

DOUGLAS COUNTY LIBRARIES

BOARD BUSINESS MEETING

Wednesday, May 29, 2024, 5:30 p.m., Philip and Jerry Miller Library, Castle Rock, CO

Agenda Topic	Presenter	Page
Call meeting to Order	Terry Nolan	
Attendance		
Public Comment		
Consent Agenda Recommendation(s) Memo	Terry Nolan	3
1. Minutes 4/24/24 Board Business Meeting		4
Library Business	Terry Nolan	
<i>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.</i>		
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• Governance Letter		8
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<u>Executive Committee</u>		
• Board Self-Evaluation Report and Goal Setting		75
• Report		
<u>Executive Library Director</u>	Bob Pasicznyuk	
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• Study Session continuation if needed		
Partner Reports		
• Partnership of Douglas County Governments		
• Douglas County Youth Initiative		
• Urban Libraries Council		
• Foundation		
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Executive Session		
Pursuant to C.R.S., Section 24-6-402(4)(f), C.R.S., for the purposes of discussing personnel matters related to the Executive Library Director's mid-year review.		

Trustee Comments

Upcoming Board Meetings

- June 17, 2024, Executive Committee Meeting, Castle Pines Library, Castle Pines
- June 18, 2024, Board Annual Retreat, Parker Library, Parker, 5:00 p.m.
- June 26, 2024, Philip & Jerry Miller Library, Castle Rock
 - Board Study Session, 4:00 p.m. (Dinner at 5:00 p.m.)
 - Board Annual Business Meeting, 5:30 p.m.

Meeting addition/changes to note:

- Added – Board Special Meeting for Executive Session Executive Library Director Review, Wednesday, October 23, 2024 at 5:30 p.m. at the Philip & Jerry Miller Library in Castle Rock

Other Meetings:

- July 17, 2024, Partnership of Douglas County Governments, Highlands Ranch Mansion, Highlands Ranch, 7:00 a.m. breakfast, 7:30 a.m. meeting

Adjourn

MEMO

To:	Douglas County Libraries Board of Trustees
Date:	May 29, 2024
From:	Patti Owen-DeLay
Subject:	Consent Agenda Recommendation(s)

ISSUE: Review and approve Consent Agenda item(s).

DISCUSSION: The Consent Agenda follows the process outlined below:

- Items will be recommended as norm or appropriate for the Consent Agenda
- Any board member can suggest adding or pulling items from the Consent Agenda
- It takes a motion and unanimous vote to add items to the Consent Agenda
- Any one board member can request to pull consent items for further discussion, which will then be moved for discussion and possible action under Library Business
- Motion recommendation will be accepted as proposed; if an amended motion is needed, we will pull the item from the Consent Agenda to accomplish this

Consent Agenda Items for this meeting are:

1. Minutes 4/23/24 Board Business Meeting

RECOMMENDATION: Move to approve the consent agenda item as presented, or as amended (if an item or items were pulled).

Motion in the minutes will itemize included items, when more than one item is on consent.

DOUGLAS COUNTY LIBRARIES
Board of Trustees Business Meeting
April 23, 2024
Castle Rock, CO

President Nolan called the business meeting to order at 5:30 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: Suzanne Burkholder, Jessica Kallweit, Zach McKinney, Terry Nolan, Meghann Silverthorn, and Ted Vail

A quorum was present.

Rick LaPointe was absent, and the absence was excused.

STAFF: Bob Pasicznyuk and Patti Owen-DeLay

SECURITY: Officer Cantando, Castle Rock Police

PUBLIC: None

PUBLIC COMMENT: None

CONSENT AGENDA

1. Minutes March 27, 2024, Board Business Meeting
2. Second Reading Policy Addition for Monuments
3. Revised Castle Pines Lease Second Amendment

No items were removed from the consent agenda.

MOTION 24-04-01: Silverthorn moved, and the motion carried unanimously, to approve the minutes of March 27, 2024; to amend, on second reading, the Library Facilities and Spaces Policy to add a last paragraph addressing monuments, with a change of the word “municipal” to “local” (text follows); and to approve the updated Castle Pines Lease Second Amendment v5. Kallweit seconded the motion.

Monuments Text:

Douglas County Libraries limits approving requests for monuments and similar large-scale memorials on Library properties to partnerships between the Library and local governments in which a Library facility resides. The Library also requires Board

approval for these requests. The Library also requires the requesting local government cover the cost of the monument along with the cost of ongoing maintenance. The Library limits monuments in keeping with space needs for the primary, missional needs of the Library. The Library may, at any time and for any demonstrated need, require partner governments to relocate any monument with appropriate notice.

LIBRARY BUSINESS

No trustee declared any conflict of interest for any business before the board during this meeting.

Executive Committee

Nolan shared that the Executive Committee discussed the following at the April meeting:

- Reviewed the meeting with the Board of County Commissioners.
 - The meeting that occurred included a participatory Storytime by Highlands Ranch Library Youth & Family Services Supervisor Maura Williams. The meeting went well and there were no issues or concerns.
 - Commissioner Teal asked the Library to consider ways to showcase/support Douglas County Historical Archives, which Bob is researching.
- Reviewed upcoming agendas.
- Received an update on the cyber and flood events.
- Reviewed the adopted Executive Library Director Succession Plan.
- Discussed the annual self-evaluation requirement that just took place during study session.
- Discussed the board retreat agenda and plan.
- Discussed a proposal by Vail for Strategic Planning, opting to not bring the proposal forward to the board. The Executive Committee is instead requesting Pasicznyuk bring a report on Collection Trending to the board at the May meeting to answer Vail's concerns.

Second Reading Policy Update for Construction Project Clarification

Silverthorn requested more information about the change in policy and capital project options before the second reading.

Pasicznyuk reviewed the delivery methods for construction and/or capital projects, stating for each of the delivery methods the timeline, where you declare costs, and how bidding the project changes depending on the delivery method. In all delivery methods there are similarities, including alternate packages, cost estimation, value engineering, private fundraising, brand, and consistency. He reviewed Design, Bid & Build and Design Build.

Pasicznyuk reviewed the requested policy change. Silverthorn questioned if the proposed change handicaps the board from making a change if needed. Pasicznyuk suggested the word "at least" be included.

MOTION 24-04-02: Silverthorn moved and the motion carried unanimously to update the Library Purchasing Policy on second reading by amending the last paragraph as

presented to allow for a design build process when in the Library's best interest, with bid responsibility going to the Library's selected general contractor, with the addition of the word "at least" before "every five years" in the first sentence of the amended paragraph. Vail seconded the motion.

EXECUTIVE LIBRARY DIRECTOR'S REPORT

MOTION 24-04-03: Silverthorn moved, and the motion carried unanimously to approve the Intergovernmental Agreement with the Town of Castle Rock regarding placement of a Castle Rock Fire and Rescue Department Memorial on Library property as presented. Kallweit seconded.

Pasicznyuk highlighted that this past weekend a dozen graduates received their General Education Diploma through the Library, a small investment for a significant impact.

The board asked about the bill on book banning and requested that Pasicznyuk speak before the committee.

PARTNER REPORTS

Partnership of Douglas County Governments

Vail stated that the next meeting is May 15, 2024.

Douglas County Youth Initiative (DCYI)

McKinney shared that the Outstanding Youth Awards will be held on April 29. McKinney and Pasicznyuk will be presenting an award to one of the recipients.

La Liga summer soccer league kicks off on May 23.

Urban Libraries Council (ULC)

No report.

