

Douglas
County
Libraries

BUDGET
2025

Douglas County Libraries

2025 Budget Message

This 2025 budget sustains the investments our customers have prized for years.

- Consistent and convenient Library hours of availability.
- Clean, contemporary, and well-maintained facilities.
- Premium service delivered by talented, well-trained, and engaged staff.
- Fresh, curated content that tracks with customer demand
- Bespoke, premium, reading-centric events and activities

Revenue

Douglas County citizens directly support our libraries. From that support in 2025, our Libraries will provide those prized services, save toward a new facility in Northwest Douglas County, and return about \$5,000,000 back to taxpayers.

People

The Library continues to show value to our most important resource, our staff, by evaluating wages and salaries against the Denver-area market. This year's increases sustain our competitiveness with reasonable outlays following several years of catch-up work.

Content

The Library continues to monitor the escalating price of digital to determine impacts on customer use and queues.

Events & Activities

The 2025 sustains our investment in bespoke, high-quality events and activities.

Respectfully submitted,

Robert W. Pasicznyuk

Douglas County Libraries Description of Services

Douglas County Libraries serves a population of approximately 385,137 Douglas County residents at libraries in Castle Pines, Castle Rock, Highlands Ranch, Lone Tree, Louviers, Parker, Roxborough, and online at DCL.org. Services may be divided into the following broad categories (Note: All 2024 data are impacted by the two-month network outage, as well as two 2-week closures of the Highlands Ranch location.):

Circulation

Circulation consists of the provision of books, e-books, periodicals, audios, videos, and other library content for lending use to the public. Through September of 2024, we had total circulation of 4,294,959. Our holds service accounts for about 15% of our annual physical circulation.

Online Services

Virtual services continue to grow in breadth and use. In 2024, from January-October, we had 1,531,438 visits to our website, and 2,303,194 visits to our catalog.* During the same time period, downloadable materials, including music, books and audiobooks, accounted for 41% of total circulation, an increase of 11 percentage points.

*While we believe catalog visit data represent increased use, the data may not be directly compared to 2023, due to a March, 2023, transition to Google Analytics 4, which employs different data collection methods and parameters.

We offer self-paced online learning programs on languages and computer software, real-time homework and resume help, plus access to full-text magazine and journal articles for students of all ages. Our online databases were used 63,395 times in the first nine months of 2024.

Community Gathering Spaces

The library serves as a key community gathering place. We welcomed 995,904 visitors at our seven locations from January through September 2024. Our public computers and wireless access offer a comfortable environment in which to work, study, stay up with current events, or keep in touch with friends. Visitors used our wireless services about 682,058 times in the first nine months of 2024; about 11% more than in 2023 (growth percentage calculated monthly to adjust for an eight month reporting period in 2023).

Civic groups, groups planning special events, nonprofits, and organizations of all kinds used our popular meeting rooms. Most of our libraries offer small meeting rooms that double as office space, tutoring classrooms, or just a quiet place to contemplate or meet friends.

Inspiring Reading

Douglas County Libraries places a strong emphasis on encouraging lifelong reading habits. Staff members train and focus on making book recommendations for people of all ages. Our staff collaborate with customers to determine their likes and dislikes and recommend good reads. Through our conversations, displays, events and promotion of reading, Douglas County community members are introduced to new authors and experiences. Many staff have advanced skills in recommending suitable reading level materials for young people. From picture books to early readers, to research and recreational reading, staff recommend the appropriate books to advance and challenge young readers. The library also hosts a number of book clubs for readers to critically explore stories and discuss their meanings in their lives.



Storytime

In January-August of 2024, we offered 3,313 children's events, including virtual and outdoor events, that reached more than 114,256 attendees, up 6% from 2023. Storytime attendance alone accounted for 102,595 attendees, an 11% increase. Staff trained in preparing children to read emphasize narrative, vocabulary, rhyming and song in a fun and interactive environment that enlivens minds and introduces young people and their caregivers to the joy of reading. The early literacy skills that children learn in Storytime help them translate words to images, develop their brains, and nurture the cognitive, emotional and social skills they need to develop the habits of lifelong learners. We extend this program beyond the library locations with library outreach and Book Start, in which staff and volunteers read and tell stories at child daycare centers and schools in Douglas County. Our Cuddle Up & Read service encourages parents of new babies to get baby a library card and begin reading together from day one.

