Board of Trustees Regular Meeting Agenda

Douglas County Libraries
Wednesday, October 28, 2020
7:00 P.M.
Remote Meeting

CALL TO ORDER Presiding: Ron Cole, President

NOTICE *This meeting was noticed in compliance with both Colorado Open Meeting Law and the Douglas County Libraries Bylaws.*

ATTENDANCE

PUBLIC COMMENTS

CONSENT AGENDA **Page 4**

Board members may request to have any item(s) removed from the consent agenda for further conversation by making that request when asked by the chair and stating the item.

MOTION to approve Consent Agenda

1. Minutes September 30, 2020 Pages 5-7

EXECUTIVE LIBRARY DIRECTOR UPDATE

- Library & Department Activity Report Pages 8-15

DISTRICT BUSINESS **Page 16**

Do any board members have a conflict of interest to disclose regarding any of the below matters? If so, please recuse yourself, and return to the meeting after discussion has ended.

- 2021 Draft Budget Pages 17-26
- Quarterly Financial & Investment Report Pages 27-35

Committee Reports from Committee Chairs:

Capital Planning Committee (Danser)

- Negotiation Authorization Memo Page 36
    - **MOTION** to move into Executive Session for discussion of matters relating to negotiation position

EXECUTIVE SESSION

Inspiring a love of... READING... DISCOVERY... CONNECTION...

RETURN TO OPEN MEETING

- **MOTION** to authorization negotiation and expenditure Pages 37-41

Executive Committee (Cole)

Personnel Committee (Silverthorn)

FOUNDATION

TRUSTEE COMMENTS

UPCOMING BOARD MEETINGS

Currently Scheduled:

1. **Board Meeting and Budget Adoption Hearing**: December 2, Douglas County Libraries at Castle Pines, CPN Master Association Event Hall, 7:00 p.m. (Dinner at 6:30 p.m.)
2. **Board Study Session**: December 2, Douglas County Libraries at Castle Pines, CPN Master Association Event Hall, 5:00 p.m.
3. **Board Capital Planning Committee:** November5, Douglas County Libraries at Lone Tree, The Studio, 8:00 a.m. (Trustees Danser, Duffy, Vaughn)
4. **Board Executive Committee**: November 11, Douglas County Libraries at Lone Tree, The Studio, 8:00 a.m. (Trustees Cole, Duffy, Silverthorn)

OTHER BOARD CALENDAR ITEMS

1. **Partnership of Douglas County Governments Elected Officials Reception**: November 19, 2020, Highlands Ranch Mansion 6:00 – 8:00 p.m. (RSVP required)

ADJOURN

Douglas County Libraries

Board of Trustees

Regular Meeting
October 28, 2020

Inspiring a love of...

READING...

DISCOVERY...

CONNECTION...

Douglas County Libraries

Consent Agenda

#	Item	
1.	Minutes	Regular Meeting September 30, 2020

MOTION: I move to accept the September 20, 2020 regular board meeting minutes as presented

DOUGLAS COUNTY LIBRARIES
Board of Trustees Regular Meeting
September 30, 2020
Castle Rock – Philip S. Miller Library, Castle Rock, CO

President Cole called the regular meeting to order at 7:00 p.m.

This meeting was held and was noticed in compliance with both Colorado Open Meeting Law and the Douglas County Libraries Bylaws.

The following were present:

TRUSTEES IN PERSON: Suzanne Burkholder, Ron Cole, Dan Danser, Sean Duffy, Meghann Silverthorn, and Dawn Vaughn

Louise Wood was absent. The absence was excused. A quorum was present.

STAFF IN PERSON: Bob Pasicznyuk and Patti Owen-DeLay

The following were present remotely:
STAFF: Michael King
STAFF ATTENDING AS PUBLIC: Andrea Wyant

PUBLIC: None

PUBLIC COMMENT: None

APPROVAL OF CONSENT AGENDA

MOTION 20-09-01: Vaughn moved and the motion carried unanimously to approve the Consent Agenda as presented, including the meeting minutes of August 26, 2020; special minutes of September 2, 2020; 2021 District Holiday Closure Schedule; 2021 Storybook Holiday Closure; and the 2021 Board of Trustees Meeting Schedule.

EXECUTIVE LIBRARY DIRECTOR'S REPORT

<u>Reorganization Update</u>
Pasicznyuk reported that job description review around the reorganization and upcoming state and federal changes is completed. This work will continue until the end of 2020 with remaining job descriptions. Pasicznyuk shared process for interviewing and placement.

Silverthorn asked about measures of success for the reorganization.

Pasicznyuk will send out the report on the timeline, communication plan, and outcomes before the next meeting.

Quarantine Update
Pasicznyuk shared investigation and issues with the quarantine of materials. Staff are considering ending the practice.

DISTRICT BUSINESS
No one declared a conflict of interest.

- Appoint Foundation Class I Director for 2021
  MOTION 20-09-02: Vaughn moved and the motion carried unanimously for her to be the Foundation Class I Director for 2021.

- Appoint Trustee to sit on Trustee Selection Committee
  MOTION 20-09-03: Silverthorn moved and the motion carried unanimously for her to represent the library on the Board of County Commissioners panel for trustee selection recommendation.

Capital Planning Committee (Danser)
Pasicznyuk anticipates having a formal proposal to present to the board for analysis of the proposals sometime in the next couple of weeks. This will allow the board to review and define criteria for proposed developer partnerships in the Castle Rock and Sterling Ranch communities.

Executive Committee (Cole)
Cole shared that the committee reviewed:
- Developer proposals and the need for a consistent criteria of evaluation.
- COVID-19 effects on library services and practices.
- Volunteer Connect issues due to COVID-19, where not all partners are able to fund their share of this Partnership of Douglas County Governments program.

Personnel Committee (Silverthorn)
- Executive Library Director's Annual Review
  MOTION 20-09-04: Silverthorn moved and the motion carried unanimously to enter into Executive Session as allowed by Colorado Law for discussion of personnel matters, C.R.S. §24-6-402(4)(f).

EXECUTIVE SESSION

RETURN TO OPEN MEETING
The board returned to open meeting at 8:10 p.m. For the record, if any person who participated in the Executive Session believes that any substantial discussion of any matters not included in the motion to go into the Executive Session occurred during the Executive Session, or that any improper action occurred during the Executive Session in violation of Colorado Open Meeting Law, I ask that you state your concerns for the record.

Seeing none, Silverthorn requested extending the deadline for the board to do the Director's evaluation in order for the three new trustees to complete their orientation meetings with senior library staff.

MOTION 20-09-05: After receiving Pasicznyuk's approval, Silverthorn moved and the motion carried unanimously to amend the 2020 Executive Library Director's contract to extend the date for the Director's evaluation to the December board meeting of December 2, 2020.

FOUNDATION
Cole invited Vaughn to the October 26, 2020, Foundation meeting for an introduction. Cole reported that Tera Radloff and Rochelle Logan are term-limited and the October meeting will be their final meeting as their terms end December 31, 2020.

TRUSTEE COMMENTS: None

UPCOMING BOARD MEETINGS

Currently Scheduled:

1. **Board Meeting**: October 28, 2020, Douglas County Libraries in Castle Rock, Event Hall East, 7:00 p.m. (Dinner at 6:30 p.m.)
2. **Board Study Session**: October 28, 2020, Douglas County Libraries in Castle Rock, Event Hall East, 5:00 p.m.
3. **Board Executive Committee** (Trustees Cole, Silverthorn, Duffy): October 14, 2020, Douglas County Libraries in Lone Tree, The Studio, 8:00 a.m.