Douglas County Libraries Foundation

Kallweit reported on the following meeting items:

- Forest of Stories 2023 had 160,000 visitors and 150 trees. Planning 170 trees this year. Foundation approved continuing support of this Library program.
- Adoption of parameters for reserves with excess funds moving into the endowment.
- Donations quarterly report review.
- Kendra Scott benefit event will be held May 5-6. In-store on May 5 from 2-4 p.m. at Park Meadows, or online. Twenty percent of sales during that time will go to the Foundation. Kendra Scott is a gala auction donor as well.
- The annual Foundation Gala is September 27 with a Pinocchio theme. The wine pull will increase to 100 bottles in 2024. All board members are asked to donate one or two bottles, with one being pricier.
- Background checks will be completed on the Foundation Directors.

TRUSTEE COMMENTS

No comments.

UPCOMING BOARD MEETINGS

- **Board Executive Committee:** May 2, 2024, Castle Pines Library, 8:00 a.m. This meeting is being moved closer to the May board meetings.
- **Board Study Session:** May 29, 2024, Philip & Jerry Miller Library at Castle Rock, 4:00 p.m.
- **Board Business Meeting:** May 29, 2024, Philip & Jerry Miller Library at Castle Rock, 5:30 p.m. (Dinner at 5:00 p.m.)
- **Annual Board Retreat:** Change in date, time and location to June 18, 2024, Parker Library, 5:00 p.m.

OTHER MEETINGS

- **Board of County Commissioners Dinner:** May 7, 2024, Douglas County Offices, Castle Rock, 5:00 p.m.
- **Partnership of Douglas County Governments:** May 15, 2024, location to be announced; 7:00 a.m. breakfast, 7:30-9:30 a.m. meeting.

ADJOURN

Nolan adjourned the meeting at 6:22 p.m.

Respectfully submitted,
Suzanne Burkholder, Board Secretary
Minutes prepared by Patti Owen-DeLay

March 27, 2024

To the Library Board of Trustees
Douglas County Libraries
Castle Rock, Colorado

This letter is provided in connection with our engagement to audit the financial statements of Douglas County Libraries as of and for the year ended December 31, 2023. Professional standards require that we communicate with you certain items including our responsibilities with regard to the financial statement audit and the planned scope and timing of our audit, including significant risks we have identified.

Our Responsibilities

As stated in our engagement letter dated January 25, 2024, we are responsible for conducting our audit in accordance with auditing standards generally accepted in the United States of America for the purpose of forming and expressing opinions about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit does not relieve you or management of your respective responsibilities.

Planned Scope of the Audit

Our audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Our audit is designed to provide reasonable, but not absolute, assurance about whether the financial statements as a whole are free of material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations. Because of this concept of reasonable assurance and because we will not examine all transactions, there is a risk that material misstatements may exist and not be detected by us.

Our audit will include obtaining an understanding of the entity and its environment, including its internal control, sufficient to assess the risks of material misstatement of the financial statements and as a basis for designing the nature, timing, and extent of further audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. However, we will communicate to you at the conclusion of our audit, any material weaknesses or significant deficiencies identified. We will also communicate to you:

- Any violation of laws or regulations that come to our attention;
- Our views relating to qualitative aspects of the entity's significant accounting practices, including accounting policies, accounting estimates, and financial statement disclosures;
- Significant difficulties, if any, encountered during the audit;
- Disagreements with management, if any, encountered during the audit;

- Significant unusual transactions, if any;
- The potential effects of uncorrected misstatements on future-period financial statements; and
- Other significant matters that are relevant to your responsibilities in overseeing the financial reporting process.

Professional standards require us to design our audit to provide reasonable assurance that the financial statements are free of material misstatement whether caused by fraud or error. In designing our audit procedures, professional standards require us to evaluate the financial statements and assess the risk that a material misstatement could occur. Areas that are potentially more susceptible to misstatements, and thereby require special audit considerations, are designated as “significant risks.” Although we are currently in the planning stage of our audit, we have preliminarily identified the following significant risks that require special audit consideration.

Financial Statement Level Risks

- **Management override of internal controls** - Professional standards require auditors to address the possibility of management overriding controls. Accordingly, we identified as a significant risk that management of the organization may have the ability to override controls that the organization has implemented. Management may override the organization’s controls in order to modify the financial records with the intent of manipulating the financial statements to overstate the organization’s financial performance or with the intent of concealing fraudulent transactions.

Specific Risks

- **Improper revenue recognition** - Professional standards require auditors to presume that improper revenue recognition is a fraud risk. Accordingly, we identified this as a fraud risk in which management may use various techniques to overstate revenue or conceal fraudulent recognition of revenue.
- **Improper capitalization** – We identified improper capitalization as a significant risk based on our professional judgment that potential errors could be made in the capital asset reconciliation process and incorrectly classified as additions.

The consolidated financial statements include the financial statements of Douglas County Library Foundation (DCF), which we consider to be a significant component of the consolidated financial statements. Consistent with the audit of the consolidated financial statements as a whole, our audit will include obtaining an understanding of DCF and their environment, including internal control, sufficient to assess the risks of material misstatement of the consolidated financial statements of DCF. and to design the nature, timing, and extent of further audit procedures.

We expect to begin our audit in April 2024 and issue our report May 2024.

This information is intended solely for the information and use of the Board of Trustees of DCL and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,



Denver, CO

ANNUAL REPORT

2023



ANNUAL REPORT 2023



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TRANSMITTAL LETTER

April 23, 2024

To the Douglas County Commissioners, the Board of Trustees of the Douglas County Libraries, and the Citizens of Douglas County:

As required by Colorado Audit Law, Section 29-1-601, et seq., C.R.S. and Colorado Library Law Section 24-90-109(1)(l), C.R.S. the Board shall ensure that an annual audit of the financial affairs and transactions of all funds and activities of the District be conducted for each fiscal year. The goal of the annual audit is to provide assurance that the financial statements of the District are presented in conformity with governmental accounting standards. The audit must be performed by an independent firm of licensed certified public accountants. In accordance with this requirement, we submit for your information and review, the Douglas County Libraries Annual Report for the year ended December 31, 2023.

Management for the District is responsible for the completeness and reliability of information presented in this report. To provide a reasonable basis for making these representations, the District has established a comprehensive internal framework that is designed to protect the District's assets from loss, theft, or misuse and to provide sufficient reliable information for the preparation of the financial statements. Because the cost of the internal controls should not exceed the benefits, the internal controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement.

The District's financial statements have been audited by Eide Bailly, LLP, and they have issued an unmodified opinion on the District's financial statements. An "unmodified" opinion means that the financial statements meet the "in conformity with generally accepted accounting principles (GAAP)" requirement.

Management provides a narrative introduction, overview and analysis of the basic financial statements. Management's Discussion and Analysis (MD&A) provides an overview of the financial statements and is intended to complement this letter of transmittal. The MD&A can be found in the Financial Section of this Annual Report immediately following the report of independent auditors.

PROFILE OF THE DOUGLAS COUNTY LIBRARIES DISTRICT

Douglas County Libraries elevates our community by inspiring a love of reading, discovery and connection.

Douglas County Libraries ("the District") was established in November 1990, by resolution of the Board of County Commissioners of Douglas County, pursuant to a vote by the electors of Douglas County in favor of establishing a library district with the authority for a mill levy on real and personal property in Douglas County for the establishment, operation and maintenance of the District. The District includes all property within the boundaries of Douglas County, Colorado.

In order to achieve its vision, Douglas County Libraries provides the following services to all residents of Douglas County.