Reference Services

Our staff members provide informational and research assistance to thousands of customers each year. In the first nine months of this year, we answered 79,495 reference questions.

Through in-person interviews, phone requests, instant messaging, email, and community interviews, staff respond to requests for information in a timely fashion with well-researched answers. Our collection of current and in-depth reference materials supplements staff efforts and supports the community's interest in pursuing answers on their own. Our DCL for Business service offers dedicated staff and resources trained to support the needs of entrepreneurs and small businesses with timely market analysis, in-depth research, and business startup plans.

Inspiring Connection: Events

Library events address a variety of interests and are designed to meet the needs of all age groups. Summer Reading 2024 reached 16,706 participants, 5.6% more than 2023. In addition to Storytimes, children's events employ a wide variety of techniques and activities to allow young children to explore new ideas and develop advanced skills. From pairing teens with struggling young readers, to group reading comprehension competitions, to fun hands-on science experiments, young people have many opportunities to advance their skills in a safe environment. Teen events engage young people in creative activities and community service.

Adults benefit from programs and events that highlight adult literacy, high school equivalency (HSE), English as a second language (ESL), local economic development and current affairs, and technology literacy. Family events, such as Storybook Holiday, offer ways for people to connect and celebrate, all while making lifetime memories. Author events give customers the opportunity to mingle with writers, celebrate reading, and hear authors read from their latest works. In 2024, we served more than 5,810 adults (an increase of 16% over 2023) through 573 events (up 25%).



Community Engagement

Douglas County Libraries strives to create connections throughout our community to help it continue to thrive. We deliver engaging events, offer hospitality services and meeting spaces, build strong civic, community and business partnerships, and provide meaningful community outreach. Our staff ensure DCL is connected with our community and seek to find new and meaningful ways to support the growth of our community. As we build partnerships with our government partners, schools, local businesses, and community nonprofits, we promote library services and work to keep DCL's brand strong within the community we serve.

Library Content

Our process for selecting materials for our collections is three-pronged and includes centralized collection development, input from staff, and use of materials requests by customers. Online materials requests allow community-driven purchases and borrowing from other libraries. We received 3,461 customer materials requests from January-September 2024. Of those, 22% were fulfilled by interlibrary loan (ILL and Prospector) and 44% led to DCL purchases. Throughout the first nine months of 2024, we loaned 8,211 items, while our customers borrowed 28,132 items via Prospector/ILL.

DCL Archives & Local History

This entity collects and preserves the history of Douglas County in order to provide historical research resources to the public through reference assistance and events in the library, in schools, and for historical societies. Archivists connect with customers in the library and via outreach, a robust website, and social media.

Volunteers

Volunteers numbered 1,119 in the first nine months of 2024 (a 13% increase over 2023), and gave 21,586 hours of service to DCL. Opportunities to work with adult learners and seniors, help with book sales, shelving, reading to children, and preservation of local history make our volunteer opportunities a vibrant service that also provides job skills, personal growth, and community involvement.



Net Promoter Score

In 2024, we continued measuring the degree to which our customers would recommend or promote DCL to friends and family. Through September, we received 995 survey responses with an NPS of 88 (out of 100); 898 respondents gave individual scores of 9 or 10. Positive comments mentioned staff and customer service (40%), our collection (39%), and the DCL customer experience (35%). As of September 2024, 60.52% of Douglas County households included at least one DCL cardholder, the same market penetration as in 2023.

Key Features of the 2025 Budget

The 2025 Budget provides strong support to enable execution of Douglas County Libraries' vision to elevate our community by inspiring a love of reading, discovery and connection in a fiscally responsible manner.

Revenues

Funding for Douglas County Libraries ("the District") comes chiefly from real and personal property taxes, with additional funding from vehicle registration taxes, library fines, contributions and grants, investment interest, program fees, and other miscellaneous income.

Note that forecast includes January to October actuals plus remaining budgeted months of 2024.

Property Valuation

	<u>2023</u>	<u>2024</u>	<u>2025</u>
	\$8,092,832,626	\$10,292,323,249	\$10,500,376,390
Valuation Change		\$2,199,490,623	\$208,053,141
Valuation change %		27.18%	2.02%
Affects taxes collected in	2024	2025	2026

As this budget is for 2025, an odd-numbered year, the 2.02% increase in 2025 valuation reflects only actual growth in real and personal property.

