,347	-	28,060	18,703
2016	29,109,072	27,246,156	-	17,345	-
2017	30,942,008	29,824,093	-	11,640	-
2018	32,258,020	30,630,672	-	19,505	-

TABOR Refund Fiscal Year Spending and Property Tax Revenue In Excess of Limit	Net Change in Fund Balance	Ratio of Debt Service Expenditures to Noncapital Expenditures
\$ -	\$ 531,547	0.26%
-	2,072,221	0.28%
-	(885,566)	0.30%
-	1,495,215	0.27%
-	(2,483,831)	0.00%
-	(899,839)	0.00%
-	(1,305,670)	0.00%
(57,073)	1,823,188	0.00%
(543,196)	586,359	0.00%
(5,830)	1,641,023	0.00%

Exhibit I-6

**Pikes Peak Library District
Governmental Funds Revenues
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Taxes	Intergovernmental	Fines and Fees	Interest Earnings
2009	\$ 24,128,875	\$ 241,372	\$ 533,167	\$ 50,888
2010	24,272,079	1,126,247	526,805	30,838
2011	24,796,451	185,728	521,577	15,988
2012	25,855,532	85,247	529,077	34,635
2013	26,343,399	160,887	523,316	21,912
2014	26,369,934	291,251	530,364	18,692
2015	26,902,978	305,794	538,214	26,550
2016	27,673,192	398,039	494,493	96,038
2017	29,310,125	458,187	274,186	187,896
2018	30,244,545	384,404	114,964	386,768

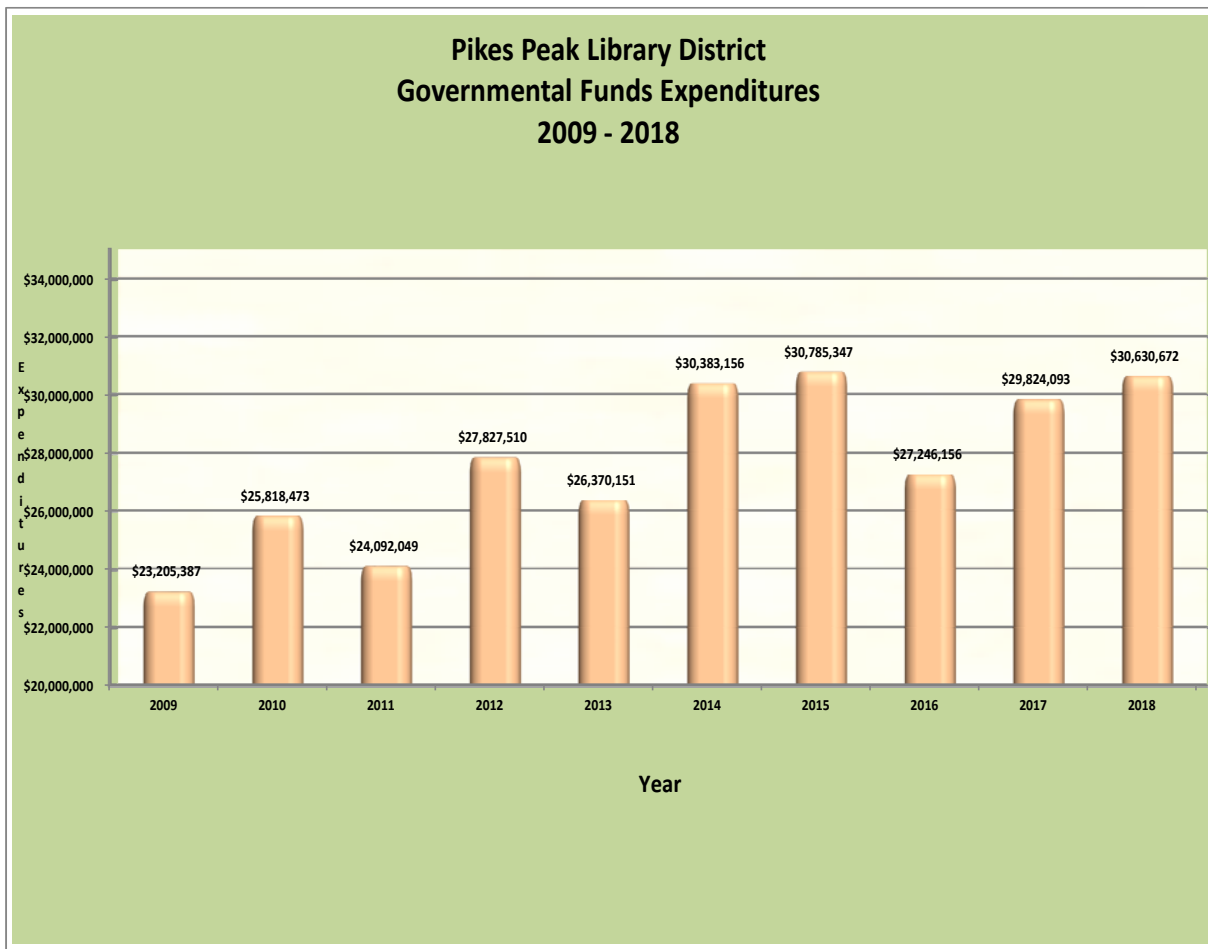


Miscellaneous		Total	
\$	462,831	\$	25,417,133
	343,327		26,299,296
	422,563		25,942,307
	387,801		26,892,292
	774,928		27,824,442
	592,822		27,803,063
	1,659,378		29,432,913
	447,310		29,109,072
	711,614		30,942,008
	1,127,339		32,258,020

Exhibit I-7

**Pikes Peak Library District
Governmental Funds Expenditures
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Current						Contractual Services
	Personnel Services	Supplies	Library Materials	Utilities	Telecommunications		
2009	\$ 12,991,937	\$ 493,755	\$ 3,165,955	\$ 475,102	\$ 226,694	\$ 1,986,951	
2010	13,225,570	495,039	3,881,375	468,604	215,510	2,459,797	
2011	13,475,371	538,030	3,817,412	483,211	258,893	2,301,929	
2012	13,972,868	448,827	3,974,955	497,624	305,675	2,431,627	
2013	14,426,213	547,072	3,984,804	486,862	337,311	2,556,487	
2014	15,032,543	605,206	4,324,974	587,082	362,758	2,720,845	
2015	15,904,077	732,640	4,279,833	571,033	409,626	2,587,094	
2016	16,007,317	690,060	4,482,638	539,735	339,276	2,769,599	
2017	17,599,286	664,432	4,368,968	583,442	465,959	2,753,994	
2018	18,362,919	666,926	4,528,390	615,141	479,359	2,936,686	



	Repairs and		Total	Capital	Debt Service		Total
	Maintenance	Other Services			Outlay	Principal	
\$	264,760	\$ 1,059,682	\$ 20,664,836	\$ 2,540,551	\$ -	\$ -	\$ 23,205,387
	417,822	773,001	21,936,718	3,824,985	50,685	6,085	25,818,473
	457,546	729,920	22,062,312	1,967,806	57,670	4,261	24,092,049
	385,416	715,462	22,732,454	5,027,983	65,401	1,672	27,827,510
	454,927	760,146	23,553,822	2,816,329	-	-	26,370,151
	612,068	734,423	24,979,899	5,403,257	-	-	30,383,156
	578,877	753,353	25,816,533	4,968,814	-	-	30,785,347
	672,300	742,652	26,243,577	1,002,579	-	-	27,246,156
	649,023	834,117	27,919,221	1,904,872	-	-	29,824,093
	503,869	678,177	28,771,467	1,859,205	-	-	30,630,672

Exhibit I-8

**Pikes Peak Library District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)**

Assessment Year	Collection Year	Residential		All Other Property	
		Assessed Value	Estimated Actual value	Assessed Value	Estimated Actual Value
2008	2009	\$ 3,350,480,089	\$ 42,091,458,408	\$ 2,857,561,581	\$ 9,853,660,623
2009	2010	3,497,892,156	43,943,368,798	2,956,974,344	10,196,463,254
2010	2011	3,526,403,277	44,301,548,703	2,935,761,423	10,123,315,252
2011	2012	3,281,225,918	41,221,431,129	2,686,809,582	9,264,860,628
2012	2013	3,345,705,933	42,031,481,566	2,696,746,537	9,299,125,991
2013	2014	3,323,732,184	41,755,429,448	2,705,167,116	9,328,162,469
2014	2015	3,383,673,117	42,508,456,238	2,733,459,583	9,425,722,702
2015	2016	3,772,618,178	47,394,700,732	2,845,238,612	9,811,167,627
2016	2017	3,785,355,234	47,554,713,989	2,832,501,556	9,767,246,746
2017	2018	3,932,149,665	54,613,189,788	3,148,445,775	10,856,709,570

Notes:

(1) The following are the assessment rates for collection years 2009 through 2018:

Collection Year	Residential	All Other Categories
2009 - 2017	7.96%	29.00%
2018	7.20%	29.00%

Data Source: El Paso County Assessor's Office Abstracts of Assessment

Total Assessed Value	Total Mill Levy	Estimated Actual Value	Ratio of Total Assessed Value to Total Estimated Actual Value
\$ 6,208,041,670	3.540	\$ 51,945,119,031	12.0%
6,454,866,500	3.468	54,139,832,052	11.9%
6,462,164,700	3.556	54,424,863,955	11.9%
5,968,035,500	3.999	50,486,291,757	11.8%
6,042,452,470	4.000	51,330,607,557	11.8%
6,028,899,300	4.000	51,083,591,917	11.8%
6,117,132,700	4.000	51,934,178,939	11.8%
6,516,617,460	3.857	57,205,868,359	11.6%
6,617,856,790	3.957	57,321,960,736	11.5%
7,080,595,440	3.812	65,469,899,358	10.8%

Exhibit I-9

**Pikes Peak Library District
Property Tax Rates - Direct and Overlapping
Last Ten Fiscal Years
(Unaudited)
(Per \$1,000 of assessed value)**

Taxing Authority	Collection Year				
	2009	2010	2011	2012	2013
Direct					
Pikes Peak Library District	3.540	3.468	3.556	3.999	4.000
Overlapping Governments					
El Paso County	7.583	7.531	7.717	7.597	7.663
Cities and Towns					
Calhan	17.563	17.563	17.563	17.563	17.563
Colorado Springs	4.944	4.279	4.279	4.279	4.279
Fountain	10.239	10.239	10.239	10.239	10.239
Green Mountain Falls	14.588	13.588	14.588	14.588	17.588
Manitou Springs	-	-	-	-	12.060
Monument	6.289	6.289	6.289	6.289	6.289
Palmer Lake	16.180	15.989	16.459	16.459	16.459
Ramah	19.827	19.827	19.827	19.827	19.827
Fire Districts					
Big Sandy	8.000	8.000	8.000	8.000	8.000
Black Forest	6.444	6.322	6.275	10.406	10.379
Black Forest (OPS)	1.479	1.357	1.310	1.191	1.164
Broadmoor	4.500	4.500	4.500	4.500	4.500
Calhan	7.461	6.313	7.094	6.500	6.536
Cascade	6.748	6.940	7.373	7.968	8.443
Cimarron Hills	11.082	11.110	11.110	12.150	14.390
Donald Wescott	7.000	7.000	7.000	7.000	7.000
Wescott N. Sub.	-	-	-	-	-
Edison	9.000	9.000	9.000	9.000	9.000
Elbert	4.575	4.575	4.575	4.575	4.575
Ellicott	9.116	9.374	9.329	9.999	10.168
Falcon	5.712	5.712	5.712	8.612	8.612
Green Mountain Falls/Chipita Park	6.829	6.905	7.325	8.048	8.542
Hanover	4.720	4.720	4.720	4.720	4.720
Peyton	6.135	6.109	6.253	6.253	6.458
Security	6.706	6.687	6.693	6.681	10.001
Stratmoor Hills	12.423	12.423	12.423	12.423	12.423
SW Hwy 115	7.200	7.200	7.200	7.200	13.200
Tri-County	3.000	3.000	3.000	3.000	3.000
Tri-Lakes/Monument	8.500	8.500	8.500	8.500	11.500
Woodman Valley	9.050	9.050	9.050	9.050	9.050

2014	2015	2016	2017	2018
4.000	4.000	3.857	3.957	3.812
7.714	7.791	7.869	7.919	7.965
17.563	17.563	17.563	17.563	17.563
4.279	4.279	4.279	4.279	4.279
10.239	10.239	10.239	10.239	10.239
17.588	17.588	17.588	17.588	17.588
12.060	12.050	12.246	13.001	13.072
6.289	6.289	6.255	6.289	6.225
16.459	16.459	11.238	21.238	21.135
19.827	19.827	19.827	19.827	19.827
8.000	8.000	8.000	8.000	8.000
10.382	10.356	10.237	10.178	10.114
1.167	1.141	1.022	0.963	0.899
4.500	4.500	4.500	4.500	4.500
6.523	6.552	6.061	5.971	6.049
9.168	9.410	9.774	10.245	10.848
14.390	15.290	15.286	15.286	16.200
7.000	7.000	7.000	7.000	7.000
-	-	-	-	14.900
9.000	9.000	9.000	9.000	9.000
4.575	4.575	8.500	8.500	8.500
10.290	10.220	9.760	9.850	9.515
8.612	8.612	8.612	8.612	8.612
8.788	9.293	9.812	9.763	16.950
4.720	4.720	7.000	7.366	7.428
6.130	6.130	6.130	6.130	6.130
10.001	10.002	10.002	10.002	10.002
12.002	12.686	12.768	12.811	12.582
13.200	13.200	13.200	13.200	13.200
3.000	3.000	3.000	3.000	3.000
11.500	11.500	11.500	11.500	18.100
9.050	9.050	9.050	9.050	9.050

Exhibit I-9

**Pikes Peak Library District
Property Tax Rates - Direct and Overlapping (Continued)
Last Ten Fiscal Years
(Unaudited)
(Per \$1,000 of assessed value)**

Taxing Authority	Collection Year				
	2009	2010	2011	2012	2013
Water Districts					
Cheyenne Creek	0.800	0.800	0.500	0.500	0.500
Forest View	5.000	5.000	5.000	5.000	5.000
Park Forest	14.437	14.437	14.437	14.437	14.437
Red Rock Valley Estates	12.409	13.123	13.894	16.803	17.709
Stratmoor Hills	2.128	2.224	2.000	2.000	2.088
S.E. Colo. Water Conserv.	0.943	0.940	0.947	0.947	0.944
Security	5.822	5.961	5.960	5.952	5.947
Turkey Canyon Ranch	8.523	8.622	9.058	11.005	9.500
Upper Arkansas Water Conserv.	-	-	0.454	0.495	0.478
Upper Big Sandy	0.532	0.532	0.532	0.532	0.532
Upper Black Squirrel	0.682	0.682	1.082	1.082	1.082
Sanitation Districts					
Fountain	4.501	4.500	4.654	5.334	5.534
Monument	-	-	-	-	-
Security	0.889	0.896	0.900	0.899	0.898
Stratmoor Hills	0.579	0.621	0.549	0.549	0.573
Sanitation and Water Districts					
Academy	25.517	23.637	21.450	24.950	24.755
Donala (Area A)	16.296	16.296	16.296	16.296	21.296
Donala (Area B)	8.148	8.148	8.148	8.148	10.648
Garden Valley	4.001	7.000	10.000	8.617	8.167
Garden Valley #2	-	7.000	7.000	5.500	5.805
Westmoor	33.070	29.055	30.986	35.508	37.471
Woodmoor	7.000	6.950	6.950	-	-

2014	2015	2016	2017	2018
0.500	0.500	0.500	1.000	1.000
5.000	5.000	5.000	5.000	5.000
14.437	14.437	14.437	14.437	14.437
17.872	18.575	16.444	17.725	17.725
2.055	1.974	2.086	2.105	2.071
0.944	0.094	0.941	0.940	0.094
5.980	5.955	5.654	5.695	5.703
9.500	9.500	9.500	9.500	9.500
0.478	0.478	0.471	0.478	0.481
0.532	0.532	0.532	0.532	0.532
1.082	1.082	1.057	1.063	1.065
5.755	6.101	6.040	6.248	6.328
-	-	-	-	7.734
0.903	0.899	0.856	0.862	0.863
0.578	0.578	0.587	0.591	0.583
2.937	2.937	2.937	2.937	2.937
21.296	21.296	21.296	21.296	21.296
10.648	10.648	10.648	10.648	10.648
9.920	9.055	9.695	10.296	11.083
5.613	5.736	5.816	5.196	4.308
34.956	41.288	34.943	36.836	36.953
-	-	-	-	-

Exhibit I-9

**Pikes Peak Library District
Property Tax Rates - Direct and Overlapping (Continued)
Last Ten Fiscal Years
(Unaudited)
(Per \$1,000 of assessed value)**

Taxing Authority	Collection Year				
	2009	2010	2011	2012	2013
School Districts					
Air Force Academy #20	60.216	60.216	60.216	60.216	60.216
Big Sandy #100J	25.499	25.509	25.468	42.067	42.128
Calhan #RJ-1	33.645	30.031	30.049	30.049	29.117
Cheyenne Mountain #12	44.794	43.765	49.764	49.764	50.000
Colorado Springs #11	42.331	42.183	44.004	44.004	43.445
Edison #54	38.801	37.525	36.104	36.104	37.044
Ellicott #22	46.009	45.633	41.148	41.148	41.147
Falcon #49	45.674	45.572	45.842	45.842	45.585
Fremont/Florence #39	29.548	29.695	33.907	33.907	28.774
Fountain/Ft. Carson #8	24.301	29.695	24.723	24.723	24.703
Hanover #28	25.459	23.436	27.551	27.551	27.463
Harrison #2	41.409	41.434	41.147	41.147	41.344
Lewis-Palmer #38	46.077	48.074	52.343	52.343	51.756
Manitou Springs #14	-	-	-	-	47.354
Miami/Yoder #60	41.281	41.366	42.853	42.853	43.194
Peyton #23	34.000	33.969	34.041	34.041	34.097
Miscellaneous Districts	2,115.266	2,710.623	2,554.140	2,554.140	2,703.102

Data Source: El Paso County Assessor's Office Abstracts of Assessment

2014	2015	2016	2017	2018
60.216	60.216	60.216	60.216	60.216
40.787	40.379	38.860	38.782	38.189
27.096	27.193	27.091	27.003	27.068
50.000	53.000	53.000	53.000	55.000
44.264	43.165	40.803	40.878	52.499
37.861	37.340	40.834	36.502	36.504
37.124	37.126	37.001	37.046	37.011
45.617	45.796	44.635	44.417	43.648
28.776	29.251	28.908	29.300	29.762
24.726	24.775	25.195	24.748	24.731
31.103	27.759	35.112	34.679	35.736
41.344	36.997	36.414	36.278	33.138
50.091	49.677	45.501	46.404	44.651
47.649	47.555	52.000	52.000	52.000
42.710	41.926	28.504	28.303	28.079
30.985	30.919	30.419	30.469	30.469
2,975.466	3,083.266	3,391.527	3,075.868	3,576.017

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Exhibit I-10

Pikes Peak Library District
Principal Property Taxpayers - Top 10
Current Year and Nine Years Ago
(Unaudited)