- Circulation, consisting of the provision of books, e-books, periodicals, audios, videos and other library content for lending use to the public;
- Online services, consisting of the District’s website, research resources, tools for online learning, and an online catalog of downloadable materials;
- Community gathering spaces, including public computers and wireless access, large public meeting rooms, and smaller, private meeting/study rooms;
- Reader’s advisory services, consisting of collaboration with customers to determine their likes and dislikes and recommend appropriate reading materials;
- Children’s events that emphasize development of early literacy skills that enable children to translate words to images, develop their brains, and nurture the cognitive, emotional and social skills they need to develop the habits of lifelong learners;
- Reference services that provide informational and research assistance to customers, entrepreneurs and small business persons;
- Events and activities that address a variety of needs or interests among all age groups: summer reading, pairing teens with struggling young readers, group reading comprehension competitions, senior services, community and lifelong learning events, book clubs, hands-on science experiments, creative activities, High School Equivalency (HSE), English as a Second Language (ESL), local economic development and current affairs, technology literacy and job seeker skills improvement, author events, and events celebrating stories and literature.
- Douglas County Archives & Local History, which collects and preserves the history of Douglas County in order to provide historical research resources to the public.

In 2023:

- More than 1,340,683 customers visited the District’s facilities (a slight increase over 2022);
- The District circulated more than 5,582,225 items from its library content;
- More than 166,500 people participated in 5,478 events offered by the District. These represent a 13% increase in event attendance over 2022, despite a 1.35% decrease in the number of events, due in part to an extended closure in Castle Rock.
- The District hosted 9,096 free room-use events in community gathering spaces, an increase of 8.8% over 2022. Paid room use equaled 1,119 events, an increase of 7.7% over 2022.

Large Events, Campaigns & Outreach

We were pleased to offer several signature events, bringing people to our libraries in large numbers for events they have come to expect from DCL. Our customers often tell us these events represent treasured family traditions.

- Summer Reading: The Dog Days of Summer was a traditional summer reading program, including 69 kickoff and supplemental events serving more than 7,000 customers. We registered 15,826 customers for The Dog Days of Summer, a 13.5% increase over 2022.
- Fairy Tale Ball: Robin Hood, a free event held at six locations, served nearly 1,800 customers.
- Storybook Holiday: Paid signature events in the spring (Silly Old Bear’s Blustery Day), fall (The Legend of Sleepy Hollow) and winter (The Snow Ball) brought more than 1,800 customers to DCL.
- Camp DCL: Full-day and half-day camps offered during summer break operated at five library locations and served 279 school-aged campers and their families. Our Castle Rock location was closed and did not host camps in 2023.
- A Visit with Santa: Santa returned to DCL for 18 events serving 1,512 customers. In 2023, DCL’s holiday offerings expanded via Booked for the Holidays, which served nearly 400 customers at five evening events, and thousands at the seven-week, open-house Forest of Stories exhibit.
- Battle of the Books, a literature-themed quiz-bowl style tournament, engaged 950 participants from 44 local elementary schools, and brought 9,832 audience members to four DCL locations over six weeks.
- Page to Stage provided arts-in-education enrichment to 10,054 students via 36 performances at local elementary schools.
- Fête des Fables: Our annual Foundation gala represented a net gain of \$48,909 for the DCLF, achieved through ticket sales, pulls/auctions and direct donations/sponsorships (in-kind, individual and corporate).
- Colorado Gives Day (CGD) and an associated year-end giving campaign engaged 699 individual donors, 186 of whom donated to the Douglas County Libraries Foundation for the first time. Around 57.7% of 2022 CGD donors gave again during the 2023 campaign. Total CGD donations equaled \$69,223, and total year-end giving (Nov. 1-Dec. 31) was \$93,856.

LONG-TERM FINANCIAL PLANNING

The District develops an annual budget in accordance with the statutory requirements of Colorado Local Government Budget Law, Section 29-1-101 et seq., C.R.S. The budget is also compiled in compliance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) standards for budget preparation and presentation or other relevant regulations. The budget shall reflect the plans and strategies of the District as adopted by the Board.

The District is committed to maintaining the infrastructure and finishes of its libraries and has completed a facilities master plan that identifies:

- Equipment replacement and infrastructure maintenance needs to be funded from current property tax revenues, and
- Facility upgrades and expansion requirements, to be funded from District reserves.

In addition, the District has developed a long-range forecast in an effort to ensure that operations, debt service obligations, and capital outlay for program expenditure requirements do not require the use of reserves and can be fully funded from current property tax revenues going forward.

As previously indicated, employees of the District are provided with pension benefits through the PERA defined benefit plan. The District, and its employees, belong to the Local Government Division of the pension trust fund. As such, the District, and its employees, are obligated to contribute to PERA at those rates established by the Colorado legislature for the Local Government Division of the pension trust fund.

The District has identified a capital improvement need for a larger facility in northwest Douglas County to serve projected growth in the area.

FACTORS AFFECTING FINANCIAL CONDITION

The historical financial statements and the 2023 budget are best understood when considered from the broader perspective of the specific environment in which the District operates.

Property Tax Revenues and Constitutional Limitations

The District derives the majority of its revenues from property taxes. In general, the county assessor revalues real estate in odd-numbered years on the basis of comparable sales during the previous two-year period.

The District, under the leadership of our citizen-led Board of Trustees, is temporarily reducing its mill levy and limiting its 2024 property tax increase to 11.5%. The 11.5% increase allows the Library to respond to inflation. It also keeps the Library's annual, average revenue growth to approximately 5%.

Operating, Facility Maintenance, and Debt Service Expenditures

The District is investing in several important areas in 2024: the compensation line has grown by approximately 7%, which allows for a market adjustment, a 4% merit increase, and recognition for top performance. The District is also investing \$.680 million into Library content, and allows for an amount of approximately \$2 million to be set aside toward a new facility planned in Northwest Douglas County. Additionally, the budget will allow for customary maintenance costs and several large projects including updates to the Parker branch, a new roof and HVAC system for the Highlands Ranch branch, and planning costs associated with the update to the Castle Pines branch.

The District has adopted a compensation strategy that supports competitive wages and benefits. The District, as a participant in the Local Government Division, contributes 10% of qualifying salaries and wages to each employee's PERA account, and 4.78% of salaries and wages are deposited in the Local Government Division Trust fund to pay off unfunded liabilities of the DB Plan.

The District celebrated the grand opening of the Philip and Jerry Miller Library on August 26, 2024, came in under budget by \$.618 million, and opened within the targeted timeline. Approximately 10,000 citizens attended the grand opening ceremony.

Maximum debt service under the terms of the 2015 CoPs is \$2.000 million. The District made a \$1.385 million principal payment plus interest and premium amortization payments of \$0.627 million in 2023.

Operating revenues budgeted for 2024 are projected to exceed operating expenditures, interest and principal payments and the costs to maintain the District's facilities by \$1.145 million.

ACKNOWLEDGEMENTS

We'd like to acknowledge the outstanding effort of the Accounting and Finance department who worked diligently on preparing for the audit, and to both the Accounting / Finance department and the Community Engagement division for assisting with the preparation of this document.

Respectfully Submitted,

Bob Pasicznyuk
Executive Director

Casie Cook
Director of Finance

Tammy Goodwin
Controller



Independent Auditor's Report

Board of Trustees
Douglas County Libraries
Castle Rock, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the discretely presented component unit, and the major fund information of Douglas County Libraries (the District) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, and the major fund information of the District, as of December 31, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Adoption of New Accounting Standard

As discussed in Note 1 to the financial statements, the District has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription Based Information Technology Arrangements*, for the year ended December 31, 2023. As a result of implementing the standard, there was no effect on the General Fund and governmental activities beginning fund balance and net position as of January 1, 2023. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the summary of revenues, expenditures and change in fund balance-general fund, summary historical comparison of revenues, expenditures and change in fund balance-general fund, history of assessed valuations and history of mill levies, and property tax collections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



Denver, Colorado
May 20, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS



MANAGEMENT'S DISCUSSION AND ANALYSIS OF OPERATING RESULTS

December 31, 2023

Douglas County Libraries elevates our community by inspiring a love of reading, discovery and connection.