Property Tax Revenues

	<u>2023 Actual</u>	<u>2024 Forecast</u>	<u>2025 Budget</u>
	\$32,295,064	\$37,691,486	\$42,001,506
Revenue change		\$5,396,422	\$4,310,020
Revenue change %		16.7%	11.4%

The voter-approved mill levy for 2025 is 4.000 mills, consistent with change in the assessed property valuation, property-related tax revenues are expected to increase by 11.4% for 2025.

Auto Ownership Taxes

	<u>2023 Actual</u>	<u>2024 Forecast</u>	<u>2025 Budget</u>
	\$3,036,478	\$2,457,892	\$1,599,360
Revenue change		(\$578,586)	(\$858,532)
Revenue change %		(19.1%)	(34.9%)

Vehicle registration taxes for 2025 are budgeted at a (34.9%) decrease from the 2024 forecast due to 2024 actuals being higher than budgeted.

Other Revenue

	<u>2023 Actual</u>	<u>2024 Forecast</u>	<u>2025 Budget</u>
	\$2,369,686	\$2,666,037	\$2,236,709
Revenue change		\$296,351	(\$429,328)
Revenue change %		12.5%	(16.1%)

Other Income, comprised of Contributions and Grants, Charges for Services, and Interest Income, is budgeted at a decrease for 2025 of (16.1%). The decrease is primarily attributable to a decline in interest income in 2025 due to a possible decrease in interest rates.

Operating Expenditures

Budgeted 2025 controllable operating expenditures are \$36,441,685, compared to \$32,816,038 forecast for 2024, and actual operating expenditures of \$29,661,078 in 2023. The increase in 2025 operating expenditures vs. 2024 is attributable to:

- \$1,877,002 of increased costs to service, maintain, and repair facilities;
- \$1,719,382 of increased salaries, wages, benefits, and PERA;
- \$460,453 of increased costs for District-wide technology and support services; and
- \$303,067 of increased costs for Library Content, Programs, and Outreach offerings.

Salaries and Wages

	<u>2023 Actual</u>	<u>2024 Forecast</u>	<u>2025 Budget</u>
	\$14,481,011	\$15,917,221	\$17,333,994
Expenditure change		\$1,436,210	\$1,416,773
Expenditure change %		9.9%	8.9%

The increase in the 2025 Budget for Salaries and Wages of 8.9% is primarily attributable to an annual raise and compensation adjustments due to market changes.

Benefits

	<u>2023 Actual</u>	<u>2024 Forecast</u>	<u>2025 Budget</u>
	\$906,985	\$1,300,849	\$1,359,171
Expenditure change		\$393,864	\$58,322
Expenditure change %		43.4%	4.5%

The District received a \$110,000 credit from Kaiser Permanente which affected the 2024 forecast, therefore the 2025 calculation shows a 4.5% increase in benefits expenditures. Overall, benefits are increasing by .19% over the 2024 budgeted amount.

PERA

	<u>2023 Actual</u>	<u>2024 Forecast</u>	<u>2025 Budget</u>
	\$2,094,267	\$2,317,676	\$2,561,964
Expenditure change		\$223,409	\$244,288
Expenditure change %		10.7%	10.5%

The 10.5% increase in PERA retirement costs for 2025 is primarily attributed to an increase in salary and wages.

Library Content

	<u>2023 Actual</u>	<u>2024 Forecast</u>	<u>2025 Budget</u>
	\$3,969,124	\$4,617,007	\$4,617,295
Expenditure change		\$647,883	\$288
Expenditure change %		16.3%	0.0%

Library Content includes books, e-books, audiobooks, e-audiobooks, electronic databases, digital products, DVDs, periodicals, and nontraditional resources. The District increased the Library Content budget in 2024, aligning it with needs, resulting in no additional increase for 2025. In the 2025 Budget, the District continues to shift its collections strategy in accordance with demand.

Facility

	<u>2023 Actual</u>	<u>2024 Forecast</u>	<u>2025 Budget</u>
	\$1,801,238	\$2,049,583	\$2,783,777
Expenditure change		\$248,345	\$734,194
Expenditure change %		13.8%	35.8%

Facilities costs include maintenance service contracts, property and casualty insurance, utilities, and other facilities-related costs. The increase in facilities costs in 2025 is primarily due to rising costs of utilities and repairs.