Principal Taxpayer	Type of Business	Fiscal Year 2018		Fiscal Year 2009	
		Assessed Valuation	Percent of Total Assessed Valuation	Assessed Valuation	Percent of Total Assessed Valuation
CELLCO Partnership	Investments	\$ 93,846,890	1.33%	\$ -	0.00%
Qwest Corporation	Telecommunications	65,424,700	0.92%	72,709,950	1.17%
Microchip Technology Inc.	Technology	47,487,050	0.67%	-	0.00%
Broadmoor Hotel, Inc.	Hotel	37,107,960	0.52%	28,982,740	0.47%
Wal-Mart Businesses	Merchandise/Retail	31,576,000	0.45%	31,714,920	0.51%
Mountain View Electric	Utilities	30,417,120	0.43%	15,930,960	0.26%
CV Patriot Springs, LLC	Investments	27,296,180	0.39%	-	0.00%
dpiX, LLC	Technology	23,329,510	0.33%	-	0.00%
Wal-Mart Datacenter	Technology	19,517,040	0.28%	-	0.00%
Comcast of CO/PA/WV LLC	Media/Technology	16,130,850	0.23%	-	0.00%
Front Range Power, LLC	Utilities	-	0.00%	26,178,500	0.42%
Black Hills Fountain Valley Power LLC	Utilities	-	0.00%	25,485,800	0.41%
Atmel Corp.	Investments	-	0.00%	22,194,120	0.36%
MCI Telecommunications Corp.	Telecommunications	-	0.00%	18,956,030	0.31%
Intel Corp.	Technology	-	0.00%	15,951,460	0.26%
MMP Citadel LLP	Retail Mall	-	0.00%	15,499,600	0.25%
Total Top 10 Principal Taxpayers		\$ 392,133,300	5.54%	\$ 273,604,080	4.41%
Total Assessed Valuation		\$ 7,080,595,440	100.00%	\$ 6,208,041,670	100.00%

Data Source: El Paso County Assessor's Office

Exhibit I-11

**Pikes Peak Library District
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)**

Assessment Year	Collection Year	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collected	Delinquent Tax Collections
2008	2009	\$ 21,952,801	\$ 21,802,319	99.3%	\$ 17,902
2009	2010	22,348,644	22,096,603	98.9%	44,982
2010	2011	22,907,471	22,708,581	99.1%	19,503
2011	2012	23,776,533	23,521,488	98.9%	19,120
2012	2013	24,058,794	23,852,302	99.1%	30,559
2013	2014	23,978,299	23,691,576	98.8%	72,755
2014	2015	24,290,297	24,092,442	99.2%	12,160
2015	2016	24,926,355	24,730,868	99.2%	10,720
2016	2017	25,942,634	25,709,842	99.1%	14,007
2017	2018	27,187,071	26,767,115	98.5%	17,132

Data Sources: District's financial records and El Paso County Treasurer's Office

Penalties and Interest Delinquent Tax Collections	Omitted Property Tax Collections	Total Tax Collection	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
\$ 54,453	\$ 6,683	\$ 21,881,357	99.7%	\$ 123,563	0.6%
53,198	4,421	22,199,204	99.3%	86,509	0.4%
50,844	4,202	22,783,130	99.5%	93,389	0.4%
44,669	3,205	23,588,482	99.2%	128,616	0.5%
41,758	5,639	23,930,258	99.5%	139,504	0.6%
56,389	2,887	23,823,607	99.4%	55,656	0.2%
29,628	3,699	24,137,929	99.4%	54,997	0.2%
29,902	9,505	24,780,995	99.4%	62,246	0.2%
33,187	5,224	25,762,260	99.3%	71,429	0.3%
35,319	5,451	26,825,017	98.7%	92,436	0.3%

Exhibit I-12

**Pikes Peak Library District
Ratios of Outstanding Debt
Last Ten Fiscal Years
(Unaudited)**

Year Ended December 31,	Population	Capital Leases			Net Debt	Net Debt Per Capita
		Gross Debt	Funds Available in Debt Service Fund			
2009	547,061	\$ -	\$ -	\$ -	-	
2010	554,355	123,071	-	123,071	0.22	
2011	575,789	65,401	-	65,401	0.11	
2012	585,158	-	-	-	-	
2013	598,549	-	-	-	-	
2014	607,457	-	-	-	-	
2015	616,089	-	-	-	-	
2016	623,805	-	-	-	-	
2017	639,625	-	-	-	-	
2018	650,185	-	-	-	-	

	Personal Income	Debt as a Percentage of Personal Income	Assessed Value Used for Current Year Collections	Ratio of Net Bonded Debt to Assessed Value
\$	24,047,682,000	0.0%	\$ 6,208,041,670	0.0%
	24,986,786,000	0.0%	6,454,866,500	0.0%
	25,420,872,000	0.0%	6,462,164,700	0.0%
	26,374,299,000	0.0%	5,968,035,500	0.0%
	27,980,799,000	0.0%	6,042,452,470	0.0%
	27,831,398,000	0.0%	6,028,899,300	0.0%
	29,262,206,000	0.0%	6,117,132,700	0.0%
	30,565,961,000	0.0%	6,516,617,460	0.0%
	32,522,267,000	0.0%	6,617,856,790	0.0%
	not available	0.0%	7,080,595,440	0.0%

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Exhibit I-13

**Pikes Peak Library District
Direct and Overlapping Governmental Activities Debt
As of December 31, 2018
(Unaudited)**

<u>Tax District</u>	<u>Governmental Activities Debt</u>	<u>Percentage Applicable to Pikes Peak Library District</u>	<u>Amount Applicable to Pikes Peak Library District</u>
Direct:			
Pikes Peak Library District	\$ -	100.00%	\$ -
Overlapping:			
Cities and Towns			
Colorado Springs	49,366,000	100.00%	49,366,000
Green Mountain Falls	294,256	100.00%	294,256
Monument	329,025	100.00%	329,025
Manitou Springs	2,954,862	100.00%	2,954,862
Total Cities and Towns			<u>52,944,143</u>
El Paso County	148,596,782	94.18%	<u>139,948,449</u>
Special Districts			
Fire protection	2,853,999	100.00%	2,853,999
Miscellaneous	57,975,000	100.00%	57,975,000
Water	8,312,621	100.00%	8,312,621
Water and Sanitation	24,517,861	100.00%	24,517,861
General Improvement	34,979,777	100.00%	34,979,777
Metropolitan	405,787,277	100.00%	405,787,277
Total Special Districts			<u>534,426,535</u>
School Districts			
Academy #20	287,812,320	100.00%	287,812,320
Big Sandy #100J	2,376,452	100.00%	2,376,452
Cheyenne Mountain #12	133,380,405	100.00%	133,380,405
Colorado Springs #11	1,155,600,982	100.00%	1,155,600,982
Ellicott #22	1,862,720	100.00%	1,862,720
Falcon #49	7,520,172	100.00%	7,520,172
Fountain Fort Carson #8	2,834,402	100.00%	2,834,402
Fremont/Florence #39	7,915,975	100.00%	7,915,975
Hanover #28	5,657,878	100.00%	5,657,878
Harrison #2	36,070,000	100.00%	36,070,000
Lewis Palmer #38	67,349,192	100.00%	67,349,192
Manitou Springs School #14	2,805,000	100.00%	2,805,000
Miami/Yoder #60	1,120,000	100.00%	1,120,000
Peyton #23	25,575,436	100.00%	25,575,436
Widefield #3	6,900,000	100.00%	6,900,000
Total School Districts			<u>1,744,780,934</u>
Total Overlapping			<u>2,472,100,061</u>
Total Direct and Overlapping			<u>\$ 2,472,100,061</u>

Data Source: Individual Governmental Entities

The overlap percentage equates to total square miles of the overlapping entity that are within the boundaries of the Pikes Peak Library District.

Exhibit I-14

**Pikes Peak Library District
Debt Limitation Information
Last Ten Fiscal Years
(Unaudited)**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Assessed valuation	\$ 6,208,041,670	\$ 6,454,866,500	\$ 6,462,164,700	\$ 5,968,035,500	\$ 6,042,452,470
Debt limitation - 1.5% of total assessed value	\$ 93,120,625	\$ 96,822,998	\$ 96,932,471	\$ 89,520,533	\$ 90,636,787
Total debt (excluding compensated absences)	-	123,071	65,401	-	-
Less: Certificates of Participation (1)	-	-	-	-	-
Capital leases (1)	-	(123,071)	(65,401)	-	-
Total debt applicable to limitation	-	-	-	-	-
Legal debt margin	\$ 93,120,625	\$ 96,822,998	\$ 96,932,471	\$ 89,520,533	\$ 90,636,787

Notes:

- (1) Certificates of Participation and capital leases are not included as debt for purposes of calculating legal debt margin (Colorado Revised Statute 22-42-104).

2014	2015	2016	2017	2018
\$ 6,028,899,300	\$ 6,117,132,700	\$ 6,516,617,460	\$ 6,617,856,790	\$ 7,080,595,440
\$ 90,433,490	\$ 91,756,991	\$ 99,267,852	\$ 99,267,852	\$ 106,208,932
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
\$ 90,433,490	\$ 91,756,991	\$ 99,267,852	\$ 99,267,852	\$ 106,208,932

Exhibit I-15

**Pikes Peak Library District
Debt Service Information
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Debt Service Expenditures			Total	Noncapital Governmental Fund Expenditures	Ratio of Debt Service to Noncapital Governmental Fund Expenditures
	Capital Leases		Interest Payments			
	Principal Payments					
2009	\$ -	\$ -	\$ -	\$ -	\$ 20,664,836	0.00%
2010	50,685	6,085	56,770	56,770	21,936,718	0.26%
2011	57,670	4,261	61,931	61,931	22,062,312	0.28%
2012	65,401	1,672	67,073	67,073	22,732,454	0.30%
2013	-	-	-	-	23,553,822	0.00%
2014	-	-	-	-	24,979,899	0.00%
2015	-	-	-	-	25,816,533	0.00%
2016	-	-	-	-	26,243,577	0.00%
2017	-	-	-	-	27,919,221	0.00%
2018	-	-	-	-	28,771,467	0.00%

Exhibit I-16

**Pikes Peak Library District
Demographic and Economic Information
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemploy. Rate	Households		Median Age	School Enrollment
					Total	Average Size		
2009	547,061	\$24,047,682,000	\$ 37,151	8.9%	243,374	2.25	34.3	109,246
2010	554,355	24,986,786,000	37,915	10.5%	237,851	2.33	34.1	109,962
2011	575,789	25,420,872,000	37,909	8.9%	243,299	2.37	34.1	111,318
2012	585,158	26,374,299,000	40,893	8.8%	247,320	2.37	34.1	111,533
2013	598,549	27,980,799,000	41,250	7.2%	251,153	2.38	34.2	117,829
2014	607,457	27,831,398,000	41,945	6.2%	255,364	2.38	34.3	118,699
2015	616,089	29,262,206,000	43,385	4.6%	259,082	2.38	34.0	120,314
2016	623,805	30,565,961,000	44,409	3.8%	263,383	2.37	34.4	121,752
2017	639,625	32,522,267,000	46,511	3.5%	267,300	2.39	34.4	122,445
2018	650,185	not available	not available	2.8%	271,234	2.39	34.4	121,192

Data Sources: Colorado Department of Labor, U.S. Bureau of Economic Analysis, Colorado Department of Education, Colorado Department of Local Affairs, Colorado Workforce Center, quickfacts.census.gov

Exhibit I-17

**Pikes Peak Library District
Principal Employers
Current Year and Nine Years Ago
(Unaudited)**

Employer	Fiscal Year 2018		Fiscal Year 2009	
	Employees	Percent of Total Employment	Employees	Percent of Total Employment
Fort Carson	30,589	9.45%	21,400	7.84%
United States Air Force Academy	11,715	3.62%	6,522	2.39%
Peterson Air Force Base	9,871	3.05%	11,678	4.28%
Schriever Air Force Base	5,745	1.77%	6,000	2.20%
Memorial/University of Colorado Health Systems	4,779	1.48%	4,700	1.72%
Verizon	4,000	1.24%	-	0.00%
Colorado Springs School District #11	3,820	1.18%	3,793	1.39%
Centura Health System	3,722	1.15%	2,558	0.94%
Academy School District #20	2,950	0.91%	2,986	1.09%
El Paso County	2,683	0.83%	2,230	0.82%
City of Colorado Springs	-	0.00%	2,455	0.90%
Total	79,874	24.67%	64,322	23.57%
Total Employment - El Paso County, Colorado	323,816		272,888	

Exhibit I-18

**Pikes Peak Library District
District Employees By Function
Last Ten Fiscal Years
(Unaudited)**

	Full-time Equivalent Employees										
	2009	2010	2011	2012	2013	2014	2014	2015	2016	2017	2018
Public Services											
Administration	3.00	3.00	3.00	3.00	3.00	3.00	3.00	1.00	1.00	2.00	2.00
Special Collections	9.25	9.25	9.25	9.25	9.25	9.25	9.25	9.25	9.50	9.50	9.50
Adult Services											
East Library	16.00	16.00	16.30	16.30	15.80	15.80	15.80	16.80	16.80	17.32	16.32
Penrose Library	20.00	20.70	20.74	20.74	20.24	20.24	20.24	20.24	21.22	21.22	21.22
Library 21c	-	-	-	-	-	8.25	8.25	8.25	8.25	8.25	8.25
Library 21c - Computer Commons	-	-	-	-	-	9.00	9.00	9.50	9.50	9.50	9.50
Children's											
East Library	9.00	9.00	9.02	9.02	8.02	6.82	6.82	6.82	8.27	8.27	8.27
Penrose Library	5.30	5.30	5.32	5.32	5.32	6.12	6.12	6.12	6.12	6.12	6.12
Library 21c	-	-	-	-	-	6.88	6.88	7.88	7.88	8.88	7.88
Community Libraries											
Administration - West Region	-	-	-	-	-	-	-	-	-	-	5.00
Administration - Southeast Region	-	-	-	-	-	-	-	-	-	-	3.00
Administration - North Region	-	-	-	-	-	-	-	-	-	-	3.00
Administration	1.50	-	-	-	-	-	-	-	-	-	-
Briargate Library	11.88	12.63	13.63	13.63	14.50	-	-	-	-	-	-
Cheyenne Mountain Library	10.93	10.93	10.93	10.93	11.43	10.93	10.93	10.93	10.93	10.55	10.55
Fountain Library	10.63	10.63	10.25	10.25	9.25	7.75	7.75	7.88	7.88	6.63	6.63
High Prairie Library	-	7.13	8.00	8.00	8.00	8.25	8.25	8.25	8.25	8.25	8.25
Ruth Holley Library	12.25	12.25	12.25	12.25	12.50	12.50	12.50	12.13	12.13	10.50	10.50
Manitou Springs	-	-	-	-	-	4.00	4.00	4.25	4.25	4.25	4.25
Monument Library	10.15	10.21	10.42	10.42	10.55	10.55	10.55	10.55	10.49	10.49	10.49
Old Colorado City Library	8.73	8.93	9.28	9.28	8.88	8.88	8.88	8.63	8.90	8.90	8.90
Palmer Lake Library	1.93	1.93	1.99	2.01	1.99	1.79	1.79	1.79	2.03	2.03	2.03
Rockrimmon Library	11.25	11.25	11.23	11.23	10.85	10.65	10.65	10.65	10.65	10.08	10.08
Sand Creek Library	12.38	12.88	13.09	13.09	13.29	14.23	14.23	15.73	15.95	16.20	16.20
Ute Pass Library	1.80	2.15	2.30	2.30	1.80	1.80	1.80	1.28	1.28	1.28	1.28
Adult Education	2.60	2.60	2.60	2.60	3.10	3.45	3.45	4.20	3.85	6.50	6.50
Circulation											
East Library	20.43	19.93	20.01	19.01	19.56	20.22	20.22	20.62	20.62	18.84	18.84
Penrose Library	11.50	11.50	11.59	11.59	11.59	11.62	11.62	11.74	11.74	11.84	11.84
Library 21c	-	-	-	-	-	6.50	6.50	6.50	6.50	6.50	6.50
Shelving											
East Library	14.15	14.95	15.16	15.16	13.68	13.70	13.70	13.70	13.64	12.07	12.07
Penrose Library	8.80	8.40	8.84	8.84	8.32	7.99	7.99	7.99	7.99	6.12	6.12
Library 21c	-	-	-	-	-	5.18	5.18	5.55	5.18	5.25	5.25
Security	7.25	7.25	7.25	7.25	7.25	11.00	11.00	13.00	14.50	15.00	15.00
Collection Management	19.00	19.50	19.80	19.80	19.80	19.30	19.30	19.65	19.00	18.40	19.25
Mobile Library Services	8.88	8.88	9.70	9.70	8.70	8.70	8.70	8.70	8.95	9.15	9.15
Total Public Services	248.59	257.18	261.95	260.97	256.67	284.35	284.35	289.58	293.25	289.89	299.74
Administrative Services											
Administration	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-	-
Facilities											
East Library	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Penrose Library	6.75	6.75	7.00	7.00	7.00	6.75	6.75	6.75	6.00	6.00	5.00
Library 21c	-	-	-	-	-	2.00	2.00	2.00	3.00	3.00	3.00
Human Resources	5.55	5.55	5.15	4.15	5.15	5.15	5.15	5.15	5.15	5.15	5.15
Total Administrative Services	16.30	16.30	16.15	15.15	16.15	17.90	17.90	16.90	17.15	17.15	16.15
Information Technology											
Information Technology	12.00	13.00	13.00	13.00	13.00	14.00	14.00	14.10	14.10	14.10	13.10
Other Administrative Operations											
Chief Librarian and Chief Executive Officer Office	2.00	2.50	3.00	2.50	3.00	2.00	2.00	2.00	2.00	2.00	2.00
Communications Office	10.90	11.40	10.90	10.65	10.90	11.75	11.75	12.25	12.25	12.25	12.25
Development Office	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Finance Office	6.75	6.75	6.75	6.75	5.75	5.75	5.75	6.75	6.75	6.75	7.75
Total Other Administration Operations	22.15	23.15	23.15	22.40	22.15	22.00	22.00	23.50	23.50	23.50	24.50
Total Full Time Equivalents	299.04	309.63	314.25	311.52	307.97	338.25	338.25	344.08	348.00	344.64	353.49

Data Source: District's Human Resources Office

Exhibit I-19

**Pikes Peak Library District
Library Materials Purchased and Circulated
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Number of Volumes Owned	Number of Audio Visual Items Owned	Total Items Owned	Acquisition Cost of Collections
2009	908,932	189,836	1,098,768	\$ 32,966,004
2010	908,706	223,575	1,132,281	33,922,252
2011	948,527	235,087	1,183,614	34,699,459
2012	885,857	263,277	1,149,134	33,668,609
2013	907,823	285,181	1,193,004	33,438,002
2014	918,701	316,647	1,235,348	34,256,218
2015	718,638	279,776	998,414	28,479,378
2016	689,980	353,667	1,043,647	27,162,050
2017	700,758	346,176	1,046,934	26,923,183
2018	684,908	362,788	1,047,696	25,614,835