The District operates seven library facilities throughout Douglas County. In addition, the District operates Douglas County Libraries Archives & Local History, which collects and preserves the history of Douglas County in order to provide historical research resources to the public. In 2023, the District employed a workforce of 253 full-time equivalent persons, who were complemented by approximately 1,198 volunteers who provided 26,209 hours of service at no cost to the District or Douglas County. The District's workforce is broken down as follows:

Percent of Workforce

88%	Library Operations & Community Engagement
5%	Facilities & Information Technology
7%	Executive, Financial, Human Resources

The District's strategic plan includes a goal focused on crafting the next generation of libraries to support delivery of premium and personal experiences to all library customers. The District has adopted a facilities master plan to establish the priorities, tasks and budget commitments necessary to construct and maintain facilities that meet the needs of Douglas County in the premium and personal fashion embodied in the District's strategic plan.

In 2023, the District completed the construction of the Philip and Jerry Miller Library in Castle Rock. The project came in at \$.618 million under budget.

The District's financial results for the year ended December 31, 2023, also reflect the impact of the following:

- Payment of principal, interest and premium amortization obligations totaling \$2.012 million on the District's 2015 Certificates of Participation (2015 CoPs).
- Payment of \$11.074 million for the replacement of the Castle Rock facility.
- Payments of \$2.164 million relating to the Castle Rock build include furniture, fixtures & equipment
- Leases showing an increase in Capital Outlay of \$0.473 and other financing sources of \$0.427 million.

The District's financial commitments that are tied to its facilities master plan make it essential to distinguish the results of normal recurring operating activities vs. the financial impact of non-operating transactions such as capital outlays for facility improvements, lease income, and disposals of capital assets. Accordingly, the comparison of year-over-year results in this Discussion and Analysis

has been presented on both an as-adjusted and as-reported basis in order to better illustrate the results of normal recurring operating activities.

The District uses a single general operating fund to account for all transactions and financial resources. The District is committed to ensuring that expenditures associated with day-to-day library operations and routine maintenance of District facilities, furniture and equipment do not exceed annual program and general revenues. Accordingly, the District reports capital expenditures on two separate line items on the financial statements.

- Capital Outlay for program expenditures are funded from current operating revenues and include those normal recurring expenditures to repair, maintain or upgrade computers, equipment, furniture, carpeting, roofs, parking lots, and heating, ventilation, and air conditioning (HVAC) units.
- Capital outlay for non-expenditures represent facility upgrades, remodels, and new construction including planning and design costs, and new furniture, fixtures and equipment associated with these projects. Capital outlay for non-operating expenditures are funded from District reserves.

The District maintains financial statements under two separate methods of accounting, as required by Government Accounting Standards:

Governmental Fund Financial Statements;
Government Activities Financial Statements.

An analysis of the District's financial position, and its results of operations, under each of these two methods of accounting is presented below, including the distinctions between the two methods.

Governmental Fund Financial Statements

The government fund financial statements are reported using the current financial resource measurement focus and the modified accrual basis of accounting. Under this basis of accounting, transactions are generally recorded when cash is received or expenses are paid. Accordingly, funds received through financing activities are recorded as revenues in the period received, expenditures for capital assets are reported as an expense in the period expended, and long-term liabilities are recorded when currently payable, rather than when an obligation is incurred.

Statement of Revenues, Expenditures, and Change in Fund Balance

	2023		2022	
	Amount	% of Total	Amount	% of Total
Program Revenues:				
Operating contributions and grants	\$ 303,961	0.81%	\$ 421,593	1.15%
Charges for services	534,069	1.42%	567,080	1.54%
General Revenues:				
Property taxes	32,295,064	85.66%	32,350,900	88.02%
Auto ownership taxes	3,036,478	8.05%	2,894,516	7.88%
Investment earnings	1,531,656	4.06%	521,327	1.42%
Total Revenues	<u>37,701,228</u>	<u>100.00%</u>	<u>36,755,416</u>	<u>100.00%</u>
Program Expenditures				
Operating expenditures	25,639,534	84.15%	24,571,609	82.83%
Capital outlay	2,479,094	8.14%	2,866,330	9.66%
Interest and principal payments	2,349,845	7.71%	2,225,930	7.50%
Total Program Expenditures	<u>30,468,473</u>	<u>100.00%</u>	<u>29,663,869</u>	<u>100.00%</u>
Net Change in Fund Balance - As Adjusted	7,232,755		7,091,547	
Non-Operating Revenues (Expenditures):				
Capital outlay	(13,238,407)	103.24%	(11,483,732)	107.35%
Lease income (expense), net	(11,538)	0.09%	2,138	(0.02) %
Lease to Purchase	0	0.00%	347,310	(3.25) %
Leases issued-inflow	404,906	(3.16%)	436,818	(4.08) %
Subscriptions issued-inflow	21,741	(0.17%)	0	0.00%
Total Non-Operating Revenues (Expenditures), net	<u>(12,823,298)</u>	<u>100.00%</u>	<u>(10,697,466)</u>	<u>100.00%</u>
Net Change in Fund Balance - As Reported	(5,590,543)		(3,605,919)	
Beginning fund balance	25,691,946		29,297,865	
Ending Fund Balance	<u>\$ 20,101,403</u>		<u>\$ 25,691,946</u>	

Revenues increased \$.946 million due primarily to increases in investment earnings of \$1.010 million (193.80%). The increase in investment earnings was primarily due to a significant increase in earnings rates due to the Federal Fund Rates rising from 4.5% to 5.56% early in 2023. Higher than normal balances were invested at this rate until late into 2023.

Total program expenditures increased \$.805 million (2.71%). This increase in total program expenditures was primarily due to an increase of \$1.025 million in Library salary and wages, an increase of \$.257 million in PERA Retirement-Pension and a decrease of \$.465 million in health insurance.

Capital outlays for program expenditures decreased by \$0.387 million. This decrease in capital outlays for program expenditures was primarily due to a decrease of \$.476 million in computer equipment.

Capital outlays for non-operating expenditures increased by \$1.755 million due to the cost of building the replacement Castle Rock facility. The building was completed in 2023.

Lease to purchase proceeds decreased by \$0.357 million due to no lease funding received in 2023. In 2022, lease funding was received for servers that were replaced.

Leases issued-inflow for a total of \$0.406 million, included leases on the facilities shop of \$.157 million, and district courier trucks of \$.249 million.

Due to the implementation of GASB 96 in 2023, there was an increase of \$.021 million in subscriptions issued-inflow.

The District is reporting an ending fund balance of \$20.101 million at December 31, 2023. This represents a decrease of \$5.591 million from the December 31, 2022, fund balance of \$25.692 million. The District's fund balance decreased in 2023 primarily due to expenditures for the new Castle Rock library, and an increase of Salary & Wages.