Technology Equipment and 3rd-Party Services

	<u>2023 Actual</u>	<u>2024 Forecast</u>	<u>2025 Budget</u>
	\$1,462,249	\$1,677,389	\$1,874,710
Expenditure change		\$215,140	\$197,321
Expenditure change %		14.7%	11.8%

Technology infrastructure costs for the District consist of licensing and maintenance agreements for computer software and hardware, subscription services for technology support in processing and cataloging books, telephone and telecommunications costs, and

various other computer and technical support costs of the library. Technology infrastructure costs are increasing by 9% over the 2024 budgeted amount.

Programs and Outreach

	<u>2023 Actual</u>	<u>2024 Forecast</u>	<u>2025 Budget</u>
	\$1,177,265	\$1,299,490	\$1,602,269
Expenditure change		\$122,225	\$302,779
Expenditure change %		10.4%	23.3%

Programs and Outreach costs include expenses associated with patron services programs, workshops, and reading programs offered by Douglas County Libraries. These expenses include presenter fees, prizes for reading programs, and community sponsorships, plus printing, graphic design, public relations, and advertising costs associated with providing programs and promoting library services.

Programs and Outreach costs also include expenses related to the District’s events and hospitality services, which offers event spaces for corporate and social functions. The 2025 Budget anticipates continued growth in events and hospitality services, including increases to revenue as well as corresponding increases to District expenses.

Increases in 2025 Programs and Outreach are primarily attributable to increases in program provider fees, sponsorships, program supplies and prizes, and advertising and promotion in connection ramping up the District’s full complement of events, programs and services.

District-wide Support

	<u>2023 Actual</u>	<u>2024 Forecast</u>	<u>2025 Budget</u>
	\$833,711	\$1,040,970	\$1,501,423
Expenditure change		\$207,259	\$460,453
Expenditure change %		24.9%	44.2%

District-wide Support includes the costs to manage the District, such as human resources, benefits administration, employee development, contracts administration, financial management, and reporting to the public and appropriate governing agencies.

The 2025 budget anticipates increases in training conferences, employee relations, staff wellness programs, other contracted services and small items of equipment. The increase over the 2024 *budget*, versus forecast, is a 12.6% increase.

Interest and Financing Costs

	<u>2023 Actual</u>	<u>2024 Forecast</u>	<u>2025 Budget</u>
	\$2,834,224	\$2,754,780	\$2,804,682
Revenue change		(\$79,444)	\$49,902
Revenue change %		(2.8%)	1.8%

Interest and financing costs include principal and interest payable under the 2015 Certificates of Participation of \$2,009,625, plus fees payable to the Douglas County treasurer for collection and distribution of property tax revenues of \$654,012. Also includes finance costs for district servers and self-check kiosks leases.

Tax Relief

	<u>2023 Actual</u>	<u>2024 Forecast</u>	<u>2025 Budget</u>
	\$0	\$0	(\$5,000,000)
Expenditure change		\$0	(\$5,000,000)
Expenditure change %		N/A	N/A

The District plans to return \$5,000,000 back to taxpayers, reflecting our commitment to fiscal responsibility.

Capital Expenditures

Pursuant to the District's current initiative to upgrade and maintain facilities at a higher standard of care, the District distinguishes between maintenance projects, which are funded from current operating revenues, versus improvement projects, which are funded from reserves.

Maintenance Projects

	<u>2023 Actual</u>	<u>2024 Forecast</u>	<u>2025 Budget</u>
	\$908,399	\$1,043,654	\$1,515,300
Expenditure change		\$135,255	\$471,646
Expenditure change %		14.9%	45.2%

Maintenance projects are forecasted to be \$1,043,654, or 97%, spent down of the 2024 budget. The variance is due to upholstery projects not started and instead budgeted at an increase for 2025, as well as various budget moves to complete the Highlands roof/VAV and entry way projects.

The increase of 45.2% for the 2025 budget is due to a new Safety & Security Access Control refresh project estimated at \$400,000.

The District reports expenditures to replace equipment, furniture and fixtures as well as enhancements to both public and staff spaces as maintenance projects. Enhancements are typically intended to support patron-focused changes in programming and usage trends.

Maintenance project expenditures for 2025 include:

- \$1,161,000 PC replacement, internet firewall upgrade, Jamex replacements, AV upgrades, phone system upgrades, branch servers, and access control refresh;
- \$196,000 furniture, fixtures & equipment maintenance at branches across the District; and
- \$158,300 site improvements throughout the District.