Data Source: District's Collection Management Department

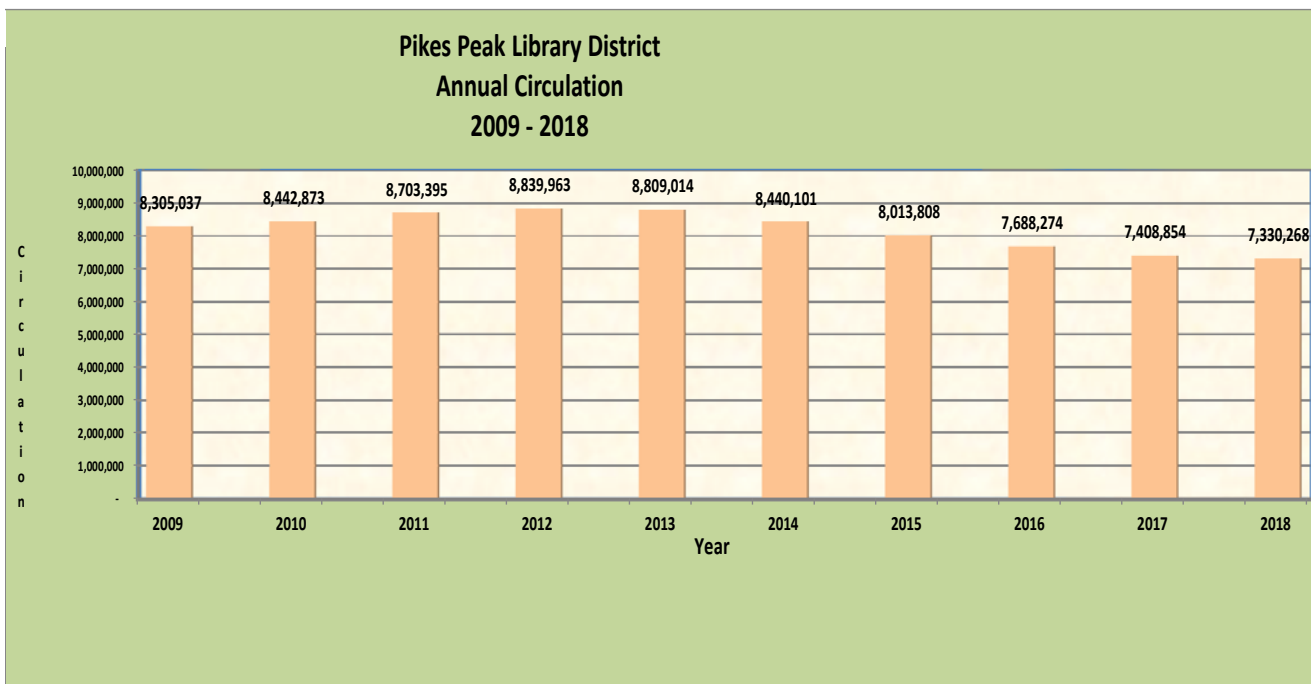
	Cost of New Acquisitions	Net Book Value of Collections	Number of Items in Circulation	Turnover Rate
\$	2,594,598	\$ 14,612,166	\$ 1,059,321	8.32
	3,517,700	15,285,873	1,092,281	7.73
	3,796,733	15,632,673	1,142,172	7.62
	2,763,306	14,813,804	1,106,019	7.99
	2,520,735	14,392,359	1,148,583	7.67
	2,663,493	14,599,576	1,189,875	7.09
	2,731,728	14,211,399	951,064	8.43
	2,313,177	13,806,198	995,151	7.73
	2,140,189	13,803,275	996,826	7.43
	1,812,545	13,245,127	996,698	7.35

Exhibit I-20

**Pikes Peak Library District
Circulation By Location
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	East Library Information Center	Penrose Public Library	Library 21c	Community Libraries							
				Briargate	Cheyenne Mountain	Fountain	High Prairie	Manitou Springs	Monument	Old Colorado City	Palmer Lake
2009	2,655,765	1,128,125	-	741,583	552,161	261,457	-	-	563,755	278,940	66,617
2010	2,582,700	1,095,427	-	768,785	554,658	273,745	66,410	-	572,676	303,763	62,441
2011	2,494,034	1,132,553	-	772,441	553,038	281,337	359,569	-	588,895	316,223	65,877
2012	2,310,938	1,101,885	-	816,865	548,264	289,672	367,406	-	595,068	312,196	66,511
2013	2,128,483	1,154,390	-	794,457	542,311	274,626	366,472	41,578	563,585	303,649	63,566
2014	1,983,752	1,049,901	464,794	283,986	503,092	249,356	341,333	48,404	502,640	294,604	58,095
2015	1,621,753	900,407	894,810	-	474,082	211,731	326,736	47,067	451,594	284,910	50,653
2016	1,533,028	776,925	888,192	-	437,569	199,196	307,167	46,452	415,012	246,141	43,152
2017	1,303,118	714,133	986,551	-	386,538	191,400	289,874	47,318	390,805	214,947	44,718
2018	1,325,067	626,308	904,180	-	374,674	187,269	284,624	40,953	383,845	193,591	40,011

Data Source: District's information library system



Rockrimmon	Ruth Holley	Sand Creek	Ute Pass	Mobile Library Services	Library Express Dispenser	Cyber-Shelf	Nook eReaders	Other Categories	Inter-Library Loan	Total
587,455	622,965	447,137	67,583	267,083	-	30,953	-	-	33,458	8,305,037
572,963	611,815	574,676	63,262	247,214	6,870	60,173	-	-	25,295	8,442,873
563,134	594,154	538,120	59,025	194,192	8,272	154,372	730	665	26,764	8,703,395
552,227	596,776	577,261	51,282	202,975	45,921	349,362	1,833	25,851	27,670	8,839,963
536,706	576,746	554,733	45,673	195,332	42,272	533,026	740	63,485	27,184	8,809,014
474,322	518,641	514,578	39,549	188,500	48,784	792,432	492	57,224	25,622	8,440,101
431,335	457,623	463,715	33,806	179,297	28,993	1,068,783	70	60,608	25,835	8,013,808
385,294	395,346	417,248	31,724	166,186	20,958	1,295,052	325	55,209	28,098	7,688,274
368,714	367,831	370,525	31,623	157,979	2,363	1,459,032	467	54,764	26,154	7,408,854
360,463	338,586	332,100	27,973	148,384	-	1,681,835	220	52,932	27,253	7,330,268

Pikes Peak Library District
Service Location Information
Last Ten Fiscal Years
(Unaudited)

Library	Address	Owned (O) Leased (L)	No. of Hours Open/Week FY 2018	Square Footage as of Fiscal Year-End						
				2009	2010	2011	2012	2013	2014	
Briargate Library	9475 Briar Village Pt. Colorado Springs, CO 80920	L	-	8,627	8,627	8,627	8,627	8,627	8,627	
Cheyenne Mountain Library	1785 S. 8th Street, Suite 100 Colorado Springs, CO 80906	L	64	8,900	8,900	8,900	8,900	8,900	8,900	
East Library and Information Center	5550 N. Union Colorado Springs, CO 80918	O	68	70,153	70,153	70,153	70,153	70,153	70,153	
Fountain Library	230 S. Main Street Fountain, CO 80817	O	64	9,582	9,582	9,582	9,582	9,582	9,582	
High Prairie Library	7035 Old Meridian Rd. Falcon, CO 80831	O	56	-	6,008	6,008	6,008	6,008	6,008	
Library 21C	1175 Chapel Hills Drive Colorado Springs, CO 80920	O	68	-	-	-	115,058	115,058	115,058	
Manitou Springs Library	701 Manitou Avenue Manitou Springs, CO 80829	L	52	-	-	-	-	2,391	2,391	
Monument Hill Library	1706 Lake Woodmoor Drive Monument, CO 80132	L	68	7,536	7,536	7,536	7,536	7,536	7,536	
Old Colorado City Library	2418 W. Pikes Peak Colorado Springs, CO 80904	O	64	4,909	4,909	4,909	4,909	4,909	4,909	
Palmer Lake Library	66 Lower Glenway Palmer Lake, CO 80133	L	36	1,574	1,574	1,574	1,574	1,574	1,574	
Penrose Public Library	20 N. Cascade Colorado Springs, CO 80903	O	68	78,831	78,831	78,831	78,831	78,831	78,831	
Rockrimmon Library	832 Village Center Drive Colorado Springs, CO 80919	L	64	8,668	8,668	8,668	8,668	8,668	8,668	
Ruth Holley Library	685 N. Murray Colorado Springs, CO 80915	L	64	10,469	10,469	10,469	10,469	10,469	10,469	
Sand Creek Library	1821 S. Academy Colorado Springs, CO 80916	O	68	14,060	14,060	14,060	14,060	14,060	14,060	
Ute Pass Library	8010 Severy Cascade, CO 80809	L	30	2,123	2,123	2,123	2,123	2,123	2,123	
Mobile Library Services - three vehicles		O	62	455	455	455	455	455	455	
Offices	25 W. Kiowa Colorado Springs, CO 80903	O	N/A	11,988	11,988	11,988	11,988	11,988	11,988	
				896	237,875	243,883	243,883	358,941	361,332	361,332

Data Source: District's Facilities Office

2015	2016	2017	2018
-	-	-	-
8,900	8,900	8,900	8,900
70,153	70,153	70,153	70,153
9,582	9,582	9,582	9,582
6,008	6,008	6,008	6,008
115,058	115,058	115,058	115,058
2,391	2,391	2,391	2,391
7,536	7,536	7,536	7,536
4,909	4,909	4,909	4,909
1,574	1,574	1,574	1,574
78,831	78,831	78,831	78,831
8,668	8,668	8,668	8,668
10,469	10,469	10,469	10,469
14,060	14,060	14,060	14,060
2,123	2,123	2,123	2,123
455	455	455	455
11,988	11,988	11,988	11,988
352,705	352,705	352,705	352,705

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**Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an
Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

Independent Auditor's Report

Board of Trustees
Pikes Peak Library District
Colorado Springs, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Pikes Peak Library District (the District), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 24, 2019. The financial statements of the Pikes Peak Library District Foundation Inc., the discretely presented component unit of the District, were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses as defined above. However, material weaknesses may exist that have not been identified.

Board of Trustees
Pikes Peak Library District

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BKD, LLP

Colorado Springs, Colorado
June 24, 2019

Board of Trustees, Internal Affairs
Committee and Management
Pikes Peak Library District
Colorado Springs, Colorado

As part of our audit of the financial statements of Pikes Peak Library District (the District) as of and for the year ended December 31, 2018, we wish to communicate the following to you.

AUDIT SCOPE AND RESULTS

Auditor's Responsibility Under Auditing Standards Generally Accepted in the United States of America and the Standards Applicable to Financial Audits Contained in Government Auditing Standards Issued by the Comptroller General of the United States

An audit performed in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States is designed to obtain reasonable, rather than absolute, assurance about the financial statements. In performing auditing procedures, we establish scopes of audit tests in relation to the financial statements taken as a whole. Our engagement does not include a detailed audit of every transaction. Our engagement letter more specifically describes our responsibilities.

These standards require communication of significant matters related to the financial statement audit that are relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. Such matters are communicated in the remainder of this letter or have previously been communicated during other phases of the audit. The standards do not require the auditor to design procedures for the purpose of identifying other matters to be communicated with those charged with governance.

An audit of the financial statements does not relieve management or those charged with governance of their responsibilities. Our engagement letter more specifically describes your responsibilities.

Qualitative Aspects of Significant Accounting Policies and Practices

Significant Accounting Policies

The District's significant accounting policies are described in Note 1 of the audited financial statements.

Alternative Accounting Treatments

- No matters are reportable

Management Judgments and Accounting Estimates

Accounting estimates are an integral part of financial statement preparation by management, based on its judgments. The following areas involve significant areas of such estimates for which we are prepared to discuss management's estimation process and our procedures for testing the reasonableness of those estimates:

- Fair value of investments
- Allowance for uncollectible receivables
- Useful lives of capital assets
- Compensated absences accrual
- Pension expense

Financial Statement Disclosures

The following areas involve particularly sensitive financial statement disclosures for which we are prepared to discuss the issues involved and related judgments made in formulating those disclosures:

- Inter-fund activity
- Risk management
- TABOR amendment and revenue
- Claims and litigation
- General fund budgetary information

Audit Adjustments

- No matters are reportable

Auditor's Judgments About the Quality of the District's Accounting Principles

- No matters are reportable

Significant Issues Discussed with Management

- No matters are reportable

Other Material Communications

Listed below are other material communications between management and us related to the audit:

- Management representation letter (attached)
- We orally communicated to management other deficiencies in internal control identified during our audit that are not considered material weaknesses or significant deficiencies

Future Accounting Pronouncements

GASB Statement No. 83, Asset Retirement Obligations

On December 7, 2016, the Governmental Accounting Standards Board (GASB) released Statement No. 83, *Certain Asset Retirement Obligations*, which establishes recognition and measurement guidance for assets not covered by existing GASB standards. Under the new guidance, a government with a legal obligation for future asset retirement activities for tangible capital assets would be required to recognize a liability in its financial statements. GASB hopes to reduce inconsistency in current reporting, enhance comparability between governments and improve financial statement disclosures.

GASB 83 is effective for the District's fiscal year ending December 31, 2019.

GASB Statement No. 84, Fiduciary Activities

The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

GASB 84 establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less.

GASB 84 is effective for the District's fiscal year ending December 31, 2019.

GASB Statement No. 87, Leases

In June 2017, GASB published Statement No. 87, *Leases*. This Statement was the result of a multi-year project to reexamine the accounting and financial reporting for leases. The new Statement establishes a single model for lease accounting based on the principle that leases represent the financing of the right to use an underlying asset. Specifically, GASB 87 includes the following accounting guidance for lessees and lessors:

Lessee Accounting: A lessee will recognize a liability measured at the present value of payments expected to be made for the lease term, and an intangible asset measured at the amount of the initial lease liability, plus any payments made to the lessor at or before the beginning of the lease and certain indirect costs. A lessee will reduce the liability as payments are made and recognize a deferred outflow of resources for interest on the liability. The asset will be amortized by the lessee over the shorter of the lease term or the useful life of the asset.

Lessor Accounting: A lessor will recognize a receivable measured at the present value of the lease payments expected for the lease term and a deferred inflow of resources measured at the value of the lease receivable plus any payments received at or prior to the beginning of the lease that relate to future periods. The lessor will reduce the receivable as payments are received and reduce the deferred inflow of resources in a systematic and rational manner over the term of the lease. A lessor will not derecognize the asset underlying the lease. There is an exception for regulated leases for which certain criteria are met, such as airport-aeronautical agreements.

The lease term used to measure the asset or liability is based on the period in which the lessee has the noncancelable right to use the underlying asset. The lease term also contemplates any lease extension or termination option that is reasonably certain of being exercised.

GASB 87 does not apply to leases for intangible assets, biological assets (*i.e.*, timber and living plants and animals), service concession agreements or leases in which the underlying asset is financed with conduit debt that is reported by the lessor. Additionally, leases with a maximum possible term of 12 months or less are excluded.

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GASB 87 is effective for the District's fiscal year ending December 31, 2020. Early application is encouraged. It is anticipated that leases would be recognized using the facts and circumstances in effect at the beginning of the period of implementation.

* * * * *

This communication is intended solely for the information and use of Management, the Internal Affairs Committee, the Board of Trustees and others within the District and is not intended to be and should not be used by anyone other than these specified parties.

BKD, LLP

June 24, 2019



(719) 531-6333

ppld.org

P.O. Box 1579
Colorado Springs, CO 80901

June 24, 2019

BKD, LLP
Certified Public Accountants
111 S. Tejon St., Suite 800
Colorado Springs, CO 80903

We are providing this letter in connection with your audit of our financial statements as of and for the year ended December 31, 2018. We confirm that we are responsible for the fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control over financial reporting, operations and compliance, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, the following:

1. We have fulfilled our responsibilities, as set out in the terms of our engagement letter dated January 14, 2019, for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.
2. We acknowledge our responsibility 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.
3. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
4. We have provided you with:
 - (a) Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters.
 - (b) Additional information that you have requested from us for the purpose of the audit.
 - (c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - (d) All minutes of meetings of the governing body held through the date of this letter.

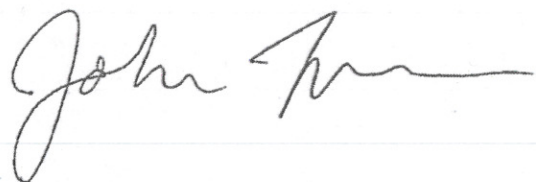
- (e) All significant contracts and grants.
5. All transactions have been recorded in the accounting records and are reflected in the financial statements.
 6. We have informed you of all current risks of a material amount that are not adequately prevented or detected by entity procedures with respect to:
 - (a) Misappropriation of assets.
 - (b) Misrepresented or misstated assets, liabilities or net position.
 7. We have no knowledge of any known or suspected:
 - (a) Fraudulent financial reporting or misappropriation of assets involving management or employees who have significant roles in internal control.
 - (b) Fraudulent financial reporting or misappropriation of assets involving others that could have a material effect on the financial statements.
 8. We have no knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, customers, regulators, suppliers or others.
 9. We have disclosed to you the identity of the District's related parties and all the related party relationships and transactions of which we are aware. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America. We understand that the term related party refers to an affiliate; management, and members of their immediate families, component units; and any other party with which the entity may deal if it can significantly influence, or be influenced by, the management or operating policies of the other. The term affiliate refers to a party that directly or indirectly controls, or is controlled by, or is under common control with us.
 10. Except as reflected in the financial statements, there are no:
 - (a) Plans or intentions that may materially affect carrying values or classifications of assets and liabilities.
 - (b) Material transactions omitted or improperly recorded in the financial statements.
 - (c) Material gain/loss contingencies requiring accrual or disclosure, including those arising from environmental remediation obligations.
 - (d) Events occurring subsequent to the balance sheet date through the date of this letter requiring adjustment or disclosure in the financial statements.

- (e) Agreements to purchase assets previously sold.
 - (f) Restrictions on cash balances or compensating balance agreements.
 - (g) Guarantees, whether written or oral, under which the District is contingently liable.
11. We have disclosed to you all known instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
 12. We have no reason to believe the District owes any penalties or payments under the Employer Shared Responsibility Provisions of the Patient Protection and Affordable Care Act nor have we received any correspondence from the IRS or other agencies indicating such payments may be due.
 13. We are not aware of any pending or threatened litigation or claims whose effects should be considered when preparing the financial statements. We have not sought or received attorney's services related to pending or threatened litigation or claims during or subsequent to the audit period. Also, we are not aware of any litigation or claims, pending or threatened, for which legal counsel should be sought.
 14. Adequate provisions and allowances have been accrued for any material losses from:
 - (a) Uncollectible receivables.
 15. Except as disclosed in the financial statements, we have:
 - (a) Satisfactory title to all recorded assets, and they are not subject to any liens, pledges or other encumbrances.
 - (b) Complied with all aspects of contractual and grant agreements, for which noncompliance would materially affect the financial statements.
 16. We have not been designated as a potentially responsible party (PRP or equivalent status) by the Environmental Protection Agency (EPA) or other cognizant regulatory agency with authority to enforce environmental laws and regulations.
 17. With regard to deposit and investment activities:
 - (a) All deposit, repurchase and reverse repurchase agreements and investment transactions have been made in accordance with legal and contractual requirements.
 - (b) Disclosures of deposit and investment balances and risks in the financial statements are consistent with our understanding of the applicable laws regarding enforceability of any pledges of collateral.

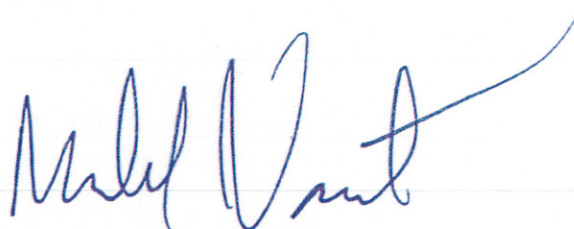
- (c) We understand that your audit does not represent an opinion regarding the enforceability of any collateral pledges.
- 18. We acknowledge that we are responsible for compliance with applicable laws, regulations and provisions of contracts and grant agreements.
- 19. We have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that have a direct and material effect on the determination of amounts in our financial statements or other financial data significant to the audit objectives.
- 20. We have identified and disclosed to you any violations or possible violations of laws, regulations and provisions of contracts and grant agreements whose effects should be considered for recognition and/or disclosure in the financial statements or for your reporting on noncompliance.
- 21. We have taken or will take timely and appropriate steps to remedy any fraud, abuse, illegal acts or violations of provisions of contracts or grant agreements that you or other auditors report.
- 22. We have a process to track the status of audit findings and recommendations.
- 23. The supplementary information required by the Governmental Accounting Standards Board, consisting of management's discussion and analysis, (budgetary comparisons, modified approach to infrastructure, pension and other postemployment benefit information), has been prepared and is measured and presented in conformity with the applicable GASB pronouncements, and we acknowledge our responsibility for the information. The information contained therein is based on all facts, decisions and conditions currently known to us and is measured using the same methods and assumptions as were used in the preparation of the financial statements. We believe the significant assumptions underlying the measurement and/or presentation of the information are reasonable and appropriate. There has been no change from the preceding period in the methods of measurement and presentation.
- 24. With regard to supplementary information:
 - (a) We acknowledge our responsibility for the presentation of the supplementary information in accordance with the applicable criteria.
 - (b) We believe the supplementary information is fairly presented, both in form and content, in accordance with the applicable criteria.
 - (c) The methods of measurement and presentation of the supplementary information are unchanged from those used in the prior period.
 - (d) We believe the significant assumptions or interpretations underlying the measurement and/or presentation of the supplementary information are reasonable and appropriate.