Other Board Calendar Items:

1. **Partnership of Douglas County Governments Elected Officials Reception**: November 19, 2020, Highlands Ranch Mansion, 6:00-8:00 p.m. (Danser is spokesperson)

Additional Board Meetings Scheduled for October:

1. **Trustee Orientation Meetings** (Burkholder, Danser, Vaughn): Orientation meetings with Senior Leadership have been set in October for the three new trustees, along with a districtwide library tour between Pasicznyuk and Vaughn.

The meeting was adjourned at 8:15 p.m.

Respectfully submitted,

Rondle L. Cole, Board President
Minutes prepared by Patti Owen-DeLay

Executive Library Director's Report: *Toward DCL's Business Plan*
Bob Pasicznyuk
October 2020

Meeting Objectives

1. Validate this last iteration of plan structure or create a new draft for the December meeting.
2. Gather trustee advice about the embedded librarian strategy for non-profit support.
3. Declare an ongoing search for library digital strategy.
4. Announce 1st Quarter trustee requirement for cross-functional implementation teams.

October Plan Draft

Planning is disruptive. The status quo is smooth, known, and comfortable. The status quo has its own proverb – *If it ain't broke, don't fix it*.

This quarter, I'm working with you and the library's Senior Leadership Team to identify strategic priorities that we'll pursue and use to monitor performance for the next half decade. I'm approaching planning with the Board and Senior Leadership Team through iterative design. Iterative design achieves success through a succession of drafts.

In the past month, I've heard these messages about the plan informing this draft that I'd like to share with you and discuss at our October board meeting.

- Hone the strategic priorities editing them for clarity and jargon reduction.
- Pull back from tactics making certain that the priorities are solid first.
- Invest heavily in innovative expressions of outreach and library visibility.
- The *equity and justice* strategy needs rigorous needs assessment.
- Discipline volume. Declare the resource demand for each area of focus.

In order to be clear about commitments and resources, let's imagine that all of the library's work in the next three to five years fits into a bucket. The bucket has a volume limit in terms of how much we can accomplish. The circles in the bucket represent four strategic areas of focus. All areas of focus aren't the same with some of this work requiring far more people, budget, and support than others. Let's move through the plan by order of demand on library resources.

Focus 1: Welcome our neighbors to vibrant libraries through creativity & discipline.

Outcomes: Customer use, engagement, and active household accounts.

Maintaining vibrant libraries that demonstrate value to our community through use is our highest priority and most demanding charge in the next half decade.

Vibrant Libraries – Strategy 1: Staff will engage their considerable creativity crafting services that make our libraries community destinations.

Vibrant Libraries – Strategy 2: Staff will devise new methods for gathering data and gain skill in making business decisions based on data analytics.

Specific, Annual Tactics: TBD 2021

Specific Tracking and Accountability Metrics: TBD 2021

Focus 2: Go beyond our libraries' walls for community impact.

Outcomes: Visibility for the library's products, services, and value.

Our first area of focus draws the community to our libraries. This second area of focus directs the library to innovate moving outside our doors and into the community.

Beyond our Walls – Strategy 1: The board may recall that our library took to the streets last year before the public health crisis and made connections at unexpected venues (for example: skate parks). This focus directs the staff toward the same impulse to achieve visibility throughout our Douglas County community.

Beyond our Walls – Strategy 2: Another way our library will gain a foothold in the community is through key partnerships. This focus requires staff to forge alliances and partnerships that benefit the library and partner organization so that the work of both is greater than either alone.

Specific, Annual Tactics: TBD 2021

Specific Tracking and Accountability Metrics: TBD 2021

Focus 3: Demonstrate equity and justice by tangible acts of service.

Outcomes: Staff passion and library resources meet specific DougCo needs.

The first two areas of focus require most of our resources. Both seek to yield a library of high value to many in our community. This third area of focus demands comparably few resources and will touch few customers. This focus directs staff to identify some specific community needs and determine a library support path within our mission to meeting those needs.

Acts of Service – Strategy 1: Optimize our existing program for language training, path to citizenship, and alternative educational options.

Acts of Service – Strategy 2: Within our mission, identify a small number of community needs that we should not ignore. Craft and deliver a service response.

Specific, Annual Tactics: TBD 2021

Specific Tracking and Accountability Metrics: TBD

Focus 4: Fortify our infrastructure for a sustainable future.

End Statement: DCL infrastructure mitigates risk and supports business strategy.

Our forward-facing work surrounds our mission, but that work will be undermined by deficits in library systems, processes, and culture. This area of focus directs the library to identify specific systems that pose risks or limit our effectiveness effecting change.

Fortify our Infrastructure – Strategy 1: The library will upgrade its finance and human resource systems to industry standards.

Fortify our Infrastructure – Strategy 2: The library will nurture and sustain its culture through a professional program of staff development.

Specific Tracking and Accountability Metrics: TBD

Process

Q4 | 2020: The Board and Executive Director hones the areas of strategic focus. The library conducts advance work and needs assessments in preparation for program completion in 2021.

Q1-2 | 2021: For each area of focus, cross functional teams will identify specific investments (work plans for products and services) to meet outrcomes. The Board will select a trustee liaison to work on each cross-functional team. The Executive Director will assign staff leadership for each team. Team leaders will identify staff talent for each team. The team's charge is five-fold: (1) Gain clarity with the outcomes and strategy, (2) Devise investments to meet outcomes, (3) Detail a plan to introduce the investments, (4) Determine tracking methods or metrics for plan accountability, and (5) Determine budget needs and implications for the proposed investments.

Q3-4 | 2021: The library's Senior Leadership Team will review program recommendations the cross-functional recommend. The SLT will negotiate the demands of the several programs converting the plan to a budget framework.

Advance Work October Report

This month, I interviewed Jill Savage, Coordinator for Homeless Students and Family for the Douglas County School District. The school district complies with federal legislation governing school services to homeless students – The McKinney-Vento Act.

McKinney-Vento defines "homeless children and youth" as individuals who lack a fixed, regular, and adequate nighttime residence." McKinney-Vento further refines and elaborates on the definition (https://www2.ed.gov/programs/homeless/guidance.pdf).

MCKinney-Vento requires schools to provide a range of services to students including meals, transportation, and augmented educational services (for example: tutoring).

Questions and Answers

Q. How many homeless students are in Douglas County schools?

A. The number varies year-to-year, but has been approximately 400 with the exception of the Great Recession when the number rose to about 600.

Q. How do homeless students gain access to the digital world – computers and connectivity?

A. Schools often issue laptops to students, but those programs are managed by individual schools.

Q. How do homeless students gain specialized instruction or instructional support?

A. The school district responds to those requests on an individual basis.

Q. How has and can the library support homeless students?

A. The library's existing range of programs provide social outlets and connection for students. Library facilities provide a consistent place for students to study and socialize.

Q. Are there needs, gap, or opportunity for the library to further assist these students?

A. Jill didn't describe a service gap or opportunity fit for library involvement.

Next Steps

Jill recommended the library analyze needs for students in *Title 1* schools. I have an interview scheduled with the school district to discover further opportunities. I could not identify needs the library might fill with the possible exception of mobile Internet access. I will continue advance work with the school district around this need and other opportunities in November.

Library and Department Activity Report

Proctoring for Success

In each interaction with staff or customers, Donna Gerlich is warm and welcoming, respectful and kind. Donna coordinates the proctoring services at the Highlands Ranch branch and in this role she showcases her dedication to others. Each test represents several service transactions for her – with students, parents, schools, professors, workplaces, and licensing organizations. Donna is unfailingly welcoming and respectful. Student know they can count on her. Parents feel comfortable partnering with her. Schools, professors, and other organizations all trust her to act in their stead.

Donna develops relationships with these folks and celebrates each student's accomplishments. Her conscientious efforts enable students to meet their educational and career goals, and they are crediting Douglas County Libraries with their success. If a measurement of a library's success is to change lives, then Donna is moving the library forward through the services she offers.