- The non-spendable fund balance, which represents prepaid expenses and security deposits, increased \$0.211 million, from a balance of \$0.426 million at December 31, 2022, to a balance of \$0.637 million at December 31, 2023.
- The restricted fund balance, comprised of emergency reserves as required by Article X, Section 20, of the Colorado Constitution, increased \$0.020 million, from a balance of \$1.101 million at December 31, 2022, to a balance of \$1.121 million at December 31, 2023. Emergency reserves are calculated as three percent of general revenues, excluding grants.
- The committed fund balance in 2022 was specifically created for the purpose of the new Castle Rock building project. With the completion of this project in 2023, this balance has decreased from \$11.705 as of December 31, 2022, to zero.
- The assigned fund balance is calculated by combining 1) reserves, established by the Board of Trustees to fund first-quarter operations due to the timing of property tax receipts, and 2) reserves to cover insurance deductibles. The assigned fund balance decreased \$.300 million, from \$3.900 million as of December 31, 2022, to \$3.600 million as of December 31, 2023.
- The unassigned fund balance represents amounts available for any purpose, including debt service for the Certificates of Participation and for future acquisitions of capital assets. The unassigned fund balance increased \$6.183 million, from a balance of \$8.560 million at December 31, 2022, to a balance of \$14.743 million at December 31, 2023.

Analysis of 2023 Budget vs Actual Results

	Budget	Actual	Variance
Revenues			
Property taxes	\$32,436,073	\$32,295,064	(\$141,009)
Auto ownership taxes	1,568,000	3,036,478	1,468,478
Contributions and grants	305,932	303,961	(1,971)
Charges for services	514,402	534,069	19,667
Investment earnings	195,783	1,531,656	1,335,873
Total Revenues	35,020,190	37,701,228	2,681,038
Operating Expenditures			
Salaries, wages & benefits	18,792,231	17,482,263	(1,309,968)
Library Content	3,934,530	3,969,124	34,594
Facilities	2,338,387	1,801,238	(537,149)
Technology equipment and services	1,789,525	1,462,249	(327,276)
Library programs & outreach	1,259,077	1,177,265	(81,812)
District-wide support	1,516,944	1,318,090	(198,854)
Capital outlay	537,681	908,399	370,718
Subtotal Operating Expenditures	30,168,375	28,118,628	(2,049,747)
Debt service	2,109,725	2,349,845	240,120
Total operating expenditures, debt service & fees	32,278,100	30,468,473	(1,809,627)
Revenues Over (Under) Operating Expenditures	2,742,090	7,232,755	4,490,665
Non-Operating Revenues (Expenditures)			
Lease income (expense), net	0	(11,538)	(11,538)
Capital outlay	(13,856,103)	(13,238,407)	617,696
Leases issued-inflow	0	404,906	404,906
Subscriptions issued-inflow	0	21,741	21,741
Total Non-Operating Revenues (Expenditures), net	(13,856,103)	(12,823,298)	1,032,805
Total Revenues Over (Under) Total Expenditures	(\$11,114,013)	(\$5,590,543)	\$5,523,470

The District's final 2023 budget anticipated an excess of total expenditures over total revenues of (\$11.114) million. Actual 2023 total expenditures exceeded total revenues by (\$5.591) million.

Total 2023 revenues were over budget by \$2.681 million (7.7%) primarily due to auto ownership taxes and investment earnings.

Total operating expenditures were under budget by (\$2.050) million (6.8%), due to salaries, wages, and benefits cost savings related to the District in 2023.

Spending on non-operating expenditures was under budget by (\$1.033) million due to coming in under budget on the Castle Rock library building, the increase of leases issued-inflow of \$.406 million and the increase of subscriptions issued-inflow of \$.021 million.

Governmental Activities Financial Statements

The governmental activities financial statements measure and report all assets, liabilities, deferred inflows of resources, revenues, expenses, gains, and losses using the economic resource measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Accordingly, the governmental activities statement of net position includes capital assets and long-term liabilities.

Statement of Activities

	2023		2022	
	Amount	% of Total	Amount	% of Total
Program Revenues				
Operating contributions and grants	\$ 303,961	0.81%	\$ 421,593	1.15%
Charges for services	534,069	1.42%	567,080	1.54%
General Revenues				
Property taxes	32,295,064	85.66%	32,350,900	88.02%
Auto ownership taxes	3,036,478	8.05%	2,894,516	7.88%
Investment earnings	1,531,656	4.06%	521,327	1.42%
Total Revenues	<u>37,701,228</u>	<u>100.00%</u>	<u>36,755,416</u>	<u>100.00%</u>
Program Expenses				
Operating expenses	29,169,958	98.56%	23,644,724	98.11%
Interest and principal payments	426,387	1.44%	455,059	1.89%
Total Program Expenses	<u>29,596,345</u>	<u>100.00%</u>	<u>24,099,783</u>	<u>100.00%</u>
Change in Net Position - As Adjusted	8,104,883		12,655,633	
Non-Operating Expenses:				
Lease income (expense), net	(11,538)	0.39%	2,139	-2.11%
Loss on disposal of capital assets	(2,978,375)	99.61%	(103,376)	102.11%
Total Non-Operating Expenses	<u>(2,989,913)</u>	<u>100.00%</u>	<u>(101,237)</u>	<u>100.00%</u>
Change in Net Position - As Reported	5,114,970		12,554,396	
Beginning Net Position	59,589,589		47,035,193	
Ending Net Position	<u>\$ 64,704,559</u>		<u>\$ 59,589,589</u>	

As adjusted, which is more representative of normal recurring operations, the change in net position decreased \$4.551 million, from \$12.656 million for the year ended December 31, 2022, to \$8.105 million over the same period in 2023. The increase in the change in net position is primarily due to the following:

- Revenues increased by \$.946 million primarily due to increases in investment earnings of \$1.010 million (193.80%). These results are consistent with those reported on the District's Government Fund financial statements.

- Operating expenses increased by \$5.525 million, driven primarily by pension expense. The proportionate share of pension expense was a credit of (\$3.480) in 2022 compared to an expense of \$1.264 in 2023, increasing expenses by \$4.744 million.

As reported, the change in net position decreased \$7.439 million, from \$12.554 million at December 31, 2022, to \$5.115 million at December 31, 2023. This decrease in change in net position is due to the changes noted above in the adjusted change in net position, plus the following:

- In 2023, the District recorded a loss of (\$2.978) million, which is equivalent to the net book value for end-of-life capital asset disposals.

Statement of Net Position

	2023		2022	
	Amount	% of Total	Amount	% of Total
Assets				
Current Assets	\$ 21,915,354	24.28%	\$ 59,684,921	49.21%
Capital Assets	68,330,393	75.72%	60,212,847	49.64%
Net Pension asset	—	0.00%	1,400,685	1.15%
Total Assets	90,245,747	100.00%	121,298,453	100.00%
Total Deferred Outflows of Resources	8,356,847	100.00%	2,395,672	100.00%
Liabilities				
Current Liabilities	5,183,231	15.69%	4,840,061	25.32%
Long-Term Liabilities	27,847,424	84.31%	14,272,185	74.68%
Total Liabilities	33,030,655	100.00%	19,112,246	100.00%
Total Deferred Inflows of Resources	867,380	100.00%	44,992,290	100.00%
Net Position				
Net investment in capital assets	54,780,862	84.66%	45,173,130	75.81%
Restricted Fund	1,121,120	1.73%	11,916,079	20.00%
Unrestricted	8,802,577	13.60%	2,500,380	4.20%
Total Net Position	\$ 64,704,559	100.00%	\$59,589,589	100.00%

The increase in net investment in capital assets of \$9.608 million, from \$45.173 million at December 31, 2022, to \$54.781 million at December 31, 2023, is due primarily to the following:

- an increase in assets being depreciated for 2023 depreciation expense
- a reduction in the remaining principal balance and unamortized premium for the 2015 CoPs, which are an offset to the net investment in capital assets
- a decrease in Lease to Purchase due to current year lease payments

- an increase in Leases due to new building and vehicle leases
- an increase in Subscriptions due to the implementation of GASB 96 Subscription-Based Information Technology

The decrease in restricted fund balance of \$10.795 million, from \$11.916 million as of December 31, 2022, to \$1.121 million at December 31, 2023, is primarily attributable to the Net Pension Asset of \$10.815 million. The District participates in a) a pension fund administered by the Public Employees' Retirement Association (PERA), and b) an Other Post-Employment Benefits (OPEB) fund also administered by PERA. The District records deferred outflows of resources (an asset), long-term liabilities, and deferred inflows of resources (a liability) pursuant to its participation in these plans. See note 6 of the attached financial statements of the District for further information regarding the District's defined benefit pension and OPEB plans.