(e) If the supplementary information is not presented with the audited financial statements, we acknowledge we will make the audited financial statements readily available to intended users of the supplementary information no later than the date such information and the related auditor's report are issued.

25. We believe the assumptions used by the El Paso County Retirement Plan (including the discount rate and rate of return) are reasonable and reflective of the plan demographics.



John Spears
Chief Librarian & CEO



Michael E. Varnet, CPA, CPFO
Chief Finance and Business Officer

Collection Development Policy

Pikes Peak Library District's *Collection Development Policy* guides the selection and continuous evaluation of the library's collection to reflect Pikes Peak Library District's mission. The *Collection Development Policy* provides direction for the scope of the collection, in a variety of formats, in regard to community needs, topics, diverse opinions, and the history and culture of the Pikes Peak region.

Pikes Peak Library District reviews policies annually. Updates to the *Collection Development Policy* include revisions and clarification of Board Policy, in addition to substantive revisions, shortening, and restructuring of the Procedures section.



Collection Development Policy

BOARD POLICY

Pikes Peak Library District's (PPLD) Collection Development Policy guides the selection and continuous evaluation of the collection to reflect PPLD's mission. Ultimate responsibility for the collection rests with the [Board of Trustees](#).

PPLD provides library materials in a variety of formats that:

- are responsive to community needs and relevant to residents' lives;
- empower citizens to explore diverse opinions and conduct research on topics of interest;
- inspire people to learn, create, and discover; and
- highlight the history and culture of the Pikes Peak Region

PPLD's service commitment is to the people within its service area including people of every age, education, race, background, personal philosophy, religious belief, occupation, sexual orientation, gender identity, economic level, ethnic origin, and human condition.

PROCEDURES

I. District Procedures

- A. The collection contains information on a variety of subjects and views, and it is organized to provide access to patrons within the limitations of space and budget. As the largest public library in the Pikes Peak Region, PPLD seeks to provide current, popular, or well-reviewed materials, as well as classic and enduring titles.
- B. PPLD has adopted the American Library Association's guidelines for public access to information:
 - [Library Bill of Rights](#)
 - [Freedom to Read](#)
 - [Freedom to View](#)
 - [Pikes Peak Library District Access to Materials Policy](#)
- C. PPLD seeks to develop an outstanding collection for a large and diverse population, within the constraints of budget allocations and shelf space. PPLD strives to provide materials reflecting a variety of perspectives, with emphasis on new and popular materials. Not all criteria must be met, and no one criterion will be decisive. Additional criteria may be used to select materials for specific collections. Materials purchased for the collection are not an endorsement by PPLD of either the content or viewpoint presented in them.

Patron purchase requests and interlibrary loans are additional avenues of obtaining materials for patron use.

The following general criteria are used to evaluate potential purchases and gift materials:

- Relevant to community needs and interests
- Favorable attention of critics, reviewers, and the public
- Reputation/qualifications of author, artist, publisher, or producer without regard to political, religious, or other affiliations
- Date of publication
- Cost
- Artistic merit, literary value, or recognized award recipient
- Local or national significance
- Permanence or timeliness
- Quality of presentation in relation to content and audience
- Suitability of physical format for library shelving and circulation, including binding, paper quality, readability of type, packaging, specialized equipment needs, and technical quality for electronic media
- Evaluation of titles in relation to current holdings, available shelf space, patron demand, and budget
- Availability of information within region or electronically
- Legal, licensing, or copyright issues
- Availability from preferred vendors, where possible
- Representation of various cultures, viewpoints, and interests

Items generally excluded from selection include:

- Textbooks and curriculum-related works unless they are considered useful to the general reader as an introduction to a subject and their presentation is superior to other sources
- Scholarly and technical materials that are carried by academic or special libraries
- Items having removable media such as memorabilia, patterns, stickers, or toys unless the book is usable without these items
- Puzzle or workbooks that encourage filling in blanks
- Materials that are publicized solely through infomercials or personal websites and authoritative and evaluative information about them is lacking

D. Penrose and East Libraries offer large circulating collections as well as strong reference collections that support in-depth reference service for the District. PPLD's other library facilities and mobile libraries serve specific communities in the District. Space limits their library collections to materials of high interest to its patrons; however, all patrons have access to circulating materials through the floating collection and the reservation system. PPLD materials are shared throughout the District, with no permanent assigned location and are usually shelved at the location where they are returned.

- E. The Library's CyberShelf provides eMaterials, such as eBooks, eAudios, eMagazines, eVideos, eComics, eGames, and eMusic. Some titles are single use and others offer simultaneous use. Selection of eMaterials is based upon the same selection criteria used for the rest of PPLD's collection. Not all titles are available in all formats.
- F. Special Collections, housed in Penrose Library, consists of regional history and genealogy collections of interest to the general public and specialized researchers. The regional history collection preserves and provides access to published and unpublished documentary resources (i.e., books, pamphlets, maps, photographs, family papers, business records, and audio and video recordings) important to the study of the history and cultural heritage of the Pikes Peak region.

The genealogy collection includes published resources valuable for the study of one's ancestry. This collection encompasses the continental United States from the colonial period through the early 20th century, with emphasis on the states east of the Rocky Mountains. Limited resources for doing research in England, Scotland, Ireland, Germany and other European countries are also collected.

These collections are non-circulating. Materials must be used in the Special Collections area.

- G. The electronic resources collection consists of authoritative databases and eBooks. Databases are used by patrons and library staff to provide or supplement reference services. Many of the databases contain specialized information beyond the depth of PPLD's circulating collections; others have information that is more easily accessed online than in print format. Scope, subject coverage, time span, frequency of updates, authority, and currency are considered in reviewing electronic resources.
- H. The criteria for materials selection also apply in the acceptance of gifted books and other collection materials. Once a gift is accepted by PPLD, it becomes the property of PPLD unconditionally. Gift magazines and subscriptions may be accepted by PPLD subject to the same selection and retention policies as regular subscriptions. Gifted materials that are not added to the collection, as well as donated materials, are given to the [Friends of PPLD](#) for potential sale coordination, with fundraising to support the District. PPLD will provide the donor a letter of acknowledgment upon request; however, it is up to the donor to place a value on gifted materials or material donations.
- I. A memorial is created when money or material is donated to add books or other materials to the collection, usually in memory or honor of an individual or group. PPLD welcomes suggestions for purchases but reserves the right to the final decision regarding all materials. A memorial may be placed in the library collection for reference or circulating use. PPLD will insert a memorial book plate for memorial items.

II. Guidelines

- A. The number of copies of a title that are purchased varies with the expected popularity of that title. Demand for individual titles is monitored and additional copies are purchased to meet that demand.

B. The collection receives ongoing review in order to maintain its relevancy and physical condition, as well as accommodate shelf space. Staff uses the following criteria in choosing materials for retention or withdrawal:

- Condition: worn, missing or stained pages, water damaged, mildewed, or defaced
- Relevance to community needs
- Information: accurate, timely, up-to-date
- Number of copies in the collection across all formats
- Circulation statistics
- Shelf space
- Relevance/sustainability of format
- Availability elsewhere, including other libraries, online, or via Interlibrary Loan (ILL)

Materials withdrawn from the collection are given to the Friends of PPLD or a vendor for resale. Materials that are damaged or unsellable will be recycled, when feasible, or discarded. PPLD does not remove materials from its collection for the purpose of selling them.

C. PPLD believes in freedom of information for all and does not practice censorship. This principle applies to all formats included in PPLD's collection. Materials may be considered controversial, and any given item may offend some person. Selections are not made on the basis of anticipated approval or disapproval but on the merits of the material and collection needs. Exclusion of materials may occur due to cost, accessibility, or limited demand or lack of documentation, but never solely because of expression, language, viewpoint, or mature content.

PPLD holds choice of materials to be a purely individual matter. While anyone is personally free to reject books and other materials, an individual may not restrict the free choice of others.

Parents or legal guardians are responsible for monitoring materials used by their own children. Library selection decisions are not influenced by the possibility that materials may be accessible to minors. Materials are not labeled to show approval or disapproval or to indicate certain philosophies. Access to items is not restricted except for protection from damage or theft.

A formal [Challenged Materials Policy](#) and process has been developed to assure that complaints and requests for reconsideration are handled in an attentive and consistent manner. PPLD will carefully reevaluate an item when a [Request for Reconsideration form](#) is submitted. The Library considers the value of each item in its entirety and within the context of the collection, not on specific passages or sections within the item itself.

BOARD POLICY

Pikes Peak Library District's (PPLD) Collection Development Policy guides the development selection and continuous evaluation of the collection to reflect Pikes Peak Library District's (PPLD) PPLD's mission. PPLD's mission is to provide access to resources and opportunities that impact individual lives and build community. Seek. Engage. Transform. Ultimate responsibility for the collection rests with the Board of Trustees.

PPLD provides library materials in a variety of formats that:

- ~~inform the public of timely issues and timeless ideas~~
- are responsive to community needs and relevant to residents' lives;
- empower citizens to explore diverse opinions and conduct research on topics of interest;
- inspire people to learn, create, and discover; and
- ~~entertain all ages seeking recreation and leisure~~
- ~~preserves the local highlight the~~ history and culture of the Pikes Peak Region ~~and builds a~~ Genealogy collection

PPLD's service commitment is to the people within its service area including people of every age, education, background, personal philosophy, religious belief, occupation, sexual orientation, gender identity, economic level, ethnic origin, and human condition.

Gift Acceptance Policy

Pikes Peak Library District's *Gift Acceptance Policy* outlines the Library's stance on accepting charitable gifts, monetary and material, and directs donors and potential donors to the PPLD Foundation's gift acceptance policies (monetary) and PPLD's Collection Development Policy (material).

Pikes Peak Library District reviews policies annually. Updates to the *Gift Acceptance Policy* is a newly created Board Policy.



Gift Acceptance Policy

BOARD POLICY

Pikes Peak Library District (PPLD) encourages the acceptance of charitable gifts for the purpose of furthering and fulfilling PPLD's mission. All charitable gifts will be directed and accepted by the PPLD Foundation in accordance with the foundation's [Gift Acceptance Policies](#). Material items donated to PPLD's collections will be **accepted** in accordance with the [Collection Development Policies](#).

Closures and Delays Policy

Pikes Peak Library District's *Closures and Delays Policy* outlines the decision-making and communication of any closure or delay to ensure the safety of patrons and staff. The *Policy* covers when and how we notify patrons, the primary types of closures and delays, and what factors impact decision-making by PPLD staff.

Pikes Peak Library District reviews policies annually. A formal Board Policy did not exist previously, though public information was available online at ppld.org/policies under *Incident Weather Policy*. Updates to the *Policy* include renaming it to be more comprehensive, creating the official Board Policy, and revising the Procedures section to better detail the types and factors related to closures and delays.



Closures and Delays Policy

BOARD POLICY

Pikes Peak Library District (PPLD) is committed to the safety of our patrons and staff across El Paso County. Since access to the public is paramount, our Library facilities, mobile services, and off-site activities (Libraries) will remain open for normal hours, outside of scheduled closings and delays, as long as it remains safe. On occasion, however, weather conditions or other situations may require a delayed opening or closure of some or all of our Libraries. PPLD staff establish and follow procedures for all closures and delayed openings, as well as communicate such information across the service area.

PROCEDURES

I. Notifying Patrons

When PPLD decides to close or delay opening for one or more Libraries, staff make this information available to the public as soon as possible in a number of ways:

- A. An alert is posted on the home page of ppld.org.
- B. The main phone line at (719) 531-6333 is updated with a recorded message.
- C. Posts are made to PPLD's primary social media accounts on [Facebook](#) and [Twitter](#).
- D. Local media outlets receive a notice to publicize through their broadcast services and websites, which PPLD staff monitor to ensure accuracy.

II. Types of Closures and Delays

There are two primary types of closures and delays that can occur at one, some, or all Libraries:

- E. Expected closures and delays are scheduled and shared in advance due to facility renovations, staff meetings and trainings, and major holidays, including: New Year's Day, Martin Luther King Jr. Day, Presidents' Day, Easter, Memorial Day, Independence Day, Labor Day, Thanksgiving, Christmas Eve, and Christmas.
- F. Unexpected delays and closures can occur before or during normal operation hours due to inclement weather (i.e., snowstorms, flooding, and wildfires), power outages and other facility issues, community emergencies, or other situations.

III. Decision-making for Closures and Delays

With Libraries in various geographic locations across El Paso County, PPLD staff consider a number of factors before deciding if a delayed opening or closure is necessary:

- A. Other closures and delays: We monitor delays and closures of municipal services and school districts across El Paso County, particularly in situations of inclement weather. As a general rule, we will close or delay openings when municipalities close or delay their openings in all or part of Pikes Peak region. For example, if the City of Fountain closes due to inclement weather or another situation that impacts our facility, we will close Fountain Library. If El Paso County offices close due to inclement weather, we typically close all Libraries as well.
- B. Timing: PPLD staff seek to make an informed decision about a delayed opening or closure of one or more Libraries as early as possible. If inclement weather arises overnight, PPLD strives to make a decision by early morning. If weather conditions worsen during the day or evening, PPLD staff may decide to close early in order to accommodate safe travel of patrons and staff.
- C. Accessibility: Each library facility and service can be affected differently by weather and other factors. PPLD may delay opening or close Libraries, even if conditions are not consistent throughout the county. When specific Libraries are closed, patrons can still make use of other facilities and services as they are able.
- D. Off-site activities: PPLD, in conjunction with community partners, host events, classes, and other activities at various locations throughout the year. For delays and closings that may impact such scheduled activities, PPLD will either: 1) cancel in advance and notify the location; 2) the location closes and, as a result, PPLD must cancel the activity; or 3) PPLD notifies the instructor or event host, and they make the decision to cancel or not.

Please direct inquiries about this policy to PPLD's [Communications Office](#).

Filming, Photography, and Recording Policy

Pikes Peak Library District's *Filming, Photography, and Recording Policy* outlines what filming, photography, and recording activities are allowed on our library properties and inside of our library facilities. The *Policy* covers permissible activities for news media, documentaries, commercial and amateur photography, community-hosted events, and the film industry, as well as PPLD staff responsibilities.

Pikes Peak Library District reviews policies annually. Updates to the *Filming, Photography, and Recording Policy* include minor revisions to the Board Policy and the Procedures section.



Filming, Photography, and Recording Policy

BOARD POLICY

Filming and photography are allowed as described below only to the extent that they do not interfere with the mission of Pikes Peak Library District (PPLD) or delivery of library services. PPLD is within its rights to limit filming and photography on library properties or inside facilities when such restrictions serve Library purposes. Foremost of these is ensuring the right of PPLD patrons to acquire knowledge and information freely and confidentially without scrutiny, intimidation, or distraction by others. Consistent with the policies of other public libraries, PPLD may film, photograph, or record Library programs or events for promotional purposes at its discretion.

I. District Procedures

- A. Any persons filming, photographing, and/or recording on PPLD premises have sole responsibility for gaining all necessary releases and permissions from persons who are filmed, photographed, or recorded, if applicable.
- B. PPLD undertakes no responsibility for obtaining these releases.
- C. Authorizations may be required to video, photograph, and record at PPLD facilities as described below.
- D. Failure to obtain these permissions is failure to comply with PPLD's [Code of Conduct Policy](#).

II. News Media Photography

- A. PPLD has an open-door policy for news media photographers and reporters who are doing stories or projects that directly involve the Library and its programs with advanced authorization, which is preferred and can be obtained from the Communications Office.
- B. For non-Library events and meetings, news media photographers and reporters must receive authorization from the presenting group, organization, or individual and must notify the Communications Office that they have received such authorization.
- C. The Library District does not allow the news media to use its facilities as a backdrop for stories or projects that do not relate to the library itself or allow access to library patrons for opinion polls or “man on the street” interviews without prior authorization from the Communications Office.
- D. Photography of the Library’s materials and resources is permitted with the prior authorization of the Chief Librarian and CEO or designee.

III. Documentary-type Photography for Publication or Broadcast

- A. PPLD permits photography of its premises and activities when the use of the photographs involves the Library directly, such as:
 - i. Books
 - ii. Articles
 - iii. Library-sponsored meetings and events
 - iv. Videos about PPLD or one of its facilities or services
 - v. PPLD's position in the Pikes Peak region as a tourist or learning destination, or
 - vi. As part of a piece used to describe our community.
- B. Individuals or organizations with a documentary requirement must obtain authorization in advance from the Communications Office prior to commencing any documentary related activities.

IV. Commercial Photography

- A. PPLD does not permit commercial photography on or in its facilities without the written permission of the Communications Office. This includes but is not limited to: using Library buildings, grounds, or interiors as a stage set for portraiture, model photography, or product photography, or filming used to advertise goods or services unrelated to the Library for commercial sale or promotion.
- B. The exception for this policy is the use of Studio 21c and equipment with adherence to PPLD's [Studio Use Policy](#).

V. Amateur Photography

- A. Casual amateur photography, filming, or recording is permitted in Library facilities for patrons and visitors wanting a remembrance of their visit, provided that other library users or staff are not captured in any such photographs, films, or recordings without their permission.
- B. The use of additional equipment such as lighting is not permitted.
- C. Photography and recording of private and "reservation only" events may only be done with the permission of the organization or individual holding the event. It is the sole responsibility of the photographer to obtain that permission.

VI. Film Industry

- A. PPLD will permit the use of its facilities for filming-related projects where a library setting is applicable if the project:
 - i. Does not interfere with the mission of PPLD
 - ii. Is in accordance with the rest of this policy, and
 - iii. Avoids any relation to political campaigns or to partisan issues.

- B. Such projects require the approval of the Chief Librarian and CEO or designee, with all details coordinated in advance with Library administration, the Communications Office, and PPLD Security.
- C. Filming may take place only during hours when the Library is closed, and all equipment must be removed during the Library's operating hours, unless approved otherwise by the Chief Librarian and CEO or designee.
- D. Fees may apply for using the Library as a set.

VII. Photography for Groups and Non-Library Events in Meeting and Study Rooms

- A. Groups, organizations, or individuals holding meetings or events in PPLD's meeting and/or study rooms may arrange for news media or photography, filming, or recording during their event.
- B. Photographing, filming, or recording at meetings or events requires the permission of the group, organization, or individual hosting the meeting or event.
- C. Photography, filming, or recording at such meetings and events is restricted to the space reserved by the organization, group, or individual and may not take place in other areas.
- D. The event organizer must make an announcement at the beginning of the meeting or event that they have allowed photography, filming, and/or audio recording.
- E. Any event attendee not wanting to be photographed, filmed, and/or recorded will need to speak with the event organizer.
- F. The possibility and allowance or denial of such photography, filming, and/or recording is also covered in the reservation process for the specific library facility. PPLD undertakes no responsibility for this decision.

VIII. PPLD Staff Responsibility

- A. Library staff may terminate any photo, filming, or recording session that appears to compromise public safety or security, or violates a PPLD policy.
- B. Library personnel necessary to open, secure, or remain on the premises during any event where filming, photographing, or recording occurs will need to arrange scheduling through their direct supervisors and the Communications Office.
- C. PPLD frequently engages in photographing, filming, or recording Library programs and events for its own publicity and promotional purposes.
 - i. PPLD staff will make every effort to notify members of the public when photography, filming, or recording takes place.
 - ii. Members of the public must immediately notify a PPLD staff member if they do not want to be photographed, filmed, and/or recorded.
- D. PPLD will post this announcement in each meeting and study room.

Please direct inquiries about this policy to PPLD's [Communications Office](#).