Keri Pugh is a customer that took several comprehensive and difficult financial planning exams (CFP designation) which required proctoring. The whole process meant she tested with Donna over a 2+ year period. Right before Christmas, Keri took her last exam with Donna at HI, then went on to successfully pass the state exam in March. When she finished the last exam, Keri cried with a mix of relief and gratitude. In her retelling of this story Donna said, "I felt as I often do, (that it is) a privilege to meet such inspiring and professional people." Keri's email to Donna demonstrates the impact our proctoring services are having to help people achieve their goals and realize their ambitions.

> "Good morning, Donna! How are you? I have been meaning to reach out for a while now to let you know that I successfully passed the CFP exam in March!! I passed on my first attempt, literally on Friday, March 13th, as COVID hit and the test centers began to close.
>
> I wanted to reach out with that update, since you have been involved in this process, every step of the way. Thank you for always being so gracious and positive. I just feel like you were my lucky charm in all of this. I will miss seeing you but not all the work that brought me to you. When next I find myself out that way, I will check-in to see if you're there. Thanks again!"
>
> *Keri Pugh*

Volunteer Connect Mobilizes Community During COVID-19

The Volunteer Connect Douglas County (VCDC) online resource was introduced in 2015 by the Partnership of Douglas County Governments. Under the leadership of Douglas County Libraries, VCDC is an interactive website that connects Douglas County based non-profit organizations in need of volunteers with individuals, families, and groups looking for ways to help. Volunteers of all ages can locate multiple opportunities throughout Douglas County, all in one easy-to-find place.

A program function of the portal includes a "Response to Emergency" category that allows volunteers the option to help in a community-wide emergency when completing their registration profile. Beneficial information such as specific skills or resources that could be used in the event of an emergency is provided by volunteers that opt in. Based on volunteers' emergency response details, filtered reports can generate quick-turn communications to select groups of volunteers by category. Filtered reports can also be generated based on volunteers' areas of interest, i.e. Healthcare, Family Services, etc.

When COVID-19 surfaced earlier this year, the essential needs in our community multiplied very quickly. In addition to the program function already in place to collect information on those interested in helping during an emergency, VCDC partnered with the Douglas County Community Response COVID-19 initiative supporting "#stronger together" to enable non-profit organizations in Douglas County to quickly post volunteer opportunities that were immediately necessary to help meet the needs of our community, i.e. food bank, senior center, etc.

As of early September, more than 200 volunteers have registered through the online portal for opportunities aligned with community help in response to COVID-19. The VCDC resource has been a significant factor in connecting, communicating and mobilizing our community during these unprecedented times.

Impact through Non-traditional Checkouts

We had a fun comment from a customer today about the DCL sewing machine check-out item. This customer was checking out about ten quilting and sewing books. She mentioned to me that she had put a hold on a sewing machine a few weeks before we were shut down in March. Her hold came in the week we closed, so she came into check it out. Because of the closure, she was able to keep the machine for several weeks. She said she hadn't sewed since she was a child, when her mother had tried to teach her. However, with nothing else to do in March and April, she remembered some of those skills and learned many more on the DCL machine and by using Creativebug. She is now quilting and sewing much of her free time; she is so grateful for having a new hobby she really enjoys. She said she never would have gotten this far, if the DCL machine hadn't been available to her when she was really looking for something. She has since purchased her own machine.

Digital Use through Pandemic - Across Three Library Systems:

- King County Library System (Washington): From March through August 2020, our digital usage is up 42% over the same period in 2019.
- Broward County (Florida): The average use of the library's digital resources has jumped nearly 20%. OverDrive has increased 23%, and Hoopla increased 33%,
- DCL: When looking at the same time frame, OverDrive circs went up 31%, Hoopla 32%.

In September, National Library Card Signup Month - DCL issued 2,103 new cards!

Upcoming Happenings

Quarantine(ish) Quiz Show
Friday, November 6, 2020. 7 PM Virtual Program
The Quarantine(ish) Quiz Show is back! In honor of the upcoming Thanksgiving holiday, this month's quiz will be all about the Hunger Games series by Suzanne Collins. Spend some time brushing up on Katniss, Peeta, and the rest of District 12, and let the Games begin. May the odds be ever in your favor!

Book Lovers at Home!
Looking for great new reads? We'll send you book lists, links to author interviews, and more to enjoy from home. This is a virtual event on Wednesday, November 18, at 6:30PM.

What They Are Saying About Us

OCT 11, 2020, 11:36 AM

I wanted to send a huge thank you to the team at Parker on Thursday night. I had some car trouble and they made sure I was safe until help arrived and were so kind.

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lalitha p
★★★★★ 3 days ago
Very beautiful library with many books. You can get dvds and cds too. You can choose to work from the library by booking... More

Reply

Dawn
★★★★★ 2 weeks ago

Clean quiet and organized, everything a library should be. So much to do and still be free.

Reply

Media Highlights

Your Contribution

SUBMIT A STORY: Have a story to share? Contribute to YourHub's community news at yourhub.denverpost.com.

Libraries offer tutors, help with schoolwork

By Melissa Anciaux
YourHub Contributor

Douglas County Libraries is offering a new Study Hall + Student Support service for middle and high school students who might be struggling with online learning.

The free service, part of the DCL Learning Lab, offers dedicated space for students in grades 6-12 to work on school assignments and get help with math, language arts and science schoolwork from qualified tutors.

The topic-specific Study Halls are available Monday-Thursday in morning and afternoon sessions, 8-11 a.m. or 1-4 p.m., at DCL's Castle Rock, Highlands Ranch, and Parker locations:

• Math at Castle Rock, 100 S. Wilcox St.

• Language Arts at Highlands Ranch, 9292 S. Ridgeline Blvd.

• Science at Parker, 20105 East Mainstreet

Registration is required at DCL.org/learning-lab. Limit your sign-ups to one session per student per day.

Space is limited to accommodate social distancing guidelines, and the library system adheres to all health guidelines. Masks must be worn.

All tables and surfaces in the rooms are sanitized during the break between sessions each day.

"We hope that these study halls and the professional tutors will help support parents and teachers who are stretched thin with the pressures of blended learning and all that it entails for schools and families," said Kerri Morgan, DCL's special events department head.

For more information on Study Hall + Student Support and to register for a session, visit DCL.org/learning-lab or call 303-791-7323.

The DCL Learning Lab also offers enrichment camps for elementary students ages 5-10, with new camps available after Douglas County School District's fall break. Visit DCL.org/learning-lab to learn more about those camps.

Melissa Anciaux is a staff writer and editor at Douglas County Libraries.

Douglas County Libraries is offering Study Hall + Student Support for sixth- to 12th-graders, including in-person tutoring. *Hutch Tibbetts, Douglas County Libraries*

Highlands Ranch Lifestyle Magazine: Library Foundation Donations
Douglas County News-Press: Douglas County Seeks Volunteers for Citizen Advisory Boards
Colorado Health & Wellness Magazine: Douglas County Libraries (DCL) Memory Care Kits

Douglas County Libraries District Business

Item	Prepatory Work	Motion
2021 Draft Budget	Provided for the board by October 15 each year per legal statute and included in the packet to to be part of the record	No action required
Quarterly Financial & Investments Report	Review the Financial and Investments Report. By policy the Board receives these for review and discussion on a quarterly basis.	No action required
Authorize Negotiation with Development Group	Review the memo, Board Decision and consider if the board should authroize staff to negotiate for a partnership deal and expend money necessary for such investigation and negotiation.	I move to authorize the Executive Library Director to enter into negotiations around a partnership development project for the Castle Rock library and to spend up to $25,000 towards that effort.

Rather than budget based on 2020 actual revenues and expenditures as affected by the Covid-19 pandemic, the 2021 budget supports a return to our library's full program of products and services. If public policy restricts our ability to deliver on services, 2021 performance reports will likely show positive variances raising library capital reserves.

