

AGENDA

The Denver Public Library Commission

Finance Committee Bi-Monthly Meeting

Thursday, February 2, 2023, 10 AM – 12 Noon

Link to view virtual meeting recording:

https://us02web.zoom.us/rec/share/tSEw5w5PVqvNhJkm1965aOLx_AeysXt7JuajiK72xvHnYrod1jTOV-0VfsW5DHdS.peqDnO5YQ1YCycxc

1. Call to Order
2. Introductions
3. Budget 101 and Finance Committee Expectations
4. 2022 Financial Review
5. Policy Setting: Establish Finance Committee



DENVER PUBLIC LIBRARY

Q4 2022 Financial Report

2022 Financial Reports

The first financial report is a summary of the 2022 actual activity for all library funds including revenue sources and expenditures by operational division.

Denver Public Library					
Statement of Revenue, Expenditures and Changes in Fund Balance					
For the period ending December 31, 2022					
		General Fund	Special Trust Fund	Grant Funds	Total Library Funds
Revenue					
	Distribution from City and County of Denver	\$ 48,832,296	\$	\$	\$ 48,832,296
	Friends Foundation Transfers		1,368,031		1,368,031
	Other Revenue	1,408	45,233	1,509,380	1,556,021
	Endowment Distribution		300,000		300,000
	Operational Activity		167,038		167,038
	Total Revenue	48,833,703	1,880,302	1,509,380	52,223,385
Expenditures					
	Neighborhood Services	16,456,786	891,440	1,121,336	18,469,562
	Collection, Technology & Strategy	12,312,219	118,192	185,479	12,615,890
	Central Library	7,747,369	391,042	108,275	8,246,686
	Finance, Facilities & Security	5,941,651			5,941,651
	Administration	3,807,943	51,849	128,526	3,988,318
	Communication & Community Engagement	1,770,502	10,943		1,781,445
	Human Resources	795,826	6,481		802,307
	Reserve				
	Total Expenditures	48,832,296	1,469,947	1,543,616	51,845,859
Change in Fund Balance					
	Fund Balance, Beginning		410,355	(34,236)	376,119
	Fund Balance, Beginning		2,484,133	(52,889)	2,431,244
	Fund Balance, Ending	\$	\$ 2,894,488	\$ (87,125)	\$ 2,807,363

The next financial report displays the 2022 budget and actual activity for the General Fund only. Revenues and expenditures are shown by type for the library as a whole, and the 2022 Revised Budget is shown alongside the Original Budget for comparative purposes.

Denver Public Library						
Budget to Actual Variance - General Fund						
For the period ending December 31, 2022						
2022 Budget						
	Original	Revised	2022 Actual	\$ Variance	% Variance	
Revenue						
Distribution from City and County of Denver						
Personnel	\$ 45,008,752	\$ 40,155,108	\$ 39,368,621	\$ (786,487)	-2.0%	
Supplies and Services	9,650,825	10,029,597	9,372,994	(656,603)	-6.5%	
Capital	0	159,872	92,088	(67,784)	-42.4%	
Other	0	0	1,408	1,408	0%	
Total Revenue	54,659,577	50,344,577	48,835,111	(1,509,466)	-3.0%	
Expenditures						
Personnel						
Salaries	31,926,015	27,072,371	28,038,530	(966,159)	-3.6%	
Benefits	13,082,737	13,082,737	11,330,092	1,752,645	13.4%	
Supplies and Services						
Books and Education Materials	5,604,445	5,690,840	5,684,577	6,263	0.1%	
Maintenance Agreements	1,318,686	1,235,401	1,257,523	(22,122)	-1.8%	
Professional Services	711,270	1,210,839	460,586	750,253	62.0%	
Leases and Rentals	435,572	403,729	350,023	53,706	13.3%	
Office Supplies and Furniture	224,154	299,711	307,707	(7,996)	-2.7%	
Repair, Maintenance and Construction	255,100	340,907	493,130	(152,223)	-44.7%	
Administrative Expenses	433,870	179,469	88,044	91,425	50.9%	
Utilities	224,610	234,893	249,273	(14,380)	-6.1%	
Travel and Training	144,434	179,154	257,525	(78,371)	-43.7%	
Operational Supplies and Materials	187,650	165,655	178,100	(12,445)	-7.5%	
Technology Supplies and Equipment	111,034	88,999	46,506	42,493	47.7%	
Capital	0	159,872	92,088	67,784	42.4%	
Total Expenditures	\$ 54,659,577	\$ 50,344,577	\$ 48,833,703	\$ 1,510,874	3.0%	

This final financial report contains the 2022 budget and actual activity for the Special Trust and grant funds. Original and Revised Budgetary information is provided.