The increase in the unrestricted fund balance of \$6.303 million, from \$2.500 million as of December 31, 2022, to \$8.803 million at December 31, 2023, is primarily attributable to an increase in pension liability of 10.815 million.

Douglas County Libraries Foundation

The Douglas County Libraries Foundation (the Foundation) was founded in 1992 as a 501c3 nonprofit organization to fund capital improvements and support various programs that enhance the vision and core values of the District. The Foundation is reported in the District's financial statements as a Discretely Presented Component Unit.

The Foundation is governed by an independent Board of Directors, including one member from the District's Board of Trustees; and nine additional directors. The Foundation board includes the District's Director of Community Engagement, who acts as the Foundation Executive Director; the District's Director of Finance, who acts as the Foundation Treasurer, and the District's Executive and Culture Administrator, who acts as the Foundation Secretary, all of whom are ex-officio.

During 2022, the Foundation granted \$0.025 million of unrestricted funds plus \$0.027 million of restricted funds to the District. The Foundation granted \$0.125 million of unrestricted funds, plus \$0.019 million of restricted funds to the District for the year ended December 31, 2023.

Requests for Information

This financial report is designed to provide a general overview of the finances for the District and the Foundation. For questions concerning the information provided in this report or to request a copy of the Foundation's internal financial statements, please contact the Director of Finance at Douglas County Libraries, 100 South Wilcox Street, Castle Rock, CO 80104.

BASIC FINANCIAL STATEMENT



DOUGLAS COUNTY LIBRARIES
BALANCE SHEET
GOVERNMENTAL FUND /STATEMENT OF NET POSITION
December 31, 2023

	Primary Government			Component Unit
	General - Governmental Fund	Adjustments	Statement of Net Position - Governmental Activities	Douglas County Libraries Foundation
Assets				
Cash and investments	\$20,847,693	\$0	\$20,847,693	\$2,144,976
Property taxes receivable	196,915	0	196,915	0
Prepays and other assets	636,787	0	636,787	3,100
Receivable from component unit	225,000	0	225,000	0
Other receivables	8,959	0	8,959	0
Capital assets, net of accumulated depreciation/amortization	0	61,496,818	61,496,818	0
Capital assets not being depreciated	0	6,833,575	6,833,575	0
Total Assets	21,915,354	68,330,393	90,245,747	2,148,076
Deferred Outflows of Resources				
Deferred outflows - net pension liability	0	8,138,652	8,138,652	0
Deferred outflows - net OPEB liability	0	218,195	218,195	0
Total Deferred Outflows of Resources	0	8,356,847	8,356,847	0
Liabilities				
Accounts payable	1,470,267	0	1,470,267	0
Accrued salaries and benefits	343,684	0	343,684	0
Accrued interest payable	0	49,881	49,881	0
Payable to primary government	0	0	0	225,000
Noncurrent liabilities				0
Due within one year	0	3,319,398	3,319,398	0
Due in more than one year	0	11,567,821	11,567,821	0
Net pension liability	0	15,281,393	15,281,393	0
Net OPEB liability	0	998,211	998,211	0
Total Liabilities	1,813,951	31,216,704	33,030,655	225,000
Deferred Inflows of Resources				
Deferred inflows - net pension liability	0	424,862	424,862	0
Deferred inflows - net OPEB liability	0	442,518	442,518	0
Total Deferred Inflows of Resources	0	867,380	867,380	0
Fund Balance/Net Position				
Fund balance				
Nonspendable Fund	636,787	(636,787)	0	0
Restricted Fund	1,121,120	(1,121,120)	0	0
Assigned Fund	3,600,000	(3,600,000)	0	0
Unassigned fund balance	14,743,496	(14,743,496)	0	0
Total Fund Balances	20,101,403	(20,101,403)	0	0
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$21,915,354			
Net Position				
Net investment in capital assets	0	54,780,862	54,780,862	0
Restricted Fund	0	1,121,120	1,121,120	0
Unrestricted	0	8,802,577	8,802,577	1,923,076
Total Net Position	\$0	\$64,704,559	\$64,704,559	\$1,923,076

The accompanying notes are an integral part of these financial statements.

DOUGLAS COUNTY LIBRARIES
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
GOVERNMENTAL FUND / STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2023

	Primary Government			Component Unit
	General - Governmental Fund	Adjustments	Statement of Activities - Governmental Activities	Douglas County Libraries Foundation
Expenditures/Expenses				
Current				
Operating	\$23,545,267	\$4,720,561	\$28,265,828	\$230,569
Pension expense	2,094,267	(1,004,876)	1,089,391	0
OPEB expense	0	(185,261)	(185,261)	0
Capital Outlay	15,717,501	(15,717,501)	0	0
Debt Service				
Principal	1,685,367	(1,685,367)	0	0
Interest and fees	664,478	(238,091)	426,387	0
Total Expenditures/Expenses	<u>43,706,880</u>	<u>(14,110,535)</u>	<u>29,596,345</u>	<u>230,569</u>
Program Revenues				
Operating contributions and grants	303,961	0	303,961	152,440
Charges for services	534,069	0	534,069	184,413
Total Program Revenues	<u>838,030</u>	<u>0</u>	<u>838,030</u>	<u>336,853</u>
Net Program Revenues/(Expenses)	<u>(42,868,850)</u>	<u>14,110,535</u>	<u>(28,758,315)</u>	<u>106,284</u>
General Revenues/(Expenses)				
Property taxes	32,295,064	0	32,295,064	0
Auto ownership taxes	3,036,478	0	3,036,478	0
Investment earnings	1,531,656	0	1,531,656	195,068
Total General Revenues/(Expenses)	<u>36,863,198</u>	<u>0</u>	<u>36,863,198</u>	<u>195,068</u>
Other Financing Sources (Uses)				
Loss on disposal of capital assets	0	(2,978,375)	(2,978,375)	0
Lease income (expense), net	(11,538)	0	(11,538)	0
Leases issued-inflow	404,906	(404,906)	0	0
Subscriptions issued-inflow	21,741	(21,741)	0	0
Total Other Financing Sources (Uses)	<u>415,109</u>	<u>(3,405,022)</u>	<u>(2,989,913)</u>	<u>0</u>
Net Change in Fund Balance	(5,590,543)	5,590,543	0	0
Change in Net Position		5,114,970	5,114,970	301,352
Fund Balance/Net Position				
Beginning of Year	<u>25,691,946</u>	<u>33,897,643</u>	<u>59,589,589</u>	<u>1,621,724</u>
End of Year	<u>\$20,101,403</u>	<u>\$44,603,156</u>	<u>\$64,704,559</u>	<u>\$1,923,076</u>

The accompanying notes are an integral part of these financial statements.