Top 10 Expenditures

	Amount	% of Revenue
Salaries and wages	$13,796,417	42%
Library content	3,879,982	12%
Debt service	1,751,427	5%
Employee retirement	1,672,441	5%
Information technology	1,595,897	5%
Facilities maintenance	1,166,362	4%
Health insurance	1,113,928	3%
Library programs and outreach	1,040,189	3%
Capital maintenance projects	768,500	2%
Utilities	434,876	1%
Total	$27,220,019	82%

The budget's rankings continue to illustrate our library's priorities.

- Top tier talent to deliver premium products and services 50%
- Library inventories, events, activities, and outreach 15%
- Facilities Maintenance and Improvements 13%
- Growing our capital reserves for future expansion 11%

2021 continues our cycle of methodical investments to update and improve our branches. In 2021, our Lone Tree library is the focus of our cyclical capital improvements.

Additional capital improvements include the following:

Reconfiguration of the sorter at PSM to accommodate passive bins throughout the District. This will afford significant improvements to materials handling processes across the District.

Replacement of the District's 22 self-checks.

Installing touchless door openers on all remaining restrooms in the District, and further securing access to District Support work areas.

Continuing the District's program to replace/upgrade District PC's and laptops, Branch servers, District servers, and internet firewalls on a scheduled basis.

Respectfully Submitted

Robert W. Pasicznyuk

Douglas County Libraries
Description of Services

Douglas County Libraries serves a population of approximately 370,000 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:

Circulation
Circulation consists of the provision of books, e-books, periodicals, audios, videos and other library content for lending use to the public. More than 5 million physical items circulate annually. In 2020, we surpassed the 1 million mark for digital lending. We continue to be in the top libraries in the state of Colorado. Our convenient holds service accounts for approximately 16.7% of Douglas County Libraries' annual circulation of physical materials.

Online Services
Virtual services continue to grow in breadth and use. In 2020, from January -September we enjoyed 1,491,325 million visits to our website, and 1.4 million visits to our catalog. Downloadable materials, during the same time period, make up 31% of total circulation, including music, books and audiobooks. 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.

Community Gathering Spaces
The library serves as a key community gathering place. Although 2020 brought unexpected challenges to our service model, in past years we are open more than 20,000 hours per year and welcome nearly 1.7 million visitors annually at our seven locations. 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. Civic groups, groups planning special events, nonprofits and organizations of all kinds used our popular meeting rooms 2,928 times between January and September of 2020. 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 collaborates with customers to determine their likes and dislikes and recommend good reads. Through conversation, 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-September of 2020, we offered 1,175 children's events that reached more than 52,390 attendees. This includes virtual events offered while our library locations were closed. Storytime attendance alone accounted for 36,959 attendees. 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, Senior Reads and our Book Start program, in which staff and volunteers read and tell stories at child and adult day care 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 9 months of 2020, 115, 391 reference questions were answered. 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. Although, we were closed during part of the summer season due to COVID-19, our Summer Reading Program still reached more than 12,000 participants in 2019. 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, such as writing, photography, games and cosplay. Adults benefit from events that highlight adult literacy, High School Equivalency (HSE) and 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 patrons the opportunity to mingle with writers, celebrate reading, and hear authors read from their latest works.

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 non-profits, 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 4,816 customer materials requests in January – September 2020. Of those, 26% were fulfilled by interlibrary loan and 25% led to DCL purchases. Throughout the first nine months of 2020, via Prospector, we loaned 17,500 items, while our customers borrowed 18,909 items.

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 over 800 in 2020. Opportunities to work with adult learners, help with book sales, shelving, reading to children and seniors, and preservation of local history make our volunteer opportunities a vibrant service that also provides job skills, personal growth and community involvement.

Douglas County Libraries

	2019	2020		2021		2021 vs.
	Actual	As of Aug 31 Forecast	% Revenue	Budget	% Revenue	2020 Growth
Revenues						
Property Taxes	25,757,167	28,989,582	89%	29,588,789	89%	2%
Auto Ownership Taxes	2,512,679	2,498,540	8%	2,516,416	8%	1%
Contributions/Grants	401,246	335,553	1%	321,652	1%	-4%
Charges for Services	688,859	524,498	2%	577,453	2%	10%
Interest Income	548,596	280,005	1%	237,370	1%	-15%
Total Revenue	**29,908,546**	**32,628,178**	**100%**	**33,241,680**	**100%**	**2%**
Operating Expenditures						
Salaries and Wages	12,230,828	12,756,611	39%	13,796,417	42%	8%
Benefits	1,177,760	1,321,526	4%	1,386,762	4%	5%
PERA	1,609,972	1,564,317	5%	1,672,441	5%	7%
Library Content	3,669,890	4,024,290	12%	3,879,982	12%	-4%
Facility	1,810,112	1,824,045	6%	1,887,338	6%	3%
Technology Equipment & 3rd-Party Services	1,370,079	1,613,950	5%	1,595,897	5%	-1%
Library Programs & Outreach	813,191	897,217	3%	1,040,189	3%	16%
District-Wide Support Costs	857,267	1,053,631	3%	1,244,124	4%	18%
Capital Maintenance Projects	335,113	775,036	2%	768,500	2%	-1%
Subtotal Operating Expenditures	23,874,211	25,830,622	79%	27,271,650	82%	6%
Debt Service	2,012,300	2,012,800	6%	1,751,427	5%	-13%
County Treasurer Tax Collection Fee	385,475	550,585	2%	485,238	1%	-12%
Total Operating, Interest & Fee Expenditures	**26,271,986**	**28,394,007**	**87%**	**29,508,315**	**89%**	**4%**
Revenues Over (Under) Operating Expenditures	**3,636,561**	**4,234,171**	**13%**	**3,733,365**	**11%**	**-12%**
Non-Operating Revenues (Expenditures)						
Lease Income (Expense), net	191,913	110,814	0%	161,774	0%	46%
Capital Improvement Projects	(4,176,830)	(1,136,255)	3%	(330,500)	1%	-71%
Total Non-Operating Revenues (Expenditures)	**(3,984,917)**	**(1,025,441)**	**3%**	**(168,726)**	**1%**	**-84%**
Total Revenues Over (Under) Total Expenditures	**(348,356)**	**3,208,730**	**10%**	**3,564,639**	**11%**	**11%**

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2021 Budget
Maintenance & Improvement Projects
For Projects over $5,000 and a life of greater than one year
As of January 01, 2021

		Original Budget
Operating Expenditures: Maintenance Projects		
	District IT:	
[M1]	Security camera system	$50,000
[M1]	Internet firewall upgrade	50,000
[M1] [M2]	District servers replacement	50,000
	Comrel large format printer	30,000
[M1]	Branch servers	70,000
[M1]	PC replacement	200,000
	Subtotal	**450,000**
	District-Wide:	
[M1]	Handi-cap touchless door openers on all remaining restrooms	75,000
	Miscellaneous concrete & asphalt repairs	25,000
	Replace dead/struggling landscaping	20,000
	Subtotal	**120,000**
	Castle Pines:	
	Front-of-house (patron) furnishings	25,000
	Re-upholstering	5,000
	Meeting room chairs maintenance	1,500
	Back-of-house (staff) furnishings	5,000
	Subtotal	**36,500**
	Castle Rock:	
	Re-upholstering	5,000
	Install Mondo flooring in Archives	7,000
	New furniture in Archives	18,000
[M1]	Sorter reconfiguration to accommodate passive bins	70,000
	Subtotal	**100,000**
	Highlands Ranch:	
	Re-upholstering	$5,000
	Meeting room chairs maintenance	2,000
	Subtotal	**7,000**
	Parker:	

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2021 Budget
Maintenance & Improvement Projects
For Projects over $5,000 and a life of greater than one year
As of January 01, 2021