Filming, Photography, and Recording Policy

BOARD POLICY

~~The most significant priority for Pikes Peak Library District (PPLD) is to provide library services to the Pikes Peak community, and the~~ Filming and photography are allowed as described below ~~are allowed~~ only to the extent that they do not interfere with ~~its the mission of Pikes Peak Library District or delivery of library services.~~ PPLD ~~understands that the Library District~~ is within its rights to limit filming and photography ~~within on library properties -or inside PPLD-~~ facilities when such restrictions serve Library purposes. Foremost of these is ensuring the right of PPLD patrons to acquire knowledge and information freely and confidentially without scrutiny, intimidation, or distraction by others. Consistent with the policies of other public libraries, PPLD may film, photograph, or record Library programs or events for promotional purposes at its discretion.

I. District Procedures

- A. Any persons filming, photographing, and/or recording on PPLD premises have sole responsibility for gaining all necessary releases and permissions from persons who are filmed, photographed or recorded, if applicable.
- B. PPLD undertakes no responsibility for obtaining these releases.
- C. Authorizations may be required to video, photograph, and record at PPLD facilities as described below.
- D. Failure to obtain these permissions is failure to comply with PPLD's [Code of Conduct Policy](#).

II. News Media Photography

- A. PPLD has an open-door policy for news media photographers and reporters who are doing stories or projects that directly involve the Library and its programs with advanced authorization, which is preferred and can be obtained from the Communications Office.
- B. For non-Library events and meetings, news media photographers and reporters must receive authorization from the presenting group, organization, or individual and must notify the Communications Office that they have received such authorization.
- C. The Library District does not allow the news media to use its facilities as a backdrop for stories or projects that do not relate to the library itself or allow

access to library patrons for opinion polls or “man on the street” interviews without prior authorization from the Communications Office.

- D. Photography of the Library’s materials and resources is permitted with the prior authorization of the Chief Librarian and CEO or designee.

III. Documentary-type Photography for Publication or Broadcast

- A. PPLD permits photography of its premises and activities when the use of the photographs involves the Library directly, such as:
 - i. Books
 - ii. Articles
 - iii. Library-sponsored meetings and events
 - iv. Videos about PPLD or one of its facilities or services
 - v. PPLD’s position in the Pikes Peak region as a tourist or learning destination
 - vi. As part of a piece used to describe our community.
- B. Individuals or organizations with a documentary requirement must obtain authorization in advance from the Communications Office prior to commencing any documentary related activities.

IV. Commercial Photography

- A. PPLD does not permit commercial photography on or in its facilities without the written permission of the Communications Office. This includes, but is not limited to, using Library buildings, grounds, or interiors as a stage set for portraiture, model photography, or product photography or filming used to advertise goods or services unrelated to the Library for commercial sale or promotion.
- B. The exception for this policy is the use of Studio 21c and equipment with adherence to PPLD’s [Studio Use Policy](#).

V. Amateur Photography

- A. Casual amateur photography, filming, or recording is permitted in Library facilities for patrons and visitors wanting a remembrance of their visit, provided that other library users or staff are not captured in any such photographs, films, or recordings without their permission.
- B. The use of additional equipment such as lighting is not permitted.
- C. Photography and recording of private and “reservation only” events may only be done with the permission of the organization or individual holding the event. It is the sole responsibility of the photographer to obtain that permission.

~~VI.~~ Motion Picture ~~Film~~ Industry

- A. PPLD will permit the ~~motion picture industry to use~~ use of its facilities for filming ~~major~~ entertainment projects where a library setting is applicable if the project:
 - i. Does not interfere with the mission of PPLD
 - ii. Is in accordance with the rest of this policy
 - iii. Avoids any relation to political campaigns or to partisan issues.
- B. Such pProjects ~~related to the motion picture industry~~ require the approval of the Chief Librarian and CEO or designee, with all details coordinated in advance with Library administration, the Communications Office, and PPLD Security.
- C. Filming may take place only during hours when the Library is closed, ~~and~~ and all equipment must be removed during the Library's operating hours, unless approved otherwise by the Chief Librarian and CEO.
- ~~C.~~ D. Fees may apply for using the Library as a set.

~~VII.~~ VI. Photography for Groups and Non-Library Events in Meeting and Study Rooms

- A. Groups, organizations, or individuals holding meetings or events in PPLD's meeting and/or study rooms may arrange for news media or photography, filming, or recording during their event.
- B. Photographing, filming or recording at meetings or events requires the permission of the group, organization, or individual holding the meeting or event.
- C. Photography, filming or recording at such meetings and events is restricted to the space that the organization, group, or individual reserved and may not take place in other areas.
- D. The organizer of such meetings or events must make an announcement at the beginning of the meeting or event that they have allowed photography, filming, and/or audio recording.
- E. Any event attendee not wanting to be photographed, filmed, and/or recorded will need to speak with the event organizer.
- F. The possibility and allowance or denial of such photography, filming, and/or recording is also covered in the reservation process for the specific library facility. PPLD undertakes no responsibility for this decision.

~~VIII.~~ VII. PPLD Staff Responsibility

- A. Library staff may terminate any photo, filming, or recording session that appears to compromise public safety or security, or violates a policy.
- B. Library personnel necessary to open, secure, or remain on the premises during any event where filming, photographing or recording occurs will need to arrange scheduling through their direct supervisors and the Communications Office.

- C. PPLD frequently engages in photographing, filming, or recording Library programs and events for its own publicity and promotional purposes.
 - i. PPLD staff will make every effort to notify members of the public when photography, filming, or recording is taking place.
 - ii. Members of the public must immediately notify a PPLD staff member if they do not want to be photographed, filmed, and/or recorded.
- D. PPLD will post this announcement in each meeting and study room.

Please direct inquiries about this policy to PPLD's [Communications Office](#).

Websites and Social Media Policy

Pikes Peak Library District's *Websites and Social Media Policy* outlines our use of online platforms and responsibilities around public feedback. The *Policy* covers how we handle inappropriate content and privacy information.

Pikes Peak Library District reviews policies annually. A formal Board Policy did not exist previously, though public information was available online at ppld.org/policies under *Websites and Social Media Policy*. Updates to the *Policy* include creating the official Board Policy, as well as revising the Procedures section and adding privacy information.



Websites and Social Media Policy

BOARD POLICY

Pikes Peak Library District (PPLD) utilizes its websites and social media platforms to connect with its patrons by informing them of Library services and providing a forum for public feedback. All such sites will have prior authorization from PPLD's Communications Office to act as official PPLD sites and will be branded in accordance with PPLD standards.

PPLD recognizes and respects differences in opinion. Comments, posts, and messages are welcome and will be reviewed. Content deemed inappropriate may be removed. However, PPLD is not obligated to take any such actions, and will not be responsible or liable for content posted by users of our sites or social media platforms.

PROCEDURES

I. Guidelines: Inappropriate Content

The following will be considered inappropriate:

- i. Obscene content
- ii. Offensive terms that target specific individuals or groups
- iii. Personal attacks, insults, or threatening language
- iv. Potentially libelous statements
- v. Plagiarized material
- vi. Private, personal information published without consent
- vii. Comments totally unrelated to the content of the forum
- viii. Photos and hyperlinks to material that are not directly related to the discussion
- ix. Commercial promotions, spam, political campaigning or lobbying, or proselytizing
- x. Fraudulence, including impersonating someone else or misrepresentations
- xi. Anything that violates laws or Library policies

II. Privacy Information

The Library does not recommend posting personal information and is not responsible for any personal information users post about themselves.

PPLD's website uses Google Analytics, which collects the IP address assigned to visitors on the date of their visit. Google Analytics uses this information for the purpose of evaluating visitor use of the website and compiling reports for Library evaluation of overall website usage. Google's use of this data is restricted; for more information read the [Google Analytics terms of use](#) and the [Google privacy policy](#). We do not collect names or other identifying information. Users can prevent Google Analytics from recognizing or tracking them by selecting the appropriate settings in your browser.

Please direct inquiries about this policy to PPLD's [Communications Office](#).

Calhan Library Renovation, FF&E, and Technology

In establishing library services in Calhan and surrounding areas, PPLD has completed plans for the renovation of the former Farmer's State Bank office building located at 600 Bank Street in Calhan with a targeted opening date in late October of 2019.

Background

In 2017, planning began for the replacement of the existing county mobile library services vehicle, L-702. The vehicle's replacement schedule, increasing age (purchased in 2008), and recent mechanical issues were considerations. Mobile Library Services staff, Facilities staff and members of the PPLD Leadership Team discussed options for providing library service to eastern El Paso County. Ultimately, this group focused on the purchase of a modular facility and in partnership with the Calhan School District, planning commenced for placing this facility on land owned by the school district. Over the next several months design development occurred. Just prior to PPLD submitting the design and associated costs to the Board of Trustees for approval a new development arose for consideration.

A local youth foundation, Calhan Youth Education and Recreation Foundation, was approached regarding the possible purchase of the former bank office building. An offer of \$75,000 was presented by PPLD and accepted. It was felt that this purchase and vision of renovation would benefit the library as well as the community of Calhan.

Since this development, a project team has been working with Humphries Poli Architects and GE Johnson Construction Company on the development of renovation plans. Additionally, the project team has been working on planning for furniture, fixtures and equipment (FF&E) for the facility.

The 100% construction documents have been completed and GE Johnson has submitted a Guaranteed Maximum Price (GMP) to complete the renovation. Construction documents have been submitted to the Town of Calhan and have been approved.

Fiscal Impact

The current available budget for completing this project is \$436,850. Cost estimates for the renovation were developed throughout the planning and design process to come to the GMP presented here.

An FF&E package was released including shelving, seating, meeting room furnishings, children's furniture, etc. Three (3) proposals were submitted, one of which was found to be incomplete.

Allowances are included for Information Technology, signage and landscape improvements that are not included in the renovation costs submitted by GE Johnson.

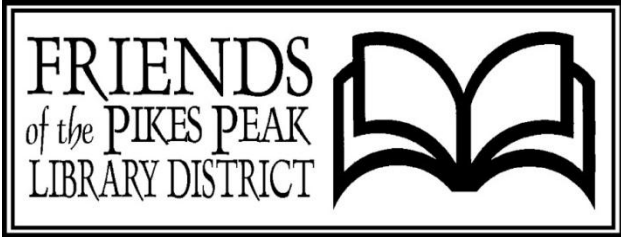
A project contingency of 3% is included for any unforeseen issues that may arise during construction.

Project Budget Estimate

	Cost
Architectural Design	\$ 17,000.00
Construction	\$ 206,004.00
Furniture, Fixtures and Equipment	\$ 54,544.00
Intrusion Alarm System	\$ 3,500.00
Signage Allowance	\$ 10,000.00
IT Allowance	\$ 54,886.00
Landscape Allowance	\$ 40,000.00
Contingency (3%)	\$ 11,578.00
	\$ 397,512.00

Recommendation

It is recommended that the budget estimate for the Calhan Library project be approved as presented here.



Mission: To support, promote, and advocate for the Pikes Peak Library District's dynamic and evolving role.

Vision: Expand and enhance the Pikes Peak Library District's ability to positively impact our community

Friends of the Pikes Peak Library District Report
July 9, 2019

E-Commerce Sales:

Amazon Sales June 2019

\$1,421 50 units \$28.42 avg. sale

E-bay Sales: June 2019

\$168 4 transactions \$42.00 avg. sale

Summer Adventure Children's Book Sale—Friday, July 26

Fall Book Sale: October 4 – 6

Retirement Announcement: Marcia Myers—Volunteer Coordinator

PPLD Retreat: Several board members attending



Worked with Children's Services to secure \$35,000 start-up grant to launch LENA Start, which is a program for parents that uses regular feedback from LENA technology to help increase interactive talk in order to close the early-talk gap, support kindergarten readiness, and build stronger families.

Received \$25,996 distribution of annual AEFLA grant for Adult Education.

Accepted into the 2019 Give! Campaign Class of 2019.

Accepted as part of 2019 Colorado Gives Day.

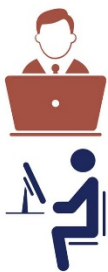
Met with Debbie Havens with Academy Mortgage to explore corporate sponsorship opportunities.

Attended monthly Urban Renewal Authority Board meeting to provide PPLD representation.

Convened PPLD Foundation Development and Executive Committee meetings.

Attended Peggy Shivers' birthday celebration in support of the Shivers Fund at PPLD.

To further develop internal culture of philanthropy, presented to Management Team on the relationship between PPLD and the PPLD Foundation.



DID YOU KNOW?

Don't have your own computer or laptop? You don't need to, in 2018 Pikes Peak Library District cardholders saved \$11,542,584 using the library's computers and laptops.



Communications Department Report

July 9, 2019

All data points below are representative through June 27, 2019.

News coverage and media highlights *(compiled by Kayah Swanson, Public Relations Specialist):*

- Monthly coverage total:
 - 56 features
- Highlighted coverage:
 - Penrose Library's new mural was prominently featured in a [Colorado Springs Gazette](#) article on Art on the Streets, with this lede: "Get yourself to the Penrose Public Library downtown for a gander at the mural that earned its creator \$10,000." It was **shared 2,478 times** on social media.
 - [American Libraries](#) magazine ran a story on **library decisions** surrounding service to patrons experiencing homelessness, which prominently featured John Spears and PPLD. This article was **shared 286 times** on social media.
 - The [Colorado Springs Gazette](#) ran a highly positive article on PPLD's **Green Team**, which was **shared 43 times** on social media.
 - The [Colorado Springs Gazette](#) ran a preview of the **Yes She Can book event** held at Penrose Library, which was **shared 35 times** on social media. KRDO and FOX21 News also covered the event on-air.
 - Becca Philipson of Young Adult Services and Barb Huff of Children's Services appeared on [The Extra on KRDO News Radio](#) for the entire length of the show to discuss summer survival for families at the Library, featuring **Summer Adventure**.
 - The [Woodmen Edition](#), the [Cheyenne Edition](#), the [Tri-Lakes Tribune](#), and [Southeast Express](#) ran stories on **Summer Adventure** and preventing brain drain at the Library.
 - [Southeast Express](#) covered the **portal, curated by Imagination Celebration**, which is stationed at Sand Creek Library through July 10.
 - The [Woodmen Edition](#), the [Cheyenne Edition](#), and the [Tri-Lakes Tribune](#) ran a Library Limelight column on **All Pikes Peak Reads**.

Digital marketing statistics and highlights *(compiled by marketing, Studio 21c, and website staff):*

- Statistics:
 - PPLD.org had a total of **115,201 users**, with 217,265 sessions and 404,587 pageviews, during June. The most popular web page, besides the home page, was ppld.org/summer-adventure.
 - The District-wide Facebook account has **6,860 page likes** and Twitter has **4,995 followers**. On Facebook, PPLD has seen **30% increase** on average compared to last year, in terms of our organic post reach, page likes, and views.

- Social media and video highlights:
 - Studio 21c's [behind-the-scenes video with KKTV](#) has garnered more than 4,700 views.
 - A recent Facebook post, which highlighted the fact that there's six times **more libraries than Starbucks** in Colorado, reached 3,329 people. It got 147 reactions, 17 comments, and 15 shares.



Community partnerships, events & other happenings *(compiled by Elyse Jones, Community Partnership Coordinator, and David Kelly, Marketing Manager)*

- [Summer Adventure](#), presented by Children's Hospital Colorado, continues through July 31 across PPLD and online. Wrap-up parties are schedule for July 19 at Fountain Library, July 26 at East Library, and July 31 at Palmer Lake Library.
- [All Pikes Peak Writes](#), the adult and teen fiction writing contest, will accept submissions will be accepted through July 15. The awards ceremony is scheduled for Aug. 24 at East Library
- U.S. Citizenship and Immigration Services, in conjunction with PPLD's Adult Education, will host a [naturalization ceremony](#) at Library 21c on July 22. America the Beautiful Chorus will perform.
- Theatreworks presents [Mobile Shakespeare: The Comedy of Errors](#), a zany adaptation of the classic with seven actors playing a whole city. The free, family-friendly performances take place on July 20 at Rockrimmon Library; July 27 at Penrose Library; Aug. 2 at Old Colorado City Library; and Aug. 3 at East Library.
- Other upcoming events include: **Chalk Art Festival** outside of Cheyenne Mountain Library on Aug. 3 and **Poetry719's panel discussions** on Men of Color and Black Lives Matter on July 27 and Aug. 2 respectively at Ruth Holley Library.
- Thanks to the Fine Arts Center at Colorado College, a garment from the [World of WearableArt™ \(WOW\) international touring exhibit](#) will be on display from Aug. 1-9 at Library 21c. Then, the design made by a Colorado Springs artist will be on display at Sand Creek Library through Aug. 20.
- The **Manitou Springs Library's summer lawn concerts**, with local musical acts, continues every Tuesday evening through August 13.
- Free [summer lunches](#) from the D11 mobile service are available outside of four libraries **at no charge** for kids and teens through August 2.
- PPLD continues to serve as the distribution partner for the [Rocky Mountain Vibes'](#) (formerly Sky Sox) **community ticket nights** through early September.
- Promotion of the selected books for [All Pikes Peak Reads](#) has begun.

Meeting and study room statistics (compiled by Nana Lee, Meeting Room Specialist, and Virginia Franklin, Website Manager and Library Market Administrator):

- Room usage:
 - Patrons reserved **3,455 public meetings**, bringing the year-to-date total of 23,027.
 - PPLD staff hosted **1,374 public programs**, bringing the year-to-date total to 8,083.

- Library Market and other related use:
 - A total of **13,897 users** utilized PPLD.LibraryMarket.com, resulting in 28,351 sessions and 151,485 pageviews.
 - There were **3,931 online requests**, as it relates to Library Market reservations and cancellations, in addition to **321 phone and email inquiries**.

Facilities Department Report July 9, 2019

Projects

Calhan Library planning has been completed. Plans were submitted and have been approved by the town of Calhan. GE Johnson has completed their cost estimating based on the 100% construction documents. The Guaranteed Maximum Price (GMP) will be presented at the July 9 Board of Trustees meeting for decision.

Library 21c roof replacement is in its final days. Membrane and insulation replacement has been completed. Contractor is awaiting delivery of the parapet cap metal for installation.

Asphalt maintenance including crack filling, targeted repairs, and lot restriping is underway for Old Colorado City, Fountain, High Prairie, and East Libraries. The Penrose Library is scheduled for crack fill, sealcoat and restripe the weekend of July 13.

Three additional offices and a security wall at 21c have been contracted with Elder Construction. These offices are to accommodate additional staff in the Human Resources and Information Technology areas. The security wall will be installed for increased assurance that sensitive information is protected in the Finance area. The work is anticipated to begin soon with Facilities personnel disassembling and relocating existing cubicle work areas. Once that is cleared, we anticipate construction of the office to commence mid-July. Confirmed scheduling is expected soon.

The Library 21c courtyard landscape improvements are complete and we've had many compliments already. We are in the process of purchasing additional seating as the area has now been opened for use by library patrons.

High Prairie service desk redesign is in the final stages. Shop drawings have been critiqued and final comments are being incorporated into design at this time. This redesign will improve staff ability to assist patron needs, allow for sit and stand option and also now includes an ADA compliant counter. Once final design is approved, it is anticipated to take 6-8 weeks for completion and installation.

Interior paint for Ruth Holly Library has been awarded to CertaPro and scheduled for August, post Summer Adventure. We are currently working with an interior designer for carpet selection for the replacement of carpet in the large meeting room as well as the staff areas. Once selection is final, bidding and scheduling will be coordinated after the paint is complete.

The East Library back-up generator replacement engineering is in final stages. There is consideration being taken at this time for having the server room backed up by this system or utilize UPS.

An RFQ for construction of a roof structure over the old chiller pit at East Library is complete and will be released after the July 4th holiday due to staff vacations. This will create a storage space, not weather tight, but shielded from rain and snow for protection of shelving, exterior book drops and other appropriate library equipment.

Facilities Staff

Rich Egan and Domingo Ruiz met with Michael Brantner to demonstrate and walk through the access controls system software so that Michael is aware of the existing and potential use of the system with regards to incorporation with surveillance and intrusion alarm systems.

Also discussed, was the current administrative processes in place for issuing of building keys, fobs and keycards. Rich and Domingo will do some requested research into costs for merging keycards and staff identification cards into one.