DOUGLAS COUNTY LIBRARIES
RECONCILIATION OF THE BALANCE SHEET
GOVERNMENTAL FUND TO THE STATEMENT OF NET POSITION
December 31, 2023

Fund Balance - Governmental Fund		\$20,101,403
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund.		
Capital Assets	\$92,982,836	
Accumulated depreciation	<u>(24,652,443)</u>	68,330,393
Certificates of Participation are not due and payable in the current period and, therefore, are not reported in the governmental fund.		
Principal, Certificates of Participation Series 2015	(11,830,000)	
Premium, Certificates of Participation Series 2015	(802,560)	
Accrued interest	<u>(46,448)</u>	(12,679,008)
Lease to Purchase is not due and payable in the current period and, therefore, are not reported in the governmental fund.		
Principal, lease to purchase	(334,075)	
Accrued interest	<u>(2,930)</u>	(337,005)
Lease is not due and payable in the current period and, therefore, are not reported in the governmental fund.		
Principal, lease	(561,154)	
Accrued interest	<u>(233)</u>	(561,387)
Subscription Assets is not due and payable in the current period and, therefore, are not reported in the governmental fund.		
Principal, Subscription Assets & Accrued Interest		
Principal, Subscription Assets	(21,742)	
Accrued Interest	<u>(270)</u>	(22,012)
Pension liability is not due and payable in the current period and, therefore, is not reported in the governmental fund.		
Pension related deferred outflows	8,138,652	
Pension related deferred inflows	(424,862)	
Net pension liability	<u>(15,281,393)</u>	(7,567,603)
OPEB liability is not due and payable in the current period and, therefore, is not reported in the governmental fund.		
OPEB related deferred outflows	218,195	
OPEB related deferred inflows	(442,518)	
Net OPEB liability	<u>(998,211)</u>	(1,222,534)
Compensated absences are not due and payable in the current period and, therefore, are not reported in the governmental fund.		
		<u>(1,337,688)</u>
Net Position of Governmental Activities		<u><u>\$64,704,559</u></u>

The accompanying notes are an integral part of these financial statements.

DOUGLAS COUNTY LIBRARIES
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE -
GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2023

Net Change in Fund Balance - Governmental Fund		(\$5,590,543)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental fund reports capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation and disposals.		
Capital asset additions	\$15,717,501	
Depreciation	(4,621,581)	
Capital asset disposals	<u>(2,978,375)</u>	8,117,545
Compensated absences do not require use of current financial resources and, therefore, are not reported as expenditures in the governmental fund.		(98,980)
Interest and payment activities on the 2015 CoPs do not require use of current financial resources and, therefore, are not reported in the governmental fund.		
Principal payment	1,385,000	
Amortization of premium	231,466	
Accrued interest expense	<u>5,771</u>	1,622,237
Leases issued provide inflows of resources to governmental funds, but increases liabilities in the statement of net position		(404,906)
Subscriptions issued provide inflows of resources to governmental funds, but increases liabilities in the statement of net position		(21,741)
Interest and payment activities on lease to purchase do not require use of current financial resources and, therefore, are not reported in the governmental fund.		
Principal payment	132,614	
Accrued interest expense	<u>1,357</u>	133,971
Debt service payments for principal payments are reported as expenditures in the governmental funds, but are not reported as expenses in the statement of activities		
Principal, lease	167,753	
Accrued interest expense	<u>(233)</u>	167,520
Debt service payments for principal payments are reported as expenditures in the governmental funds, but are not reported as expenses in the statement of activities		
Accrued interest expense		(270)
Pension liability does not require use of current financial resources and, therefore, is not reported as expenditures in the governmental fund		1,004,876
OPEB liability does not require use of current financial resources and, therefore, is not reported as expenditures in the governmental fund		<u>185,261</u>
Change in Net Position of Governmental Activities		<u><u>\$5,114,970</u></u>

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENT



NOTES TO FINANCIAL STATEMENTS

December 31, 2023

1. Summary of Significant Accounting Policies

Reporting Entity

Douglas County Libraries (the District) was established in 1990 to provide library services within Douglas County, Colorado. A seven-member Board of Trustees, appointed by the Douglas County Commissioners, governs the District.

The accompanying financial statements present the District, which is the primary government, and its component unit. A component unit is a legally separate organization for which the District is considered to be financially accountable.

Discretely Presented Component Unit. The Douglas County Libraries Foundation (the Foundation) is a nonprofit organization whose sole purpose is to support the District by funding opportunities above and beyond the District's normal operating budget. The Foundation is governed by a seven-member Board of Directors led by the Foundation's and District's Executive Director. Separately issued internal financial statements of the Foundation may be obtained by contacting the Foundation's offices at 100 South Wilcox Street, Castle Rock, Colorado 80104.

Governmental Activities and Fund Financial Statements

The basic financial statements are presented in a combined format for both the fund and governmental activities level. These include the balance sheet governmental fund/statement of net position and the statement of revenues, expenditures, and change in fund balance governmental fund/statement of activities.

The statement of activities demonstrates the degree to which the expenses of the District are offset by program revenues. Program revenues include operating contributions and grants and charges to users of the District's services.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Governmental fund statements are reported using the current financial resource measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue that are susceptible to accrual are property taxes and investment earnings. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures generally are recorded when an obligation is incurred, as under accrual accounting; however, expenditures related to compensated absences and debt are recorded only when payment is due.

The governmental activities financial statements measure and report all assets, liabilities, deferred inflows and outflows of resources, revenues, expenses, gains, and losses using the economic resource measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The governmental activities financial statements do not include fiduciary funds or component units that are fiduciary in nature.

The general operating fund is the District's only fund and is used to account for all financial resources of the District.

Cash and Investments

Colorado Revised Statutes (CRS) authorize the District to invest in certain obligations of the U.S. Treasury and U.S. agencies, commercial paper, repurchase agreements, local government investment pools, and other specified investments. The District's investment policy is to follow state statutes regarding investments, which generally limit investments to those instruments with maturities of five years or less, unless the governing body of the District authorizes investment for a longer period. All District investments are held in a local government investment pool and are reported at net asset value. Securities with maturities of 12 months or less from the balance sheet date are reported as short-term investments.

Property Taxes Receivable

Property values are assessed and a lien placed on the property as of January 1. Property taxes are levied no later than December 22. Taxes are payable in the following year, either in full by April 30 or in two equal installments due February 28 and June 15. Property taxes levied in the current year and payable in the following year are reported as a receivable at December 31. Property taxes are reported as deferred inflows of resources and recognized as revenue upon collection.

In 2023, the District experienced an exception to the above rule. Due to the legislative special session related to property taxes, deadlines to adopt the budget, certify the mill levy, and appropriate funds were extended to early January 10, 2024. Douglas County Libraries, as publicly noticed, held a special board meeting on January 9, 2024 to adopt the budget and appropriate funds.

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both governmental fund and governmental activities financial statements.

Capital Assets

Capital assets, which include land, buildings, furniture, equipment, and library materials, are reported in the governmental activities financial statements. In the governmental fund financial statements, capital assets are charged to expenditures when purchased. Capital assets, which are defined as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of more than one year, are recorded at historical cost, with the exception of library materials, which are capitalized regardless of cost. The reported value excludes normal maintenance and repairs, which

are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. The District values donated capital assets at the estimated acquisition value of the item at the date of donation.

Capital assets of the District are depreciated using the straight-line method. The composite method is used in the depreciation of library materials. These assets are depreciated over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings	30
Building improvements	15
Shelving	10
Furniture	10
Equipment and machinery	5
Computers	4
Library materials	4

Right to use leased assets are recognized at the lease commencement date and represent the District's right to use an underlying asset for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the leased asset into service. Right to use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period varies from 3 to 5 years.