		Original Budget
	Front-of-house (patron) furnishings	15,000
	Re-upholstering	10,000
	Meeting room chairs maintenance	10,000
	Back-of-house (staff) furnishings	3,000
	Subtotal	**38,000**
	Roxborough:	
	Re-upholstering	2,000
	Meeting room chairs maintenance	15,000
	Subtotal	**17,000**
	Total Maintenance Projects	**$ 768,500**

Notes

[M1] Requires Board motion to approve

[M2] District servers will be procured thru a 5-year lease. $0

Non-Operating Expenditures: Improvement Projects

	Lone Tree Refresh:	
	Front-of-house (patron) furnishings	$30,000
	Re-upholstering	15,000
	Meeting room chairs maintenance	15,000
	Back-of-house (staff) furnishings	15,000
	Indoor playscape	45,000
[I1]	Replace public area carpet	75,000
	Asphalt repairs, seal coat & re-stripe	16,000
	Xeric landscaping refresher	20,000
	Jamex coin box replacements	7,000
	Wireless access point replacements	12,500
	Subtotal	**250,500**
	District IT:	
[I1]	Replace 22 District self checks	80,000
	Subtotal	**80,000**
	Total Improvement Projects	**$330,500**

Notes

[I1] Requires Board motion to approve

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2021 Budget
Key Assumptions ($ 000's)

Property Taxes	Growth rate of 1.6%, based on historical growth rates over the last three 2-year property tax assessment cycles. Property values are reassessed in odd-numbered years (i.e. 2021). DCL realizes impact of reappraisal in even numbered years as property taxes are paid in arrears.
Auto ownership taxes	Based on historic growth in receipts; validated against auto industry forecasts which show flat to declining sales in 2021.
Contributions & Grants	-4% decline vs. 2020 forecast, includes the following: $86,000 Colorado Department of Education grant; $61,000 e-rate program grant (program thru the FCC based on fees charged to companies providing telecommunications services): $35,000 grants from DCLF; $140,000 unrestricted grant from PSM Endowment.
Charges for Services	10% growth rate based primarily on growth in entry fees received from special events developed by Community Engagement, plus moderate growth from Covid-19 levels for book fines and room rentals.
Interest Income	Reflects 0.15% ColoTrust interest rate on liquid investments.
Employee Benefits	Health Insurance: 4.6% across-the-board increase in health insurance premiums. Life, AD&D , Accident & Critical Illness premiums guaranteed thru 1/1/2022.
Capital Projects	No contingency
Salaries & Wages:	3% increase @ January 1, 2021, subject to compensation increase pursuant to assuming new position in Q4 2020 $50,000 bonus pool

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2021 Budget
Key Assumptions ($ 000's)

Salaries & Wages Cont'd):

	2021 Budget	% Budget	
			Branches
$	622,882	5%	Castle Pines
	1,634,204	12%	Castle Rock
	1,587,520	12%	Highlands Ranch
	1,217,658	9%	Lone Tree
	0	0%	Louviers
	1,521,702	11%	Parker
	378,950	3%	Roxborough
	546,988	4%	Branch Operations
$	7,509,904	55%	Subtotal Branches
	262,678	2%	Bibliographic Services
	889,138	7%	Collection Services
$	1,151,816	8%	Subtotal Library Content
	1,340,976	10%	Community Relations
	793,676	6%	Executive
	517,366	4%	Information Technologies
	54,080	0%	Infrastructure Services
	422,110	3%	Finance Department
	419,574	3%	Facilities
	423,774	3%	Volunteer Dept
	351,312	3%	Human Resources
	219,830	2%	Events And Hospitality
	442,000	3%	Learning And Development
$	13,646,418	100%	Subtotal DCL
	100,000.00		PTO Payout, On Call/ Standby, Call Back, Retroactive, Severance
	50,000.00		Bonus
$	13,796,418		Total DCL

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PUBLIC NOTICE
NOTICE AS TO PROPOSED 2021 BUDGET

NOTICE IS HEREBY GIVEN that a proposed budget has been submitted to the Board of Trustees of the Douglas County Libraries for the year 2021. A copy of such proposed budget has been filed in the administrative offices of the Douglas County Libraries, 100 S. Wilcox Street, Castle Rock, CO where same is open for public inspection. The proposed budget will be considered at the regular meeting of the Douglas County Libraries Board of Trustees to be held via remote call in on Wednesday, December 2, 2020 at 7:00 p.m. Call in access is available at https://www.dcl.org/board-meetings/.

Any interested elector of the Douglas County Libraries may inspect the proposed budget and file or register any objections at any time prior to the final adoption of the budget.

Dated: October 15, 2020
BY ORDER OF THE BOARD OF TRUSTEES
DOUGLAS COUNTY LIBRARIES

By: /Robert Pasicznyuk/
Robert Pasicznyuk
Executive Library Director

Douglas County Libraries

FINANCIAL STATEMENTS

David Anderson, Director of Finance
Report for the nine months ending September 30, 2020

Balance Sheet

As of September 30, 2020, the District has $30.252 million of cash and liquid investments at ColoTrust, with yields on these investments ranging from 1.85% to 0.02% during the nine months ending September 30, 2020.

The District is not currently holding any funds in term investments with the Colorado Statewide Investment Program (CSIP), as yields on the CSIP liquid and term investments were consistently lower than yields on liquid investments at Colorado Trust for the nine months ending September 30, 2020. We continue to monitor rates offered by ColoTrust and CSIP, and will re-assess our investment policy if this interest rate differential changes.

At September 30, 2020 the District recorded a receivable of $0.278 million for property taxes. We expect the District to collect in excess of 99% of property taxes budgeted for 2020.

Funds available for future capital improvements total $25.9 million at September 30, 2020, as reported on the fund balance line of the balance sheet.

Performance vs Budget

Overall, the District has realized a $0.174 million (1%) favorable variance to budget as of September 30, 2020.

Total operating revenues remain at 2% below budget for the nine months ending September 30, 2020.

In Q3 2020, collections of property taxes, auto ownership taxes and grants improved. Thru September 30, 2020, the District's has realized growth in property tax revenues of 12% vs. the same period in 2019. Overall, Charges for Services are 46% below budget thru Q3 2020 due to Covid-related cancellations in services. We expect this budget shortfall to continue thru Q4 2020, unless Covid restrictions are lifted. Program fees, which are included in Charges for Services, are 95% of budget thru Q3 2020, largely on the strength of the DCL Delivers program over the summer months. Interest income is 34% below budget due to lower than budgeted interest rates. The District earned a 0.66% annual yield on its cash and investments for the nine months ending September 30, 2020.

Operating expenditures are 4% under budget thru September 30, 2020. After adjusting for $0.563 million of Covid-19 related operating expenses, operating expenditures would be 7% under budget thru September 30, 2020.

Salaries, Wages, Benefits & PERA Retirement are 4% under budget thru September 30, 2020 due to multiple factors: open positions, separations vs. new hires, less scheduled hours due to Covid restrictions, and savings in the District's annual 3% salary/wage increase. After adjusting for $0.337 million of Covid-19 related operating expenses, Library Content expenditures would be 7% under budget thru September 30, 2020. Facilities costs are under budget by 10%, driven primarily by utilities, building repairs, janitorial supplies, and floor care. Costs for programs & outreach are under budget by 24%, consistent with the drop in associated revenues. District-wide support costs are under budget by 23% due to across-the-board reductions related to Covid-19 restrictions.

Net Lease Income for the District's real estate properties are under budget by ($0.032) (35%) thru September 30, 2020 due to rents that were waived in conjunction with the Covid emergency and as an inducement for lessees to agree to renewal terms that are advantageous with respect to the District's PSM renovation plans.