John Rubolino, Tony Bonino and Rob Giles worked with a local Falcon businessman in relocating a large monument rock dedicated to the town of Falcon in 1988. The monument was moved to the grounds of High Prairie Library

where it now resides. The following is a description of the monument provided by Liz Wilhoff, Manager of High Prairie Library:

In 1988 there was a community parade and falcon dedication celebrating falcon (more background, this is the short version). Anyway, a while ago the plot of land the monument was on was sold and now the monument is hidden from the public. From what I have gathered it was very upsetting to the community and there was a big article done in the paper about it. A long-time local business owner has received permission to move this monument. He wants to move it to Rock Island Trail head, county owned and he has permission, or the library. His first choice is the library. I have talked with a few people who are long time locals and they all have expressed how amazing this would be and I have already heard the mention of ceremony. If this is doable I think it would bring a very positive light to the library and it is such a great community feel good piece. I am not sure how far up the permission chain (Gary, John, Board?) this would need to go but it would be amazing if we could make it happen. It sounds like he would take care of all the moving.

Facilities staff is gearing up and preparing for the Summer Adventure party at Fountain on July 19, the big party at East on July 26th and the party at Palmer Lake on July 31. This is truly a team effort with all three Facilities crews working closely to make each party a success.

Facilities Administrative Specialist, Lindsay Sosa has been asked and is participating on the committee to review Courier RFP submissions.

Facilities staff at all three regional libraries completed a large number of in-house projects, too numerous to list here.

Monthly Statistics

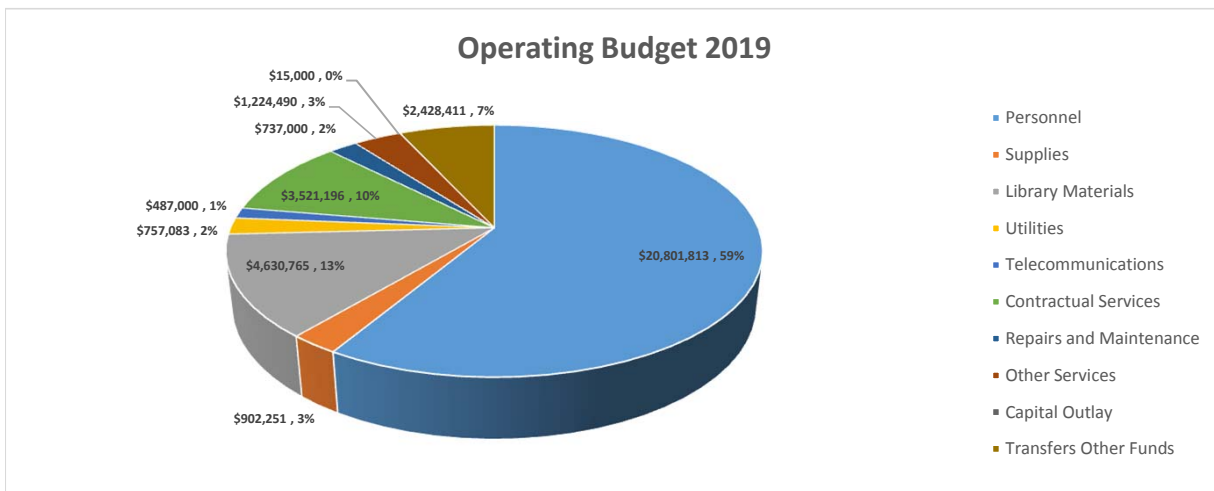
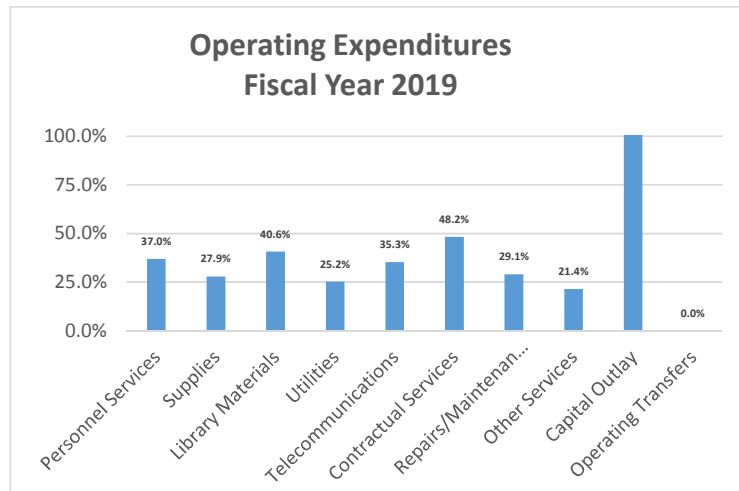
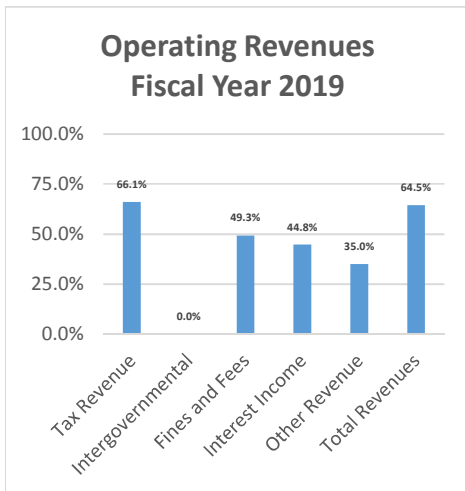
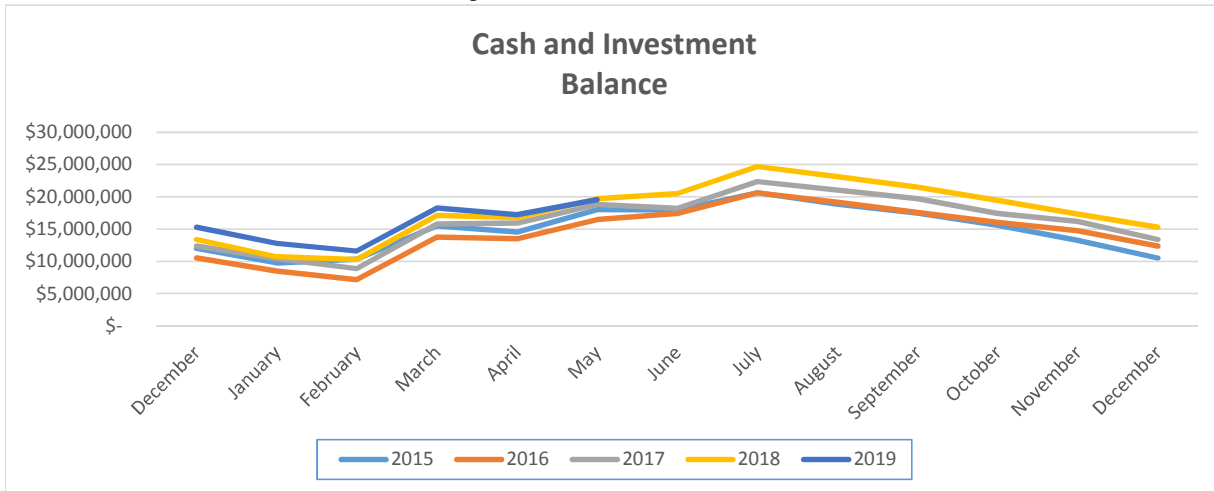
Over the previous month the Facilities department completed a total of (88) routine visits to district library facilities. Routine visits are done weekly and allow Facilities Specialists and supervisors to complete any pending work orders, inspect the location for safety issues, address minor projects, restock building supplies, and meet with managers regarding any concerns or requests.

Also the previous month, Facilities completed a total of one hundred seventy-eight demand work orders (work orders submitted by PPLD staff) and one hundred sixty preventive maintenance work orders (work orders scheduled for equipment, etc.) for a total of three hundred thirty-eight work orders. Along with work orders, Facilities on-call personnel responded to five after hours calls. These are emergency calls to address issues that cannot wait until the next business day.

Lastly, over the past month, Facilities completed a total of fifty-seven meeting room set ups.

Pikes Peak Library District Financial Dashboard

May 2019



Pikes Peak Library District

May 2019 Financial Report

Presented to Board of Trustees July 9, 2019

**Pikes Peak Library District
 General Fund Summary
 For the Five-Month Period Ended May 31, 2019**

General Fund	Year-To-Date				Notes
	2019	2018	Change	% Chg.	
Revenues					
Property taxes	\$ 19,699,232	\$ 19,494,045	\$ 205,187	1.1%	
Specific ownership taxes	1,370,514	1,315,543	54,971	4.2%	
Fines/fees	49,341	52,917	(3,576)	-6.8%	
Investment earnings	170,218	111,263	58,955	53.0%	1
Other	253,696	283,321	(29,625)	-10.5%	
Total Revenues	\$ 21,543,002	\$ 21,257,089	\$ 285,912	1.3%	

1 Interest rates continue to rise, and that is reflective in the difference from year to year.

Pikes Peak Library District
Statement of Revenues
General Fund
For the Five-Month Period Ended May 31, 2019

Percent of Year 41.7%

Account Description	2019 Budget	YTD Actual	Variance	% Collected
Tax Revenue				
Property taxes				
Current	\$ 28,477,334	\$ 19,722,761	\$ 8,754,573	69.3%
Abatements/refunds	(140,000)	(38,523)	(101,477)	27.5%
Omitted properties	6,000	2,942	3,058	49.0%
Delinquent	17,000	9,623	7,377	56.6%
Penalties/interest	36,000	2,429	33,571	6.7%
Specific ownership taxes	3,450,000	1,370,514	2,079,486	39.7%
Local government in lieu of prop. taxes	10,500	-	10,500	0.0%
Total Tax Revenue	31,856,834	21,069,746	10,787,088	66.1%
Intergovernmental				
Federal - eRate Funding	200,000	-	200,000	0.0%
State Grant - library materials	145,000	-	145,000	0.0%
Total Intergovernmental	345,000	-	345,000	0.0%
Fines and Fees	100,000	49,341	50,659	49.3%
Interest Income	380,000	170,218	209,782	44.8%
Other Revenue				
Donations/grants/gifts				
PPLD Foundation	567,559	199,181	368,378	35.1%
Other	18,000	181	17,819	1.0%
Copier charges/PMS charges	96,000	39,134	56,866	40.8%
Parking lot collections	33,000	9,340	23,660	28.3%
Merchandise sales	-	2,064	(2,064)	100.0%
Miscellaneous	4,500	2,054	2,446	45.6%
Asset sales proceeds	5,000	1,742	3,258	34.8%
Total Other Revenue	724,059	253,696	470,363	35.0%
Total General Fund Revenues	\$ 33,405,893	\$ 21,543,002	\$ 11,862,891	64.5%

**Pikes Peak Library District
General Fund Summary
For the Five-Month Period Ended May 31, 2019**

General Fund	Year-To-Date				Notes
	2019	2018	Change	% Chg.	
Expenditures					
Personnel	\$ 7,693,012	\$ 6,519,297	\$ 1,173,715	18.0%	1
Supplies	252,116	249,843	2,273	0.9%	
Library materials	1,881,419	1,717,424	163,995	9.5%	
Utilities	190,686	159,137	31,548	19.8%	
Telecommunication costs	171,689	208,729	(37,041)	-17.7%	
Contractual services	1,698,381	1,561,496	136,884	8.8%	
Repairs and maintenance	214,148	215,263	(1,115)	-0.5%	
Other services	262,212	213,855	48,357	22.6%	
Capital outlay	45,606	48,080	(2,474)	-5.1%	
Operating transfers - other funds	-	-	-	0.0%	
Total Expenditures	\$ 12,409,267	\$ 10,893,125	\$ 1,516,143	13.9%	

1 Through May 31, 2019, there has been a total of 10 pay dates, whereas through May 31, 2018, there was a total of 9 pay dates. There were 3 pay dates during May 2019, whereas there were 2 pay dates during the month of May 2018. The third pay date occurred during June 2018.

In addition, during 2018, PPLD's budget called for 26 new full-time positions. However, many of these positions were filled later during 2018 or in some cases during 2019.

Pikes Peak Library District
Statement of Expenditures
General Fund
For the Five-Month Period Ended May 31, 2019

Percent of Year 41.7%

Account Description	2018 Budget	YTD Actual	Available Budget	% Used
Personnel Services				
Regular employees	\$ 16,206,332	\$ 5,875,517	\$ 10,330,815	36.3%
Temporary employees	12,000	-	12,000	0.0%
Substitute employees	327,594	148,069	179,525	45.2%
Work-Study And internship	9,000	-	9,000	0.0%
Social security contributions	1,222,809	442,477	780,332	36.2%
Retirement contributions	976,828	348,800	628,028	35.7%
Health Plan contributions	1,750,000	778,069	971,931	44.5%
Unemployment insurance	47,250	10,723	36,527	22.7%
Workers compensation	85,000	42,577	42,423	50.1%
Vision Plan insurance	62,000	22,437	39,563	36.2%
Life A&D insurance	63,000	24,343	38,657	38.6%
Tuition assistance	40,000	-	40,000	0.0%
Total Personnel Services	20,801,813	7,693,012	13,108,801	37.0%
Supplies				
General	304,965	85,740	219,225	28.1%
Microform	950	-	950	0.0%
Software purchases/licenses	322,000	101,804	220,196	31.6%
Computer supplies	42,000	18,029	23,971	42.9%
Processing	95,000	6,805	88,195	7.2%
Office	92,250	26,586	65,664	28.8%
Other	45,086	13,151	31,935	29.2%
Total Supplies	902,251	252,116	650,135	27.9%
Library Materials				
Audio-visual materials	762,300	229,189	533,111	30.1%
Books	1,364,400	432,379	932,021	31.7%
e-materials	1,584,700	722,085	862,615	45.6%
Library materials - other	266,000	79,548	186,452	29.9%
Microforms	5,000	-	5,000	0.0%
Periodicals	110,000	100,234	9,766	91.1%
Serials	25,000	10,796	14,204	43.2%
Databases - online services	513,365	305,458	207,907	59.5%
Memorials	-	1,729	(1,729)	0.0%
Total Library Materials	4,630,765	1,881,419	2,749,346	40.6%
Utilities				
Gas	109,168	39,144	70,024	35.9%
Electric	526,656	134,635	392,021	25.6%
Water/sewer	113,415	14,291	99,124	12.6%

Pikes Peak Library District
Statement of Expenditures
General Fund
For the Five-Month Period Ended May 31, 2019

Percent of Year 41.7%

Account Description	2018 Budget	YTD Actual	Available Budget	% Used
Storm water fees	7,844	2,615	5,230	33.3%
Total Utilities	757,083	190,686	566,398	25.2%

Telecommunications

Data	300,000	118,927	181,073	39.6%
Voice	104,000	30,230	73,770	29.1%
Cellular	78,000	21,322	56,678	27.3%
Expansion	5,000	1,209	3,791	24.2%
Total Telecommunications	487,000	171,689	315,311	35.3%

Contractual Services

Janitorial services	330,000	132,444	197,556	40.1%
Carpet cleaning services	117,000	52,872	64,128	45.2%
Library facility rental	566,473	225,837	340,636	39.9%
Common area maintenance	156,052	67,105	88,946	43.0%
Storage rental	16,800	6,750	10,050	40.2%
Audit	45,000	27,750	17,250	61.7%
Legal	65,000	31,318	33,682	48.2%
Consultant	216,500	35,936	180,564	16.6%
Cataloging	50,600	5,386	45,214	10.6%
Trash removal	24,229	9,216	15,013	38.0%
Copier services	56,000	29,433	26,567	52.6%
Courier services	222,231	66,840	155,391	30.1%
Liability/property insurance	184,500	152,941	31,559	82.9%
Collection agency fees	30,000	9,899	20,101	33.0%
Printing	125,000	33,026	91,974	26.4%
Programming	357,065	88,614	268,451	24.8%
Treasurer fees	420,000	296,066	123,934	70.5%
Microfilming services	19,600	2,474	17,126	12.6%
Computer support agreements	301,500	254,240	47,260	84.3%
Computer equipment maintenance	135,000	146,955	(11,955)	108.9%
Software licenses	19,000	-	19,000	0.0%
Employee Assistance Program	20,000	3,792	16,208	19.0%
Parking	43,646	19,485	24,161	44.6%
Total Contractual Services	3,521,196	1,698,381	1,822,815	48.2%

Repairs and Maintenance

Grounds maintenance	75,500	19,692	55,808	26.1%
Vehicle operating costs	61,000	25,057	35,943	41.1%
Equipment maintenance	382,300	128,480	253,820	33.6%
Equipment repairs	42,450	2,073	40,377	4.9%
Furniture repairs	33,000	2,333	30,667	7.1%

Pikes Peak Library District
Statement of Expenditures
General Fund
For the Five-Month Period Ended May 31, 2019

Percent of Year 41.7%

Account Description	2018 Budget	YTD Actual	Available Budget	% Used
Building repairs	142,750	36,513	106,237	25.6%
Total Repairs and Maintenance	737,000	214,148	522,852	29.1%
Other Services				
Translation services	500	412	88	82.4%
Advertising	1,000	-	1,000	0.0%
Bank And trustee Fees	11,600	5,352	6,248	46.1%
School engagement	1,000	153	847	15.3%
Mileage/Travel reimbursement	73,800	22,383	51,417	30.3%
Employee recruitment	50,500	5,882	44,618	11.6%
Employee testing	500	-	500	0.0%
Dues and memberships	74,000	19,299	54,701	26.1%
Merchandising	1,000	196	804	19.6%
Employee recognition	20,525	3,834	16,691	18.7%
Board of Trustees	7,000	878	6,122	12.5%
Community outreach	110,000	32,394	77,606	29.4%
Training	287,534	90,379	197,155	31.4%
Signage	16,000	7,692	8,308	48.1%
Bindery	5,000	2,158	2,842	43.2%
Summer Reading Club	34,306	5,699	28,607	16.6%
Patron reimbursement	500	-	500	0.0%
Postage	62,500	25,931	36,569	41.5%
Volunteer program	5,900	618	5,282	10.5%
Safety and wellness	18,500	1,610	16,890	8.7%
Other grant/donation expenditures	411,125	35,206	375,919	8.6%
Administrative support	10,500	113	10,388	1.1%
Equipment rental	1,000	385	615	38.5%
Other	20,200	1,638	18,562	8.1%
Total Other Services	1,224,490	262,212	962,278	21.4%
Capital Outlay				
Other	15,000	45,606	(30,606)	304.0%
Total Capital Outlay	15,000	45,606	(30,606)	304.0%
Operating Transfers to Other Funds				
Fund transfers out	2,428,411	-	2,428,411	0.0%
Total Expenditures	\$ 35,505,009	\$ 12,409,267	\$ 23,095,741	35.0%

**Pikes Peak Library District
Special Revenue Funds
For the Five-Month Period Ended May 31, 2019**

Fund Balance - January 1, 2019	\$ 160,757
Expenditures	918
Fund Balance - May 31, 2019	<u>\$ 159,839</u>

Fund Balance - By Fund - May 31, 2019

Annual Fund	\$ 212
Cheyenne Mountain Library Fund	812
Fountain Branch Library Fund	11,560
High Prairie Library Fund	112,998
Sand Creek Library Fund	27,772
1905 Carnegie Library Facility Fund	4,374
Carnegie Garden Support Fund	998
Special Collections Support Fund	1,113
	<u>\$ 159,839</u>

Pikes Peak Library District
 East Library Capital Projects Fund
 For the Five-Month Period Ended May 31, 2019