Improvement Projects

	<u>2023 Actual</u>	<u>2024 Forecast</u>	<u>2025 Budget</u>
	(\$13,238,407)	(\$2,583,888)	(\$870,000)
Expenditure change		\$10,654,519	\$1,713,888
Expenditure change %		(80.5%)	(66.3%)

Improvement projects are forecasted to be (\$2,583,888), or 98%, spent down of the 2024 budget. The variance is due to the Parker Branch indoor playscape costs coming in lower than budgeted.

The (66.3%) decrease for the 2025 budget is attributed to a reduced number of large-scale projects planned for the year.

Improvement projects budgeted for 2025 include:

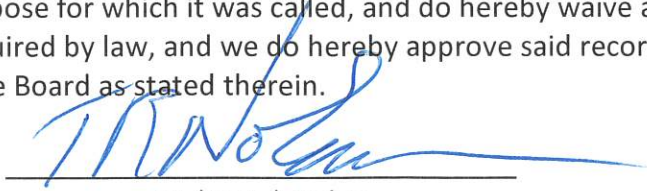
- \$450,000 parking lot rotomill and resurface at Highlands Branch
- \$325,000 elevator and fire alarm upgrades at Highlands Branch;
- \$85,000 window fixtures at Parker and Castle Rock Branches; and
- \$10,000 playscape installment at Highlands and Lone Tree Branches.



	2025		2025
	Budget	Amendment	Final Budget
Revenue			
Property taxes	\$39,724,614	\$2,276,892	\$42,001,506
Specific Ownership Taxes	1,599,360	0	1,599,360
Contributions/Grants	405,932	0	405,932
Charges for services	346,998	0	346,998
Interest Income	1,423,339	60,440	1,483,779
Total Revenue	\$43,500,243	\$2,337,332	\$45,837,575
Operating Expenditures			
Salaries & Wages	\$17,333,994	\$0	\$17,333,994
Benefits	1,359,171	0	1,359,171
PERA Pension	2,561,964	0	2,561,964
Library Content	4,615,675	1,620	4,617,295
Facilities	2,783,777	0	2,783,777
Technology, Equipment & 3rd-Party Services	1,874,710	0	1,874,710
Library Programs & Outreach	1,602,269	0	1,602,269
District-Wide Support Costs	1,493,324	8,099	1,501,423
Capital Maintenance Projects	1,515,300	0	1,515,300
Total Operating Expenditures	\$35,140,184	\$9,719	\$35,149,903
Debt Service	\$2,150,670	\$0	\$2,150,670
County Treasurer's Fees	619,860	34,152	654,012
Total Operating, Interest & Fee Expenditures	\$37,910,714	\$43,871	\$37,954,585
Total Revenues Over (Under) Operating Expenditures	\$5,589,529	\$2,293,461	\$7,882,990
Non-Operating Revenues (Expenditures)			
Tax Relief	\$0	(\$5,000,000)	(\$5,000,000)
Capital Improvement Projects	(870,000)	0	(870,000)
Total Non-Operating Revenues (Expenditures)	(\$870,000)	(\$5,000,000)	(\$5,870,000)
Total Revenues Over (Under) Total Expenditures	\$4,719,529	(\$2,706,539)	\$2,012,990
Beginning Fund Balance	29,362,231		\$29,362,231
Ending Fund Balance	\$34,081,760		\$31,375,221

DOUGLAS COUNTY LIBRARIES
BOARD OF TRUSTEES
ACKNOWLEDGMENT OF NOTICE AND
APPROVAL OF RECORD OF PROCEEDINGS

We, the undersigned members of the Board of Trustees of the Douglas County Libraries, Douglas County, Colorado, do hereby acknowledge receipt of proper notice of the public hearing of the Board held Wednesday, December 4, 2024 informing of the date, time, and place of the meeting and the purpose for which it was called, and do hereby waive any and all other notices which might be required by law, and we do hereby approve said record of proceedings and the actions taken by the Board as stated therein.



TR (Terry) Nolan



Jessica Kallweit



Suzanne Burkholder

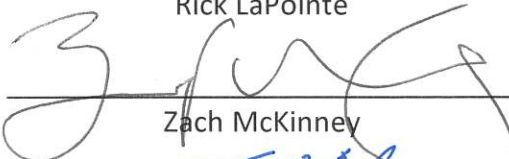
Signed by:
Meghann Silverthorn

02B115C2CDE34F1...

Meghann Silverthorn



Rick LaPointe



Zach McKinney



Ted Vail