Reimbursement of Costs Incurred in Conjunction with the Covid-19 Emergency

On August 17, 2020, the District was notified that it was allocated $500,000 from the Coronavirus Relief Fund Program (CVRF), which is a CARES Act fund authorized under Section II of Governor Polis' Executive Order 2020 081. The CVRF is being administered by the Colorado Department of Local Affairs (DOLA). Defined expenses incurred between March 1st and December 31st of 2020 are eligible for reimbursement from the funds allocated to the District. On October 1, 2020 the District submitted an application for reimbursement of $192,476 of Covid-19 expenses, which expenses excluded any expenses related to personnel or library content. The District is preparing additional requests for reimbursement of personnel, library content, and other Covid-19 expenses. The District expects to file requests for reimbursement of the full $500,000 awarded to the District by December 31, 2020.

As the CVRF consists of Cares Act funds, and the amount of CVRF funds awarded to the District is less than $750,000, the District will not be required to have a special "Single Audit" of the CVRF funds it receives in 2020.

2020 Forecast

Based on the District's 2020 performance thru September 30, 2020, and assuming the District performs according to its remaining budget thru December of 2020, the District is projecting a fund balance of $22.09 million at December 31, 2020, which is $1.99 million higher than the fund balance reflected in the original 2020 budget. The majority of this additional projected fund balance as of year-end 2020 is from budget savings in 2019 for PSM renovation improvements of $1.2 million.

Quarterly Report of Cash and Investments
September 2020

	Institution	% of Total	Value	Maturity Date	Interest Earned (Received) YTD	Jan 1	Sept 30
Cash							
	Colotrust *	99.24%	$ 30,252,107	N/A	**$ 152,603**	**1.86%**	**0.02%**
	Independent Bank	0.57%	173,378	N/A	**113**		**0.05%**
	Wells Fargo Bank	0.16%	49,790	N/A	**7**		**0.01%**
	CSIP Liquid*	0.02%	6,723	N/A	**42**	**1.80%**	**0.02%**
	Cash in Use	0.01%	2,949	N/A	**-**		N/A
	Total Cash	100.00%	**30,484,947**		**152,765**		
	Property tax interest				**21,148**		
	Total Cash and Investments		**$ 30,484,947**		**$ 173,913**		

NOTE:
* Variable rate account.

BALANCE SHEET

	Dec 31, 2019 Audited	Sep 30, 2020 Unaudited
ASSETS		
Cash	$ 18,995,228	$ 30,484,947
Property taxes receivable	29,228,336	278,377
Prepaid expenses and deposits	367,536	324,196
Receivable DCL Foundation	78,822	48,048
Accounts receivable	3,567	2,900
Total assets	**$ 48,673,489**	**$ 31,138,469**
LIABILITIES & FUND BALANCE		
LIABILITIES		
Deferred property taxes	$ 28,992,824	$ 278,377
Accrued salaries and benefits	307,217	104,348
Accounts payable	651,650	244,508
Payable to DCL Foundation	-	-
Other accrued liabilities	81,982	71,377
Total liabilities	**$ 30,033,673**	**$ 698,610**
FUND BALANCE		
Nonspendable fund balance	$ 329,418	$ 324,196
Restricted fund balance	891,882	891,882
Assigned fund balance	3,300,000	3,300,000
Unassigned fund balance	15,725,255	14,123,738
Committed fund balance	-	-
Excess revenue over expenditures	(1,606,739)	11,800,043
Total fund balance	**$ 18,639,816**	**$ 30,439,859**
Total liabilities and fund balance	**$ 48,673,489**	**$ 31,138,469**

Douglas County Libraries

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE

(Unaudited)

	Sep 2020	For the Nine Months Ending Sep 30, 2020				2020 Annual Budget	
	Actual	Actual	Budget	Variance	% Budget	Original	Remain %
Revenues							
Property Taxes	$129,222	$28,796,285	$28,960,830	($164,545)	-1%	$29,122,824	1%
Auto Ownership Taxes	219,122	1,613,203	1,607,803	5,400	0%	2,516,417	36%
Contributions/Grants	0	83,901	70,000	13,901	20%	321,652	78%
Charges for Services	36,205	286,692	532,871	(246,179)	-46%	743,150	28%
Interest Income	10,573	173,913	262,503	(88,590)	-34%	350,000	25%
Total Revenue	**$395,122**	**$30,953,995**	**$31,434,007**	**($480,012)**	**-2%**	**$33,054,043**	**5%**
Operating Expenditures							
Salaries and Wages	$904,119	$9,069,547	$9,477,989	$408,442	4%	$13,064,237	27%
Benefits	97,933	919,124	979,342	60,218	6%	1,371,637	29%
PERA	118,743	1,183,356	1,249,982	66,626	5%	1,624,762	23%
Library Content	368,240	3,177,303	3,046,646	(130,657)	-4%	3,889,201	22%
Facility	118,713	1,074,193	1,188,352	114,159	10%	1,895,231	37%
Technology Equipment & 3rd-Party Services	123,178	1,024,987	1,018,160	(6,827)	-1%	1,640,975	38%
Library Programs & Outreach	22,739	343,487	452,212	108,725	24%	992,518	54%
District-Wide Support Costs	43,940	537,542	697,782	160,240	23%	1,130,480	38%
Capital Maintenance Projects	36,231	395,523	395,524	1	0%	733,037	46%
Subtotal Operating Expenditures	$1,833,838	$17,725,062	$18,505,989	$780,927	4%	$26,342,078	30%
Debt Service	$0	$381,400	$381,400	$0	0%	$2,012,800	81%
County Treasurer Tax Collection Fee	2,028	432,308	337,416	(94,892)	-28%	436,842	23%
Total Operating, Interest & Fee Expenditures	**$1,835,865**	**$18,538,770**	**$19,224,805**	**$686,035**	**4%**	**$28,791,720**	**33%**
Revenues Over (Under) Operating Expenditures	**($1,440,744)**	**$12,415,224**	**$12,209,202**	**$206,022**	**2%**	**$4,262,323**	**-186%**
Non-Operating Revenues (Expenditures)							
Lease Income (Expense), net	$13,076	$59,996	$92,267	($32,271)	-35%	$146,846	37%
Capital Improvement Projects	(210,400)	(675,177)	(675,177)	(0)	0%	(1,136,255)	41%
Total Non-Operating Revenues (Expenditures)	**($197,324)**	**($615,181)**	**($582,910)**	**($32,271)**	**6%**	**($989,409)**	**41%**
Total Revenues Over (Under) Total Expenditures	**($1,638,068)**	**$11,800,043**	**$11,626,292**	**$173,751**	**1%**	**$3,272,914**	**-255%**
Beginning Fund Balance	32,077,927	18,639,816	16,828,274			16,828,274	
Ending Fund Balance	**$30,439,859**	**$30,439,859**	**$28,454,566**			**$20,101,188**	

	Forecast
Current fund balance	$30,439,859
Estimated remaining revenues over (under) total expenditures	(8,353,378)
Projected 2020 year-end fund balance	22,086,481
Budgeted 2020 year-end fund balance	(20,101,188)
Increase (decrease) 2020 year-end balance	$1,985,293