Account Description	Approved Budget	Carryover	Revised Budget	2019 Activity	Encumbrances	Available Budget
Revenues and Other Sources of Funds						
Donations-PPLD Foundation	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ -	\$ 5,000
Fund Transfers In	139,627	-	139,627	-	-	139,627
Total Revenues and Other Sources of Funds	144,627	-	144,627	-	-	144,627
Expenditures						
2019 Budget						
Chiller Roof Struct Over Pit	19,000	-	19,000	2,370	790	15,840
Roofing Evaluation & Design	30,000	-	30,000	-	-	30,000
Window Screen/Shades-Childr	1,627	-	1,627	-	-	1,627
External Filtration System	10,000	-	10,000	-	-	10,000
Replace Emergency Generator	60,000	-	60,000	-	-	60,000
Reading Bay Area Furniture	15,000	-	15,000	-	-	15,000
Patio Furniture (Fundraising)	5,000	-	5,000	-	-	5,000
Shared Workstation - 4-Person	4,000	-	4,000	-	2,765	1,235
Sub-total	144,627	-	144,627	2,370	3,555	138,702
Carryover From 2018						
Roof Inspection and Repairs	-	6,235	6,235	-	-	6,235
Window Leak-2nd Floor	-	7,500	7,500	-	-	7,500
Replace Public Water Fountains	-	494	494	-	-	494
Replace Staff Lounge Blinds	-	142	142	-	-	142
Ea Update Security Equipment	-	5,000	5,000	-	-	5,000
Laminator	-	205	205	-	-	205
Enclose Chiller Pit	-	38,463	38,463	-	-	38,463
Additional Study Room Chairs	-	3,500	3,500	3,547	-	(47)
Reface Cabinets In Story Office	-	5,500	5,500	-	-	5,500
Children's Cabinets	-	5,478	5,478	-	-	5,478
Tractor Replacement	-	2,001	2,001	-	-	2,001
Contingency	-	1,635	1,635	-	-	1,635
IT Equipment	-	2,071	2,071	-	-	2,071
Sub-total	-	78,224	78,224	3,547	-	74,677
Total Expenditures	\$ 144,627	\$ 78,224	\$ 222,851	5,917	\$ 3,555	\$ 213,379
Excess Revenues over Expenditures				(5,917)		
Fund Balance - January 1, 2019				78,224		
Fund Balance - May 31, 2019				<u>\$ 72,307</u>		

Pikes Peak Library District
 Penrose Library Capital Projects Fund
 For the Five-Month Period Ended May 31, 2019

Account Description	Approved Budget	Carryover	Revised Budget	2019 Activity	Encumbrances	Available Budget
Revenues and Other Sources of Funds						
Fund Transfers In	\$ 96,700	\$ -	\$ 96,700	\$ -	\$ -	\$ (96,700)
Expenditures						
2019 Budget						
Asphalt Crack Fill	15,500	-	15,500	-	15,500	-
Roofing Evaluation Pe	30,000	-	30,000	-	-	30,000
Replace Lobby Rooftop Unit	23,500	-	23,500	-	20,544	2,956
Replace Existing Fire Panel	18,500	-	18,500	16,921	-	1,579
Charging Station Outlets	2,000	-	2,000	-	-	2,000
Larger Trash Receptacles	3,600	-	3,600	852	-	2,748
Adjustable Heigh Desks	3,600	-	3,600	-	-	3,600
Sub-total	96,700	-	96,700	17,773	36,044	42,883
Carryover from 2018						
Penrose Entry Way	-	370	370	-	-	370
Roof Inspection And Repairs	-	5,130	5,130	-	-	5,130
Replace Existing Parking Meter	-	50,000	50,000	-	-	50,000
Elevator Modernization - Cab	-	8,914	8,914	-	-	8,914
Upgrade Two Interior Elevators	-	4,577	4,577	-	-	4,577
Chiller Replacement	-	55,000	55,000	-	-	55,000
27" Laminator	-	705	705	-	-	705
Hvac Heating Loop & Glycol	-	9,324	9,324	-	-	9,324
Penrose Renovation Conting	-	18,985	18,985	-	-	18,985
Pe Campus Project	-	850,363	850,363	534,350	82,337	233,676
Sub-total	-	1,003,368	1,003,368	534,350	82,337	386,681
Total Expenditures	\$ 96,700	\$ 1,003,368	\$ 1,100,068	552,123	\$ 118,381	\$ 429,564
Excess Revenues over Expenditures				(534,350)		
Fund Balance - January 1, 2019				1,003,368		
Fund Balance - May 31, 2019				<u>\$ 469,018</u>		

Pikes Peak Library District
 Library 21c Capital Projects Fund
 For the Five-Month Period Ended May 31, 2019

Account Description	Approved Budget	Carryover	Revised Budget	2019 Activity	Encumbrances	Available Budget
Revenues and Other Sources of Funds						
Fund Transfers In	\$ 1,156,100	\$ -	\$ 1,156,100	\$ -	\$ -	\$ (1,156,100)
Expenditures						
2019 Budget						
Roof Replacement	1,035,000	-	1,035,000	412,984	442,951	179,065
Replace Skylight/Repairs	108,000	-	108,000	104,560	-	3,440
Re-Bulb Children'S Area	1,200	-	1,200	-	-	1,200
Children'S Shelf Movers	2,500	-	2,500	-	-	2,500
Studio Column, Make Space	1,000	-	1,000	-	-	1,000
Office Chairs-Meeting Room	7,200	-	7,200	-	-	7,200
Tables-Adjustable Height, Cm	1,200	-	1,200	-	-	1,200
Sub-total	1,156,100	-	1,156,100	517,544	442,951	195,605
Carryover from 2018						
Venue Improv & Equip	33,676	-	33,676	-	-	33,676
Concrete Walkway Ea To South	19,500	-	19,500	-	-	19,500
Courtyard Improvements	20,000	-	20,000	2,096	17,820	84
Roof Repairs	2,350	-	2,350	-	-	2,350
Improv Teen Gaming Room	9,409	-	9,409	-	-	9,409
Ent & Make li Window Treatment	4,152	-	4,152	-	-	4,152
Roof Replacement	40,200	-	40,200	4,838	5,262	30,100
Audio Booth	2,000	-	2,000	-	-	2,000
New Teen Service Desk	1,200	-	1,200	-	-	1,200
Cafe Table Public Area	551	-	551	-	-	551
Contingency	47,317	-	47,317	-	1,989	45,328
Install Additional Can Lights	1,200	-	1,200	-	-	1,200
New Display Case With Lighting	39	-	39	-	-	39
Signage	5,000	-	5,000	-	-	5,000
Av Equipment Maintenance	4,686	-	4,686	1,879	-	2,807
Increase Stage Size	4,908	-	4,908	1,569	-	3,339
Studio Noise Mitigation	21,979	-	21,979	-	1,417	20,562
Venue Led Lighting	7,626	-	3,572	3,095	-	332
Public Equipment Eol Replacem	154	-	154	-	-	154
New Public Equipment Inventory	369	-	369	219	-	150
Munis Record Management Syst	30,000	-	30,000	-	-	30,000
Sub-total	256,317	-	252,263	13,696	26,488	211,934
Total Expenditures	\$ 1,412,417	\$ -	\$ 1,408,363	531,240	\$ 469,439	\$ 407,539
Excess Revenues over Expenditures				(531,240)		
Fund Balance - January 1, 2019				252,263		
Fund Balance - May 31, 2019				<u>\$ (278,977)</u>		

Pikes Peak Library District
 Capital Reserve Fund
 For the Five-Month Period Ended May 31, 2019

Account Description	Approved Budget	Carryover	Revised Budget	2019 Activity	Encumbrances	Available Budget
Revenues and Other Sources of Funds						
Donations-PPLD Foundation	\$ 123,000	\$ -	\$ 123,000	\$ -	\$ -	\$ (123,000)
Fund Transfers In	1,035,984	-	1,035,984	-	-	(1,035,984)
Total Revenues and Other Sources of Funds	1,158,984	-	1,158,984	-	-	(1,158,984)
Expenditures						
2019 Budget						
Facilities						
Dw- Asphalt Maintenance	7,500	-	7,500	-	7,500	-
Fo-Window Tint - Children'S	3,000	-	3,000	-	-	3,000
Ho-Replace Meeting Room Carpet	13,000	-	13,000	-	-	13,000
Ho-Repaint Interior	10,000	-	10,000	-	7,008	2,992
Update Service Points	5,000	-	5,000	-	-	5,000
Ho-Add Electricity In Storage	2,000	-	2,000	-	-	2,000
Mo-Replace Bulbs	1,200	-	1,200	698	162	340
Ol-Replace Floor Main Level	75,000	-	75,000	-	-	75,000
Ellicot Facility Allowance	200,000	-	200,000	-	-	200,000
Roof Inspection	10,000	-	10,000	-	-	10,000
Ch-Work Room Cabinets&Stor	2,000	-	2,000	-	-	2,000
Fo-Av Closet - Meeting Room	3,000	-	3,000	-	-	3,000
Ho-Meeting Room Furniture	15,000	-	15,000	8,722	-	6,278
Ho-Study Room Furniture	3,000	-	3,000	2,016	-	984
Ro-Redesign Children'S Area	2,500	-	2,500	-	-	2,500
Contingency	50,000	-	50,000	11,933	14,152	23,915
Sub-total	402,200	-	402,200	23,369	28,822	350,009
Information Technology						
Servers-Ea Data Updates	2,000	-	2,000	-	-	2,000
Data Center Redesign Servers	75,000	-	75,000	-	-	75,000
Technology Refresh (Staff)	19,000	-	19,000	1,491	1,599	15,910
Technology Refresh (Patrons)	131,000	-	131,000	-	130,845	155
Pcs-Video Editing	11,114	-	11,114	-	-	11,114
Isoc Computers	10,000	-	10,000	-	-	10,000
Laptops- Young Adult Services	6,000	-	6,000	5,897	-	103
Laptops-Children'S Ipads	6,000	-	6,000	-	5,980	20
Self-Check-Peadd Data Ports	2,500	-	2,500	-	-	2,500
Scanners-Collect Managem	2,080	-	2,080	-	-	2,080
Network Switches/Ups	100,000	-	100,000	-	-	100,000
Surveillance System Redesign	30,000	-	30,000	-	-	30,000
Surveillance System	125,000	-	125,000	-	-	125,000
Isoc - A/V Standardization	75,000	-	75,000	-	-	75,000
It Management Reserve	47,500	-	47,500	-	-	47,500
Sub-total	642,194	-	642,194	7,388	138,424	496,382

Pikes Peak Library District
 Capital Reserve Fund
 For the Five-Month Period Ended May 31, 2019

Account Description	Approved Budget	Carryover	Revised Budget	2019 Activity	Encumbrances	Available Budget
Creative Services/Video Studio						
Wireless Mic Kit	1,300	-	1,300	-	-	1,300
Audio Recorder	300	-	300	-	-	300
Audio Recorder Kit	1,200	-	1,200	-	-	1,200
Cameras - Studio21C	37,500	-	37,500	-	-	37,500
Dslr Cameras - Checkout	5,700	-	5,700	-	-	5,700
Teleprompter	1,550	-	1,550	-	-	1,550
Video Cam Kit - Checkout	3,000	-	3,000	-	-	3,000
Gopro Kits	1,500	-	1,500	-	-	1,500
Tripod System	320	-	320	-	-	320
Photo Roller System	1,000	-	1,000	-	-	1,000
Chechout Equip 21C	3,900	-	3,900	-	-	3,900
Chargeable Batteries	1,620	-	1,620	-	-	1,620
Isolation Booth 21C Studio	20,000	-	20,000	-	20,000	-
Cricut Machines	1,200	-	1,200	-	-	1,200
Sa-Vinyl Record Cutter	9,000	-	9,000	-	-	9,000
Sa-Larger Kiln	3,000	-	3,000	-	-	3,000
Ea-Larger Laser Cutter	18,000	-	18,000	-	-	18,000
New Maker Kits	1,000	-	1,000	-	-	1,000
Equipment Replacement	3,500	-	3,500	130	-	3,370
Sub-total	114,590	-	114,590	130	20,000	94,460
Total Exepnditures 2019 Budget	1,158,984	-	1,158,984	30,887	187,246	940,851
Carryover from 2018						
Facilities						
Mo-Access Control	-	150	150	-	-	150
Dw- Concrete Replacement	-	23,560	23,560	-	-	23,560
Dw - Asphalt Repairs	-	15,072	15,072	-	458	14,614
Staff Lounges Improvements	-	29,916	29,916	1,252	1,173	27,491
Water Management System	-	18,373	18,373	285	9,715	8,373
Upgrade Fire System Dialers	-	23,500	23,500	-	-	23,500
Furniture Replacement	-	19,259	19,259	10,136	-	9,123
Childr&Teen Area Furnit	-	7,000	7,000	-	-	7,000
Vehicles	-	8,625	8,625	-	-	8,625
Calhan Project	-	515,642	515,642	76,602	18,818	420,222
Replace Generator For Bo	-	12,500	12,500	-	-	12,500
Contingency	-	118,229	118,229	160	1,380	116,689
Contingency - Furniture Replac	-	24,253	24,253	-	-	24,253
Sub-total	-	816,078	816,078	88,435	31,544	696,099

Pikes Peak Library District
 Capital Reserve Fund
 For the Five-Month Period Ended May 31, 2019

Account Description	Approved Budget	Carryover	Revised Budget	2019 Activity	Encumbrances	Available Budget
Information Technology						
Replace Computers	-	39,485	39,485	-	1,940	37,545
Technology Refresh (Patrons)	-	68,795	68,795	-	-	68,795
Barcode Scanners	-	15,102	15,102	-	-	15,102
Copier Replacement	-	200,718	200,718	-	-	200,718
Telephone Switches	-	94,834	94,834	61,502	-	33,332
Firewall Replacement	-	45,000	45,000	-	-	45,000
Switches/Ups Replacement	-	40,000	40,000	-	-	40,000
Archival Manag System	-	13,400	13,400	-	-	13,400
Amh Bins (2)	-	20,000	20,000	-	-	20,000
Surveillance System Redesign	-	100,121	100,121	-	-	100,121
Children'S Equipment	-	643	643	-	-	643
Special Collections Equip	-	29,000	29,000	15,380	-	13,620
Ea Library Tween Computers	-	4,000	4,000	-	-	4,000
Datacenter Project	-	111,399	111,399	-	-	111,399
Av Equip For Audio Visual Dw	-	50,000	50,000	-	-	50,000
Contingency I/T	-	5,852	5,852	2,218	-	3,634
Sub-total	-	838,349	838,349	79,100	1,940	757,309
Creative Services/Video Studio						
Video Projector Repl & Addit	-	5,000	5,000	-	-	5,000
Maker Machinery Purchases	-	40,015	40,015	-	-	40,015
New Machinery	-	8,871	8,871	-	-	8,871
Sub-total	-	53,886	53,886	-	-	53,886
Total Carryover from 2018	-	1,708,313	1,708,313	167,535	33,484	1,507,294
Total Expenditures	\$ 1,158,984	\$ 1,708,313	\$ 2,867,297	198,422	\$ 220,730	\$ 2,448,145
Excess Revenues over Expenditures				(198,422)		
Fund Balance - January 1, 2019				1,708,313		
Fund Balance - May 31, 2019				<u>\$ 1,509,891</u>		

**Pikes Peak Library District
Receipts and Disbursements by Cash Account
For the Month of May 2019**

	ColoTrust Investments	US Bank Checking	Total Cash
Cash and Investments Balance May 1, 2019	\$ 16,725,132	\$ 469,676	\$ 17,194,808
Receipts May 2019			
Property Taxes	5,658,872	-	5,658,872
Daily Cash Receipts	-	16,923	16,923
Credit Card Receipts	-	9,315	9,315
Interest	40,739	-	40,739
Disbursements May 2019			
Payment of Bills week of 05/03/2019	-	(170,599)	(170,599)
Payment of Bills week of 05/10/2019	-	(272,945)	(272,945)
Payment of Bills week of 05/17/2019	-	(219,962)	(219,962)
Payment of Bills week of 05/24/2019	-	(180,545)	(180,545)
Payment of Bills week of 05/31/2019	-	(264,770)	(264,770)
Payroll 05/03/2019	-	(679,602)	(679,602)
Payroll 05/17/2019	-	(686,600)	(686,600)
Payroll 05/31/2019	-	(645,345)	(645,345)
End of Month Payroll Payments	-	(244,016)	(244,016)
Transfer between funds	(2,800,000)	2,800,000	-
Cash and Investments Balance May 31, 2019	<u>\$ 19,624,743</u>	<u>\$ (68,470)</u>	<u>\$ 19,556,273</u>

Human Resources Report July 9, 2019

Major projects included the following:

- Organizational Development
 - The pilot cohort of ten participants for the Leadership Program will receive their invitation to participate in the program
 - September 10th kick-off
 - Working with new Internal Communications contact to create HR newsletter
 - Conducted "Facilitating Effective Meetings" training for Management Team
- Benefits update
 - Met with Benefits Team to discuss going out to bid for medical this year
 - Decided we will only go out to bid if the renewal offer is high
 - May consider looking at alternative FSA carriers
 - Searching for a replacement HRIS/Benefits/Compliance Manager
 - Offered the position to leading candidate
 - Candidate declined; accepted a position elsewhere
 - Re-initiated the search process
- Wellness program
 - Dates for "Jump Into Summer" program: June 1 – July 27, 2019
- Volunteer program
 - HR Administrative Assistant Laurie Jackson is handling volunteer applications on a limited basis until we can hire a new Volunteer Development Specialist
 - Will begin the search once the HRIS/Benefits/Compliance Manager position is filled
- Safety and Workers Compensation
 - Two injuries were reported in June
- Recruitment

Recruitment / Selection Activity	June 2019
Jobs Posted	15
Newly Hired Employees	7
Promoted Employees	3
Transferred Employees	6
Separated Employees	3

- Training
 - Coaching Essentials Training coming in July!

Information Technology Department Report July 9, 2019

Projects

- Broadband Internet Service Increase. The District's internet service is saturated. The 600 megabits per second (MBps) aggregate internet access for the District is saturating preventing use of critical services (i.e., Integrated Library System (ILS), Munis Financial and Human Resources service, etc.). Working to increase service to 3 gigabits per second (GBps) within the next 30 days.
- Data Center Redesign Project and E-Rate Program. Project on hold at this time to awaiting E-rate administrator review of requirements process and requirements evaluation. Scope change possible resulting from Disaster Recovery (DR) requirements.
- Core Switch Acquisition and E-Rate Program. Project proceeding to acquisition and installation. Estimated completion date (ECD) for installation is August 2019.
- Transition to Windows 10. Planning ongoing for transitioning from Windows 7 to Windows 10. Windows 7 support ends December 31, 2019.
- Transition from Windows Office 201X to Office 365. Project planning ongoing. ECD for installation September 2019.
- Sharepoint Implementation. Project planning ongoing with execution after satisfactory Windows 10 and Office 365 transition.
- Technology Refresh Patrons. Project in execution phase to replace 144 lab computers throughout the District.
- Multi-Function Device (MFD) Replacement Request for Proposal (RFP). Request for Proposal (RFP) issued. RFP due date is July 17th and scheduled to meet board on August 13th for vendor selection recommendation. RFP seeks to replace copiers throughout the District while also striving to reduce total cost of ownership (TCO) of desktop printers. Desktop printer toner expense for 2018 was \$60,000. The desire is that the MFDs will help reduce TCO associated with the desktop printers.

Information Technology Staff

- Infrastructure Manager Orientation. Annelise Parker meeting with managers to conduct IT service delivery survey, identify challenges requiring immediate IT infrastructure group response and prioritize IT project implementation schedule to synchronize with library managers requirements for remainder of the fiscal year.
- Pikes Peak Community College Interns. The IT Department will have four students working through the summer to satisfy their internship requirement for their Associates Degree. One intern is working with the Technical Support Staff with the others supporting the Infrastructure Staff.

Monthly Statistics

- Computer Usage Statistics – Decreased 12.55% year to date from 2018 (209,744/239/849)
- AWE Children's Early Literacy Computer Usage – Decreased 4.83% from 2018 (25,108/26,383)
- Help Desk Tickets – Decrease 51% (416/852)

Public Services Report July 9, 2019

Community

For the month of May, Tammy Sayles, Robert Hilbert Nonprofit Resource Center Librarian, had two different organizations notify her that they have used the foundation databases to successfully find and obtain grants. One for a total of \$125,000 and another for \$45,000.