Denver Public Library						
Budget to Actual Variance - Other Funds						
For the period ending December 31, 2022						
		2022 Budget		2022 Actual	\$ Variance	% Variance
		Original	Revised			
Revenue						
	Operational Activity	\$ 146,000	\$ 146,000	\$ 167,038	\$ 21,038	14.4%
	Endowment Distribution	300,000	300,000	300,000		0.0%
	DPL Friends Foundation Transfers	979,379	979,379	1,368,031	388,652	39.7%
	Grant Revenue	1,829,569	2,053,456	1,509,380	(544,076)	-26.5%
	Other Revenue	115,000	115,000	45,233	(69,767)	-60.7%
	Total Revenue	3,369,948	3,593,835	3,389,682	(204,153)	-5.7%
Expenditures						
Special Trust Fund						
	Restricted					
	Neighborhood Services	\$ 700,879	\$ 700,879	\$ 838,808	\$ (137,929)	-19.7%
	Central Library Administration	347,769	497,769	241,553	256,216	51.5%
	Collection, Technology & Strategy	55,000	55,000	55,000	0	0.0%
	Human Resources	200	200	0	200	100.0%
	Communication & Community Engagement	0	0	0	0	0%
	Finance, Facilities & Security	0	0	0	0	0%
	Administration	0	0	0	0	0%
	Unrestricted					
	Central Library	207,500	207,500	149,489	58,011	28.0%
	Collection, Technology & Strategy	110,000	136,000	63,192	72,808	53.5%
	Human Resources	27,656	27,656	6,481	21,175	76.6%
	Neighborhood Services	7,000	7,000	52,632	(45,632)	-651.9%
	Finance, Facilities & Security	64,000	4,000	0	4,000	100.0%
	Administration	3,000	3,000	2,590	410	13.7%
	Communication & Community Engagement	0	20,000	10,943	9,057	45.3%
	Undesignated	346,100	210,100	49,259	160,841	76.6%
	Total Expenditures	1,869,104	1,869,104	1,469,947	399,157	21.4%

Grant Funds						
	Institute for Museums and Library Services	348,464	331,875	165,846	166,029	50.0%
	State Grant for Libraries	412,061	386,697	386,697	0	0.0%
	NEH Grant		266,467	70,955	195,512	73.4%
	American Recovery Plan Act - CCD	1,069,045	1,068,417	920,118	148,299	13.9%
	Total	1,829,570	2,053,456	1,543,616	509,840	24.8%
	Total Expenditures	\$ 3,698,674	\$ 3,922,560	\$ 3,013,563	\$ 908,997	23.2%

PROCESS

An amendment to Section VII of the [Denver Public Library Commission Bylaws](#) to establish a Finance Committee as a formal advisory group to the Denver Public Library Commission.

AMENDMENT LANGUAGE

PURPOSE

The Finance Committee shall serve in an advisory capacity to the Library Commission on matters concerning the library's finances. Responsibilities shall include the following:

- A. To review the library's annual draft budget to obtain understanding of the library's financial position as well as how proposed budget priorities align with the library's Strategic Roadmap, as adopted by the Library Commission.
- B. To make recommendations to the Library Commission concerning library finances, annual budget, fiscal policies and long-range financial planning to address the needs of the organization.
- C. To review library revenues and actual expenses on a quarterly basis.

QUALIFICATION & ELIGIBILITY

Members of the Finance Committee shall take it upon themselves to be educated regarding the role of the Committee in supporting the prudent financial management of the Library's different funds. Committee members will engage in an annual training to ensure firm understanding of fiscal policies, strategic financial management goals and annual budget plans.

Membership, Terms

The Finance Committee shall be composed of three to five people including at least two Library Commissioners selected in the annual committee assignment process and appointed to serve a term of one year. Other members may be selected from the Denver community and appointed by the Commission President.

Meetings, Voting

The Finance Committee shall meet bi-monthly unless there is no business for the Finance Committee to consider.

The Finance Committee shall operate in accordance with established Denver Public Library Commission bylaws and Denver Municipal Code and, where necessary, establish supplemental rules for the transaction of Finance Committee business. Meetings will be open to the public for attendance.

The Finance Committee shall keep a record of all business, which shall be public record. A designee of the Finance Committee shall keep minutes of its meetings and transactions and be prepared to provide a formal report during subsequent meetings of the Library Commission.