Douglas County Libraries

Salaries & Wages Budget vs Actual

Department	Sep 2020 Actual	For the Nine Months Ending Sep 30, 2020 Actual	Budget	Variance	2020 Annual Budget Original	Remain %
Branch Operations						
PSM - Castle Rock	$ 116,592	$ 1,245,662	$ 1,310,861	$ 65,199	$ 1,704,122	23%
JHL - Highlands Ranch	102,998	1,175,370	1,319,505	144,135	1,715,349	23%
CAP - Castle Pines	39,418	402,985	488,443	85,458	634,968	23%
LT - Lone Tree	83,596	875,976	927,505	51,529	1,205,766	23%
PA - Parker	107,687	1,073,768	1,206,895	133,127	1,568,962	23%
ROX - Roxborough	24,141	242,762	291,117	48,355	378,444	23%
LOU - Louviers	703	4,916	7,620	2,704	9,906	23%
Branch Operations	33,141	438,931	444,598	5,667	563,707	21%
Total Branch Operations	**$ 508,276**	**$ 5,460,370**	**$ 5,996,544**	**$ 536,174**	**$ 7,781,224**	23%
Administration						
Finance	24,775	292,429	311,220	18,791	404,589	23%
Executives	61,050	573,725	715,620	141,895	930,310	23%
Community Relations	82,882	890,166	945,180	55,014	1,222,023	23%
Events & Hospitality	16,807	169,347	170,038	691	221,045	23%
Human Resources	10,814	187,252	190,700	3,448	245,017	22%
Training	13,193	139,517	153,069	13,552	198,987	23%
Volunteers	30,671	267,160	290,471	23,311	387,221	25%
Infrastructure Services	2,080	2,080	0	(2,080)	0	0%
Information Technology	39,353	439,319	443,464	4,145	559,225	21%
Facilities	31,363	266,467	285,736	19,269	388,740	26%
Collection Services	46,706	422,755	426,584	3,829	568,838	25%
Bibliographic Services	18,284	200,310	203,251	2,941	264,232	23%
Total Administration	**$ 377,978**	**$ 3,850,527**	**$ 4,135,333**	**$ 284,806**	**$ 5,390,227**	23%
Adjustment for Open Positions	0	0	(192,309)	(192,309)	(250,000)	23%
Adjust to Accrual Basis	0	(571,410)	(571,410)	0	0	0%
Other Compensation [1]	17,865	334,060	71,371	(262,689)	92,786	23%
Bonus	0	(4,000)	38,460	42,460	50,000	23%
Total Salaries & Wages	**$ 904,119**	**$ 9,069,547**	**$ 9,477,989**	**$ 408,442**	**$ 13,064,237**	27%
Benefits & PERA	216,676	2,102,480	2,229,324	126,844	2,996,399	26%
Total Personnel Services	**$ 1,120,795**	**$ 11,172,027**	**$ 11,707,313**	**$ 535,286**	**$ 16,060,636**	**56.%**

[1] Other Compensation: On Call/Standby, Call Back, PTO Payout, Retroactive Pay, Relocation, Severance

2020 Budget
Maintenance & Improvement Projects
For Projects over $5,000 and a life of greater than one year
As of September 30, 2020

		Original Budget	Spent To-Date	Forecast Additional Spend Y/N	Forecast Additional Spend Amount (a)	Remaining Budget
Operating Expenditures: Maintenance Projects						
	District IT:	$ 233,000	$ 144,304		$ 88,696	$ -
	District-Wide:	0	0		0	0
	Castle Pines	13,440	12,440		1,000	0
	Castle Rock	64,738	62,349		2,389	0
	Highlands Ranch	88,111	27,046		61,065	(0)
	Lone Tree:	47,457	32,457		15,001	(0)
	Parker:	245,059	88,044		157,016	(0)
	Roxborough:	41,232	28,884		12,348	0
	Total Maintenance Projects	**$ 733,037**	**$ 395,523**		**$ 337,515**	**$ 0**

Notes

[M1] Requires Board motion to approve

Non-Operating Expenditures: Improvement Projects						
	Castle Rock Refresh:					
	Fransen Pittman:					
[I1]	Design & Permit Drawings	297,655	$15,850	N	281,805	$0
	Total Castle Rock Refresh	**$297,655**	**$15,850**		**$281,805**	**$0**
	Other:					
[I1]	Highlands Ranch Sorter	335,000	$260,527	N	74,473	$0
[I1] [I2]	District Servers	50,000	$0	N	50,000	$0
[I1]	Transport sorter bins 104@$4,400 each	453,600	$398,800	N	54,800	$0
	Total Other	$838,600	$659,327		$179,273	$0
	Total Improvement Projects	**$1,136,255**	**$675,177**		**$461,078**	**$0**

Notes

[I1] Requires Board motion to approve

[I2] District servers will be procured thru a 5-year lease.

Douglas County Libraries

Comparison of Property Tax Revenues

	2019				2020					
	Property Tax	Auto Tax	Other Adjustments	Total Taxes	Property Tax	Auto Tax	Other Adjustments	Total Taxes	Growth	Cumulative Growth
January	$0	$0		$0	$0	$0		$0	0%	0%
February	610,093	202,563	(20,984)	791,672	907,985	243,936	(15,358)	1,136,562	44%	44%
March	9,661,438	196,802	(59,399)	9,798,841	10,370,411	173,431	(53,992)	10,489,850	7%	10%
April	1,234,185	168,705	(9,492)	1,393,398	1,753,655	168,809	(25,452)	1,897,012	36%	13%
May	4,566,405	223,253	(31,906)	4,757,751	5,116,338	158,806	(29,375)	5,245,769	10%	12%
June	2,448,421	208,190	(15,366)	2,641,245	2,436,071	175,437	(17,915)	2,593,593	-2%	10%
July	6,811,856	193,473	(40,470)	6,964,859	7,889,699	221,354	(65,413)	8,045,640	16%	12%
August	262,866	263,225	(14,893)	511,199	413,967	252,309	(13,558)	652,718	28%	12%
September	125,624	221,400	(1,564)	345,461	158,696	219,122	(29,474)	348,344	1%	12%
October	36,009	225,476	(997)	260,487	0	0	0	0	-100%	11%
November	40,227	255,266	(4,340)	291,153	0	0	0	0	-100%	10%
December	79,849	441,063	(7,134)	513,778	0	0	0	0	-100%	8%
Total	**$25,876,974**	**$2,599,416**	**($206,545)**	**$28,269,845**	**$29,046,822**	**$1,613,203**	**($250,537)**	**$30,409,488**	**8%**	

INCOME STATEMENT
For the Nine Months Ending Sep 30, 2020

	Total Actual	Impact of Covid-19	Actual Net of Covid-19	Budget	Variance
Revenues					
Property Taxes	$28,796,285	$0	$28,796,285	$28,960,830	($164,545)
Auto Ownership Taxes	1,613,203	0	1,613,203	1,607,803	5,400
Contributions/Grants	83,901	8,901	75,000	70,000	5,000
Charges for Services	286,692	(26,291)	312,984	532,871	(219,887)
Interest Income	173,913	0	173,913	262,503	(88,590)
Total Revenue	**$30,953,995**	**($17,391)**	**$30,971,385**	**$31,434,007**	**($462,622)**
Operating Expenditures					
Salaries and Wages	9,069,547	0	9,069,547	9,477,989	$408,442
Benefits	919,124	0	919,124	979,342	60,218
PERA	1,183,356	0	1,183,356	1,249,982	66,626
Library Content	3,177,303	336,732	2,840,571	3,046,646	206,075
Facility	1,074,193	39,348	1,034,845	1,188,352	153,507
Technology Equipment & 3rd-Party Services	1,024,987	9,229	1,015,758	1,018,160	2,402
Library Programs & Outreach	343,487	67,548	275,939	452,212	176,273
District-Wide Support Costs	537,542	110,158	427,384	697,782	270,398
Capital Maintenance Projects	395,523	0	395,523	395,524	1
Subtotal Operating Expenditures	$17,725,062	$563,016	$17,162,047	$18,505,989	$1,343,942
Debt Service	381,400	0	381,400	381,400	$0
County Treasurer Tax Collection Fee	432,308	0	432,308	337,416	(94,892)
Total Operating, Interest & Fee Expenditures	**$18,538,770**	**$563,016**	**$17,975,755**	**$19,224,805**	**$1,249,050**
Revenues Over (Under) Operating Expenditures	**$12,415,224**	**($580,406)**	**$12,995,630**	**$12,209,202**	**$786,428**
Non-Operating Revenues (Expenditures)					
Lease Income (Expense), net	59,996	0	59,996	92,267	($32,271)
Capital Improvement Projects	(675,177)	0	(675,177)	(675,177)	(0)
Total Non-Operating Revenues (Expenditures)	**($615,181)**	**$0**	**($615,181)**	**($582,910)**	**($32,271)**
Total Revenues Over (Under) Total Expenditures	**$11,800,043**	**($580,406)**	**$12,380,449**	**$11,626,292**	**$754,157**

Douglas County Libraries

Memo

Memo to: Board of Trustees

Date: 10/23/2020

Subject: Late entry into the October Board meeting packet

From: Bob Pasicznyuk

Trustees:

Please find a background information for an agenda item at this month's board meeting. This content will be considered by the Board's Capital Review Committee on Monday, October 26. The information is late to the packet to handle meetings and discussions with the investor group who wishes to partner with Douglas County Libraries concerning redevelopment of the library's Castle Rock property.