Young Adult Services (YAS) completed another busy year of school outreach this May with Summer Adventure booktalks. YAS staff visited 12 classes with 1,317 students and teachers. The total number of classroom visits for the 2018-2019 school year was 175 classes and 5,303 students and teachers. These numbers include both Resource Classes and Booktalks. Cameron Riesenberger, YAS Outreach Librarian, would like to thank all the dedicated YAS staff who attended visits – it would not be possible to reach this many people without them – they have a tremendous impact on our community.

May was a big month for school visits for Children's Services. Betty McDonald, Children's Services School Engagement Librarian, reported 45 school visits, talking to 11,088 students about Summer Adventure and PPLD.

With the help of the Falcon community, the Falcon monument was moved to the High Prairie Library. Thanks to John Rubolino and Rob Giles in Facilities, the monument rock is well placed. Regional History and Genealogy's Brett Lobello will help host a rededication ceremony and ice cream social during June. The community will be invited to share any pictures they have from historical Falcon.

David Rasmussen, Old Colorado City Associate, represented PPLD at the Senior Health Day at the Westside Community Center. Many patrons utilize this community resource. He was able to connect to other organizations in our area. David says, "the more we all work together, the stronger the community."

The Tri-Lakes Friends of the Library hosted "A Tea for All Ages" at the Palmer Lake Town Hall. It was reportedly the best tea ever. Forty-five guests had a great time with tea, snacks, games, and nice prizes.

Resources

Terry Zarsky, Business Strategic Services Librarian, coordinated with Liz Willhoff, High Prairie Library Manager, to put on the Business Resource Fair at Library 21c. There were 6 programs, 58 Vendors and 389 attendees. Terry was on two radio programs with Renea Roberts and Ted Robertson promoting this with KRDO. She was interviewed by the Better Business Bureau during this event. Marco's Pizza kindly put promotional flyers on 4,000 pizza boxes.

The *Acrylic Painting for Beginners* five-class series finished at Rockrimmon in May. This series was originally started under the Creative Aging grant and is offered periodically at a few branches per year. Patrons were excited about learning to paint, and were grateful that all the needed supplies were provided. Many of the patrons came hoping to rediscover their creativity and learn a new skill. At the last class, there are many *thank yous* for offering the class.

Innovation / Creativity

Penrose Library was selected to showcase a mural for Downtown Colorado Springs Art on the Streets public art. At the end of May the artist spent about a week working on the mural on the South wall along Pikes Peak. This partnership enabled staff to promote art programs and resources.

Chi Ito, Manitou Springs Associate, hosted Repair Cafe at Manitou Art Center. It was a very successful event, with participants and PPLD volunteers working on 16 items within three hours. There will be another session in September.

On May 10, Library 21c hosted Anime Prom in the Venue. Over 70 teens joined the fun by showing off their cosplay and mingling with friends. Attendees enjoyed an array of Asian snacks including the familiar flavors of Hi-Chews and not-so-familiar flavor of shrimp chips. Activities allowed participants to show off their creativity; these included face painting, button making, and green screen photos. Attendees were encouraged to participate in the cosplay contest, which was judged by teen volunteers.

Seven students completed Culinary Quick Start and graduated on May 31. Culinary Quick Start is a joint project of Adult Education and Creative Services. A Culinary QuickStart hiring fair took place on May 28 at Penrose Library with five employers present. Eight students interviewed for positions in the local hospitality industry. One has already accepted a position at The Antlers, a Wyndham Hotel. Two other students have interviews scheduled.

Service

Regional History and Genealogy hosted former PPLD employee, Steve Antonuccio, who presented a program in support of the release of his book, *There is no Such Thing as a Typical Librarian*. Steve balanced speaking about his biography with highlighting community stories that he documented while working in the Video Center at PPLD.

East Library provided Summer Lunch in partnership with Colorado Springs School District 11. In only three days, 295 lunches were served to children. District 11 is also serving lunch at Old Colorado City, Ruth Holley, and Sand Creek libraries.

Sand Creek and Fountain libraries offered four Family Place workshops in May hosted by Sand Creek Associate, Jordan Newby. In Jordan's absence, Sand Creek, Fountain, and Children's Services staff collaborated to host the Family Place workshops.

Internal – Staff

Krista Meier, Fiction Selection Librarian, attended BookExpo in New York City in May. BookExpo was packed with publishing houses, large and small, providing a wide array of diverse authors. Krista attended the following sessions: Indie Insights: First Novels and Mystery; LibraryReads Book Buzz; The Adult Librarian Author's Lunch; Discovering Debuts with MacMillan Editors; and Book Group Speed Dating.

Alicia Gomori, Fountain Library Manager, and Mary Gapko, Fountain Associate, attended Positive Youth Development (PYD) training hosted at Welte Education Center and facilitated by Communities that Care. PYD is an approach that guides communities in how to organize services, opportunities, and support to engage and include youth. It is all about developing skills, opportunities, and authentic relationships so that youth can reach their full potential.

Accountability

Collection Management completed orders for the 2018-2019 Colorado State Grant award totaling \$143,026. The grant provides additional funds used to pay for Mango (language learning database), eMaterials, and educational resources for children and teens.

Adult Education revised and received approval for the Adult Education and Family Literacy Act (AEFLA) 2018-2019 fiscal year budget.

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Penrose	31,554	27,860	29,669	29,409	29,647	29,602							177,741
Mobile Libraries	7,615	8,515	8,461	8,291	7,099	8,418							48,399
Cheyenne	24,795	22,725	23,122	22,970	24,524	23,580							141,716
Fountain	10,692	9,334	9,994	8,361	10,246	12,298							60,925
High Prairie	18,507	16,493	17,506	16,384	16,363	18,101							103,354
Ruth Holley	20,746	18,659	18,548	18,944	18,253	18,809							113,959
Manitou Springs	2,972	2,914	3,177	2,991	2,924	2,843							17,821
Monument	22,829	21,025	23,750	21,161	22,642	25,160							136,567
Old Colorado City	13,187	11,563	12,519	12,626	12,740	12,023							74,658
Palmer Lake	2,210	2,184	2,217	2,482	2,578	2,886							14,557
Rockrimmon	22,716	19,817	21,781	20,629	21,545	23,248							129,736
Sand Creek	20,906	19,089	19,852	18,239	19,054	20,506							117,646
Ute Pass	1,708	1,584	2,083	1,527	1,383	1,397							9,682
Senior Van	1,464	1,670	1,265	1,712	1,525	1,598							9,234
East	83,737	73,242	83,606	74,752	79,030	92,223							486,590
Library 21c	56,576	50,524	55,580	49,844	52,530	62,436							327,490
Total	342,214	307,198	333,130	310,322	322,083	355,128	0	0	0	0	0	0	1,970,075

YTD CIRC Comparison	2019	2018	% Change
Penrose	177741	214892	-17.3%
Mobile Libraries	48399	53248	-9.1%
Cheyenne	141716	150132	-5.6%
Fountain	60925	72708	-16.2%
High Prairie	103354	109877	-5.9%
Ruth Holley	113959	132848	-14.2%
Manitou Springs	17821	17075	4.4%
Monument	136567	146387	-6.7%
Old Colorado City	74658	78800	-5.3%
Palmer Lake	14557	14736	-1.2%
Rockrimmon	129736	134786	-3.7%
Sand Creek	117646	135977	-13.5%
Ute Pass	9682	11377	-14.9%
Senior Van	9234	11052	-16.4%
East	486590	478533	1.7%
Library 21c	327490	369621	-11.4%
Total Physical Materials	1970075	2132049	-7.6%

Current Month CIRCULATION Comparison by Facility	2019	2018	% Change
Penrose	29602	36536	-19.0%
Mobile Libraries	8418	7968	5.6%
Cheyenne	23580	26326	-10.4%
Fountain	12298	13792	-10.8%
High Prairie	18101	20539	-11.9%
Ruth Holley	18809	22684	-17.1%
Manitou Springs	2843	2987	-4.8%
Monument	25160	28462	-11.6%
Old Colorado City	12023	13800	-12.9%
Palmer Lake	2886	2512	14.9%
Rockrimmon	23248	24816	-6.3%
Sand Creek	20506	23306	-12.0%
Ute Pass	1397	2003	-30.3%
Senior Van	1598	1877	-14.9%
East	92223	96638	-4.6%
Library 21c	62436	67151	-7.0%
Total Physical Materials	355128	391397	-9.3%

Current Month e-materials & Summary	2019	2018	% Change
Overdrive	164282	136913	20.0%
RB Digital Mags	6276	2930	114.2%
eReaders	10	25	-60.0%
1-Click Audio	492	450	9.3%
Hot Spots	53	74	-28.4%
Total e-materials	171113	140392	21.9%
ILL	2007	2382	-15.7%
Cameras/Equip	84	70	20.0%
Physical Materials	355128	391397	-9.3%
Total Monthly Circ	528332	534241	-1.1%

Circulation without Renewals
June 2019

Current Month Comparison VISITORS	2019	2018	% Change
Penrose	45574	45162	0.9%
Mobile Libraries	3523	2978	18.3%
Cheyenne	16854	18410	-8.5%
Fountain	9933	11252	-11.7%
High Prairie	10063	11620	-13.4%
Ruth Holley	15476	17784	-13.0%
Manitou	4175	4904	-14.9%
Monument	18409	20859	-11.7%
Old Colorado City	12036	13359	-9.9%
Palmer Lake	1712	2270	-24.6%
Rockrimmon	16797	18028	-6.8%
Sand Creek	23006	23562	-2.4%
Ute Pass	1573	1867	-15.7%
East	56525	57757	-2.1%
21c	48123	52187	-7.8%
KCH		94	-100.0%
TOTAL Visitors	283779	302093	-6.1%
Special Collections	1886	2626	-28.2%

		2019	2018	Over Drive	Physical Items	2019	2018
		OverDrive	OverDrive	Change	Change	Physical Items	Physical Items
June 2019	Bookmobile	3,115	2,658	17%	6%	8,418	7,968
	Cheyenne Mountain Library	11,238	9,417	19%	-10%	23,580	26,326
OverDrive and Physical Circulation	East Library	44,588	38,393	16%	-5%	92,223	96,638
	Fountain Library	4,731	3,854	23%	-11%	12,298	13,792
Monthly Comparison	High Prairie Library	7,775	6,475	20%	-12%	18,101	20,539
	Library 21c	25,870	19,463	33%	-7%	62,436	67,151
	Lobby Stop Van	213	109	95%	-15%	1,598	1,877
	Manitou Springs Library	1,392	1,078	29%	-5%	2,843	2,987
	Monument Library	14,482	12,341	17%	-12%	25,160	28,462
	Old Colorado City Library	5,305	4,430	20%	-13%	12,023	13,800
	Palmer Lake Library	1,178	1,032	14%	15%	2,886	2,512
	Penrose Library	16,857	14,331	18%	-19%	29,602	36,536
	Rockrimmon Library	12,409	9,789	27%	-6%	23,248	24,816
	Ruth Holley Library	7,637	6,889	11%	-17%	18,809	22,684
	Sand Creek Library	6,297	4,430	42%	-12%	20,506	23,306
	Ute Pass Library	1,135	1,019	11%	-30%	1,397	2,003

2019 Circulation ITEM Summary													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD TOTAL
Print	277784	285529	332088	316010	321416	357225	0	0	0	0	0	0	1890052
DVD	134871	147462	176680	165284	164741	162650	0	0	0	0	0	0	951688
CD Music	12862	15085	16143	15359	14810	13949	0	0	0	0	0	0	88208
CD Book	14932	15071	18322	16817	17362	18036	0	0	0	0	0	0	100540
Playaway	6258	6686	8369	7703	7887	9129	0	0	0	0	0	0	46032
Kit	1582	1571	1723	1986	1993	2252	0	0	0	0	0	0	11107
Game	3178	3541	4736	4393	4478	4891	0	0	0	0	0	0	25217
Software	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL Physical Items	451467	474945	558061	527552	532687	568132	0	0	0	0	0	0	3112844
ILL	2037	1983	2307	2123	2201	2007	0	0	0	0	0	0	12658
CyberShelf-OverDrive	167140	148668	167363	154120	164499	164282	0	0	0	0	0	0	966072
RB Digital Magazines	5910	5611	6620	6885	6949	6276	0	0	0	0	0	0	38251
eReader	4	7	6	3	3	10	0	0	0	0	0	0	33
OneClick Audio	460	387	415	415	458	492	0	0	0	0	0	0	2627
Hot Spots	58	56	56	57	54	53	0	0	0	0	0	0	334
Cameras & Equipment	65	84	64	89	66	84	0	0	0	0	0	0	452
TOTAL STATE Circ	627141	631741	734892	691244	706917	741336	0	0	0	0	0	0	4133271
Freegal Music	7065	6521	6835	6876	6744	6804	0	0	0	0	0	0	40845
Freeding	108	109	132	124	117	89	0	0	0	0	0	0	679
DVD Player	160	137	95	152	151	155	0	0	0	0	0	0	850
Hoopla	1948	1767	2059	1792	1922	1896	0	0	0	0	0	0	11384
Comics	341	368	405	323	308	309	0	0	0	0	0	0	2054
Kanopy	838	828	844	1040	1449	1677	0	0	0	0	0	0	6676
CLC	9990	10628	12635	11322	11442	11830	0	0	0	0	0	0	67847
Laptop Use	1373	1336	1519	1626	1635	1153	0	0	0	0	0	0	8642
Active Users	255131	254818	254774	253569	253425	254251	0	0	0	0	0	0	

Monthly Circ by Format			
	2019	2018	Change
Print	357225	322408	11%
DVD	162650	141875	15%
CD Music	13949	13588	3%
CD Book	18036	18624	-3%
Playaway	9129	7518	21%
Kit	2252	2215	2%
Game	4891	3442	42%
TOTAL Physical Items	568132	509670	11.47%
ILL	2007	2382	-16%
CyberShelf-OverDrive	164282	136913	20%
RB Digital Magazines	6276	2930	114%
eReader	10	25	-60%
OneClick Audio	492	450	9%
Hot Spots	53	74	-28%
Cameras & Equipment	84	70	
Total e-materials	171113	140392	22%
One Play		45	
Freegal Music	6804	6526	4%
Freeding	89	58	53%
DVD Player	155	110	41%
Hoopla	1896	1911	-1%
Comics	309	366	-16%
Kanopy	1677	289	480%
CLC	11830	10398	14%
Laptop Use	1153	1438	-20%
Active Users	254251	257608	-1%

MTD Total	2019	2018	Change
January	627141	612152	2%
February	631741	560716	13%
March	734892	635120	16%
April	691244	601395	15%
May	706917	607959	16%
June	741336	652514	14%
July		658303	-100%
August		632095	-100%
September		584033	-100%
October		627088	-100%
November		598931	-100%
December		559962	-100%

YTD Total	2019	2018	Change
January	627141	612152	2%
February	1258882	1172868	7%
March	1993774	1807988	10%
April	2685018	2409383	11%
May	3391935	3017342	12%
June	4133271	3669856	13%
July		4328159	-100%
August		4960254	-100%
September		5544287	-100%
October		6171375	-100%
November		6770306	-100%
December		7330268	-100%

One Play no longer a service

**Circulation Report
Item Type
June 2019**

2019 Circulation by Facility	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD TOTAL
Penrose	47527	46142	52535	50649	51985	49496	0	0	0	0	0	0	298334
Mobile Libraries Total	11278	13161	13478	13937	12066	13295	0	0	0	0	0	0	77215
Cheyenne	30604	33278	37279	36480	38250	37297	0	0	0	0	0	0	213188
Fountain	13965	14601	17060	14669	16930	19381	0	0	0	0	0	0	96606
High Prairie	24346	25660	29705	28079	27831	28954	0	0	0	0	0	0	164575
Holley	27152	28984	32016	31869	30667	30742	0	0	0	0	0	0	181430
Manitou	3756	4166	4943	4804	4638	4450	0	0	0	0	0	0	26757
Monument	30228	32367	39250	34970	36376	39476	0	0	0	0	0	0	212667
Old Colorado City	16491	17317	19837	20086	20299	18906	0	0	0	0	0	0	112936
Palmer Lake	2970	3458	3566	3931	4076	4372	0	0	0	0	0	0	22373
Rockrimmon	30572	30602	34924	34000	34203	36208	0	0	0	0	0	0	200509
Sand Creek	25926	28975	34099	31904	31664	33984	0	0	0	0	0	0	186552
Ute Pass	2081	2248	3108	2325	2265	2104	0	0	0	0	0	0	14131
Senior Van	1567	1970	1750	2287	1930	2080	0	0	0	0	0	0	11584
Bookmobiles	9711	11191	11728	11650	10136	11215	0	0	0	0	0	0	65631
East	112093	115913	141935	132781	133296	149381	0	0	0	0	0	0	785399
Library 21c	72298	77951	94214	86948	87996	99958	0	0	0	0	0	0	519365
Dispensers	0	0	0	0	0	0	0	0	0	0	0	0	0
Parenting	180	122	112	120	145	128	0	0	0	0	0	0	807
Total Physical Materials	451467	474945	558061	527552	532687	568132	0	0	0	0	0	0	3112844

YTD CIRC Comparison	2019	2018	% Change
Penrose	298334	319802	-6.7%
Mobile Libraries Total	77215	77335	-0.2%
Cheyenne	213188	189232	12.7%
Fountain	96606	95110	1.6%
High Prairie	164575	143128	15.0%
Holley	181430	174443	4.0%
Manitou	26757	20900	28.0%
Monument	212667	195169	9.0%
Old Colorado City	112936	99554	13.4%
Palmer Lake	22373	20964	6.7%
Rockrimmon	200509	182591	9.8%
Sand Creek	186552	171186	9.0%
Ute Pass	14131	15045	-6.1%
Senior Van	11584	11534	0.4%
Bookmobiles	65631	65801	-0.3%
East	785399	660216	19.0%
Library 21c	519365	467605	11.1%
Dispensers	0	0	
Parenting	807	861	-6.3%
Total Physical Materials	3112844	2833141	9.87%

Current Month Comparison CIRCULATION	2019	2018	% Change
Penrose	49496	53349	-7.2%
Mobile Libraries Total	13295	12015	10.7%
Cheyenne	37297	32868	13.5%
Fountain	19381	17411	11.3%
High Prairie	28954	25679	12.8%
Holley	30742	29647	3.7%
Manitou	4450	3520	26.4%
Monument	39476	37203	6.1%
Old Colorado City	18906	16933	11.7%
Palmer Lake	4372	3571	22.4%
Rockrimmon	36208	32957	9.9%
Sand Creek	33984	28930	17.5%
Ute Pass	2104	2619	-19.7%
Senior Van	2080	1970	5.6%
Bookmobiles	11215	10045	11.6%
East	149381	128082	16.6%
Library 21c	99958	84743	18.0%
Dispensers	0	0	
Parenting	128	143	-10.5%
Total Physical Materials	568132	509670	11.47%

**Circulation Report
By Facility
June 2019**

Current Month Comparison VISITORS	2019	2018	% Change
Penrose	45574	45162	0.9%
Mobile Libraries Total	3523	2978	18.3%
Cheyenne	16854	18410	-8.5%
Fountain	9933	11252	-11.7%
High Prairie	10063	11620	-13.4%
Ruth Holley	15476	17784	-13.0%
Manitou	4175	4904	-14.9%
Monument	18409	20859	-11.7%
Old Colorado City	12036	13359	-9.9%
Palmer Lake	1712	2270	-24.6%
Rockrimmon	16797	18028	-6.8%
Sand Creek	23006	23562	-2.4%
Ute Pass	1573	1867	-15.7%
Knights of Columbus Hall	0	94	-100.0%
East	56525	57757	-2.1%
Library 21c	48123	52187	-7.8%
TOTAL	283779	302093	-6.1%
Special Collections	1886	2626	-28.2%