Thank you for your consideration in this matter.

Bob

Douglas County Libraries

Board Direction

DATE: 10/23/2020

AGENDA ITEM: Authorization to defer or pursue negotiations with investors toward a development agreement for our Castle Rock property.

PERSON(S) RESPONSIBLE: Robert Pasicznyuk

EXECUTIVE SUMMARY: An investment group is requesting that the library enter into negotiations toward a development agreement for the library's property in Castle Rock. These investors wish to transform the library's property into a multi-story, high-density development where a new 67,000 sFt library resides with residential, retail, parking, and restaurant options. The outcome of negotiations is a development agreement that handles the necessary details for all parties. This document identifies foundational issues or prerequisites the Board may consider before authorizing the time and expense of detailed negotiations.

FISCAL IMPACT: Under investigation and to be discussed at the Board meeting.

MOTION: I move to authorize the Executive Library Director to enter into negotiations around a partnership development project for the Castle Rock library and to spend up to $25,000 towards that effort.

Context and Background

The Current Castle Rock Plan. The Board has prioritized upgrade of its Castle Rock library to bring the facility into parity with libraries in Highlands Ranch and Parker. In 2019, the library completed a detailed building program and cost estimate for delivering a 67,000 sFt library and support services facility on its existing Castle Rock property. The library contributes annually to a capital improvement fund which is on pace to support construction of this new facility in 2024. The plan allows the library to operate its existing library while constructing the new facility.

Investor Development Vision: Investors approached Douglas County Libraries through the Castle Rock Economic Development Council desiring to redevelop the library's current property – lots 1 and 2 bounded by Wilcox, Phelps, and Perry Streets. Their site plan has key elements.

- Multi-story buildings with a mix of residential and retail owners and tenants.
- High capacity parking solutions – both surface parking and a multi-level garage.
- A court-yard park with connectivity to trails and the Douglas County Events Center.
- A new Castle Rock public library facility and support services solution.

Precedents and National Context: Library public-private partnerships creating high-density, mixed-use sites are not the norm, but there are several examples for comparison.

Examples of U.S. Multi-site Developments with Libraries

1. Chicago Public Library – Independence, Little Italy, North Town, and Roosevelt Libraries
2. Madison Public Library – Hawthorne and Pinney Libraries
3. Milwaukee Public Library – East Library
4. Washington DC Library – West End Library

Madison Public Library is an apt example and operates two libraries in multi-use centers which their city targeted for redevelopment. These sites were *brownfield* and economic redevelopment zones. The City of Madison prized the library to lure customer traffic to the new developments. The library was incentivized to join each project to gain a facility at a fraction of the cost of traditional construction.

DCL Facilities Master Plan and this Opportunity: Our library's facilities master plan sets two commitments relevant to this opportunity. The Master Plan directs the library to regard the needs and interests of municipal governments while not forsaking the practical needs for a high performing library (pg. 5).

Prerequisites to Negotiation

Development negotiations are time-consuming and expensive for all parties. Before authorizing negotiations toward a development agreement, I recommend the Board consider several matters that are foundational to the investor's vision and are not likely to vary in negotiation. The Board can support these investors, the Castle Rock EDC, and the library's interests by assessing whether these are restraints that prevent further discovery and negotiation.

Relocation: The developer's plan requires the library accept relocation of our Castle Rock library for about two years to an alternate site. Customer disruption, Castle Rock commercial real estate market inventory, and relocation expenses are formidable challenges to relocation.

Cost: This is a significant negotiation – the value of the library's land, the library's cost of relocation, design needs for the new Castle Rock facility, responsibility of the library in future development maintenance expenses, project budget compared to library cash flow, and more. Library peers who have achieved similar agreements bore the expense to retain the services of legal and real estate professionals to represent the library's interests. The EDC counsels both parties to expect additional expenses for appraisals and construction estimation.

Ownership Model: The library is currently a free-standing owner of its buildings and facilities with the exception of our libraries in Louviers and Roxborough. In this ownership model, the library would hold a minority stake in the development among many. The library currently has relative freedom for its facility's future direction, standards of upkeep, and maintenance costs which will be decisions of the collective in a development ownership model. This type of

development also will set some limitations on the library's design as well as designer and contractor selection. In general, the library will have more autonomy about its interior spaces and less for its exterior or facility massing.

Schedule and Speed Expectation: This investor group wishes to pursue redevelopment aggressively with a goal of vacating the library and starting the project in about a year. They expect to conclude a development agreement in the next three to five months.

About Public Notice

Our attorney has advised that there are no legal requirements for the library to conduct a public process to notice competitors before entering into negotiations. The Castle Rock EDC has supported redevelopment agreements by soliciting interested parties via a public process or by merely working with interested parties who approach the EDC. Our library policies and by-laws require Board approval for land transactions, but do not require a public process prior to development negotiations.

Board Direction

Considering the foundational needs of this type of development and in comparison with the library's traditional path to secure a new Castle Rock facility, does the board wish to authorize a negotiation with this investor group and the Castle Rock EDC toward redeveloping the library's property in downtown Castle Rock? The outcome of the negotiation would be an agreement for Board action that redevelops our Castle Rock property and provides for a new library facility. Board authorization of a negotiation does not bind the board to the agreement. Redevelopment agreements are complex with significant risks, rewards, and areas of negotiation for all parties. The authorization would direct staff to achieve the best possible terms for the library that the Board would later accept or reject on their merits.
If the Board chooses to negotiate toward a development agreement, I recommend that the Board authorize funding inside a financial limitation (an amount not to exceed) to secure expertise for the negotiation and discovery process.

Draft Negotiating and Assessment Criteria for a Development Agreement

1. Cost: Comparison of any developer offer toward a 45,000 sFt public library and 22,000 sFt administrative office environment with DCL's ability to deliver those products on its own.

2. Time: Comparison of a developer timeline toward a 45,000 sFt public library and 22,000 sFt administrative office environment with DCL's ability to deliver those products on our own. Changes in timeline also limit or create expense.

3. Land Value: The District would receive market value for any land contribution.

4. Parking: Total parking capacity in a development compared to our own plan design.

5. Transition: Comparison of the cost and inconvenience of the transition working with a development partner against DCL pursuing the project on its own.

6. Future Asset Value: Comparison of the library's asset value within a development as compared to a free-standing library and office building.

7. Operating Costs: Typical annual maintenance costs in a development context compared to a free-standing library and office solution.

8. Business Impact: Any identified impacts to our business within a development or free-standing model compared to our other branch facilities.

Sources

Dave Anderson, Director of Finance, Douglas County Libraries
DCL Documents - Facilities Master Plan, Policies, By-Laws
Greg Michels, Director, Madison Public Library
Investors: The Fulcrum Group, Galloway & Company, JHL Construction
Kevin Tilson, Downtown Alliance Director, Castle Rock EDC
Rick O'Dell, Facilities Manager, Douglas County Libraries
Tamara K. Seaver, Library General Council, Icenogle Seaver Pogue