Right to use subscription IT assets are recognized at the subscription commencement date and represent the District's right to use the underlying IT asset for the subscription term. Right to use subscription IT assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right to use subscription IT assets are amortized over the shorter of the subscription term or useful life of the underlying asset using the straight-line method. The amortization period varies from 3 to 5 years.

Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused personal time off (PTO). All PTO is accrued when earned in the governmental activities financial statements. A liability for these amounts is reported in the governmental fund statements only if they are due, for example, as a result of employee resignations and retirements.

Long-Term Debt

In the governmental activities financial statements, long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest rate method.

In the governmental fund financial statements, bond premiums and discounts are recognized during the current period. The face amount of the debt issued is reported as other financing sources. Premiums and discounts on debt issuances are reported as other financing sources or uses. Issuance costs are reported as current period expenditures.

Lease Liabilities represent the District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the District.

Subscription Liabilities represent the District's obligation to make subscription payments arising from the subscription contract. Subscription liabilities are recognized at the subscription commencement date based on the present value of future subscription payments expected to be made during the subscription term. The present value of subscription payments are discounted based on a borrowing rate determined by the District.

Pensions

The District participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado (PERA).

The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits

The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes include a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period or periods and so will not be recognized as an outflow of resources until then. The District has recognized deferred outflows of resources in the governmental activities financial statements in accordance with the presentation requirements for Pension and OPEB.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position will sometimes include a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period or periods and so will not be recognized as an inflow of resources until then. The District has recognized deferred inflows of resources in the governmental activities financial statements in accordance with the presentation requirements for property taxes, Pension and OPEB.

Implementation of GASB Statement No. 96

As of December 31, 2023, the District adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. The implementation of this standard establishes that a SBITA results in a right to use subscription IT asset, an intangible asset and a corresponding liability. The standard provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. The Statement requires recognition of certain SBITA assets and liabilities for SBITAs that previously were recognized as outflows of resources based on the payment provisions of the contract. As a result of implementing this standard the District recognized a right to use subscription asset and subscription liability of \$65,819 and \$21,742 as of December 31, 2023, respectively. As a result of these adjustments there was no effect on beginning net position. The additional disclosures required by this standard are included in Note 4.

Fund Balance

The District reports fund balance and net position in accordance with the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This statement identifies fund balance categories to make the nature and extent of the constraints placed on a governmental entity's fund balances more transparent.

The following classifications describe the relative strength of the spending constraints under GASB 54:

- Nonspendable fund balance represents amounts that are nonspendable in form or are legally or contractually required to be maintained intact.
- Restricted fund balance represents amounts constrained to specific purposes by external parties, such as grantors, contributors, or through constitutional provisions. Restricted fund balance also includes revenues raised pursuant to legislation that restricts the use of funds to a specific purpose.
- Committed Fund balance represents amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

- Assigned fund balance represents amounts the District intends to use for a specific purpose. Intent can be expressed by either the District’s Board of Trustees or by an official or body to which the Board delegates the authority. Assigned fund balance is established through adoption of a Board resolution or the amendment of the budget as intended for a specific purpose, such as the purchase of fixed assets, construction, debt service, etc.
- Unassigned fund balance represents amounts that are available for any purpose.

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed. When amounts in multiple unrestricted fund balance classifications could be used, the District considers committed funds to be used first, then assigned, and finally unassigned fund balances.

As a nonprofit organization operating under the Financial Accounting Standards Board (FASB), the Foundation reports net position with restricted or unrestricted funds, in accordance with donor requests.

2. Cash and Investments

At December 31, 2023, the District had the following cash and investments:

	<u>Unrestricted</u>
Total Cash and Investments	
Cash	\$ 237,899
Local government investment pool	20,609,794
Total Cash and Investments	<u>\$ 20,847,693</u>

Amounts held by the local government investment pool are invested with COLOTRUST and CSIP, which are investment vehicles established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state regulations governing local government investment pools. COLOTRUST and the CSIP Liquid Portfolio operate similarly to a money market fund, are rated AAA by Standard & Poor’s, and each share is equal in value to \$1.00. The CSIP Term portfolio invests only in securities permissible under Colorado law and is rated AA+ by Fitch Ratings. The CSIP Term portfolio offers fixed-rate, fixed-term investments with maturities of 90-365 days. The rate is fixed for the full term of the investment, and there may be a penalty for early redemption. The CSIP Term portfolio has a goal of \$1.00 per share net asset value at maturity, however the value may fluctuate prior to maturity. Financial statements and additional information about COLOTRUST are available at <http://www.colotrust.com/about>. Financial statements and additional information about CSIP are available at <http://www.csipinvest.com>.

The District limits its exposure to credit risk, which is the risk of loss due to the failure of the security issuer or backer, by diversifying the investment portfolio so that potential losses on individual securities will be minimized and by limiting investments to specified credit ratings. Management believes at December 31, 2023, no investments subject the District to credit concentration risk. The District's interest rate risk is related only to its investments with the Colorado Local Government Liquid Asset Trust (COLOTRUST) and Colorado Statewide Investment Pool (CSIP).

In addition, District funds may only be deposited in banks that are members of the Federal Deposit Insurance Corporation (FDIC) or have been designated by the State Banking Board as an eligible public depository under the Colorado Public Deposit Protection Act (PDPA). Under the provisions of PDPA, amounts on deposit in excess of federal insurance levels must be collateralized by the depository using securities with a market value of 102 percent of the aggregate uninsured deposits. The State Regulatory Commission for banks and financial services is required by statute to qualify eligible PDPA depositories, limit the types of securities that can be used for collateral, and monitor the reporting of uninsured deposits and assets maintained in the collateral pools.

At December 31, 2023, the District had deposits with a book balance of \$237,899 and a bank balance of \$579,553, of which \$295,360 was covered by the FDIC. As required by State of Colorado Law, no deposits held by the district as of December 31, 2023, in a single depository institution exceeded 25 percent of the District's total investment portfolio.

The provisions of GASB Statement No. 72, *Fair Value Measurements and Application* (GASB 72), are effective for financial statement periods beginning after June 30, 2015. GASB 72 defines a hierarchy of inputs used to determine fair value and requires disclosure of the valuation techniques and the nature of inputs employed to determine fair value.

The District holds investments in external government investment pools, which are stated at net asset value, which approximate fair value. At this time, the District does not hold investments carried at fair value as defined by GASB 72.

The Foundation holds the following cash and investments at December 31, 2023:

	<u>Unrestricted</u>
Total Cash and Investments	
Cash	\$ 167,532
Investments	1,781,138
Endowments	<u>196,306</u>
Total Cash and Investments	<u>\$ 2,144,976</u>

The Foundation reports investments in accordance with GASB, all of which are considered to be Level 1, at market value as an approximation of fair value on December 31, 2023.

In late 2020, the Foundation established the Douglas County Libraries Foundation Fund (the Fund). The Fund is a Nonprofit Agency Endowment Fund that is held and managed by the Rose Community Foundation on behalf of the Foundation. The Fund is designed to preserve investment principal in perpetuity, and provide investment income that can be channeled into the Foundation's

support efforts for the District. In August, 2023, the Foundation invested an additional \$75,000 of its own liquid assets in the Fund.

The Fund's assets are invested according to the Rose Community Foundation's asset allocation methods. Up to 2% of the Fund's assets are eligible to be distributed annually (the Spendable Amount), with any unused Spendable Amount being returned to Fund Principle at the end of each calendar year. The Foundation did not distribute any of the Fund's assets in 2023.

The Foundation funds may also only be deposited in a bank that is a member of the FDIC or has been designated by the State Banking Board as an eligible public depository under the Colorado PDPA. At December 31, 2023, the Foundation had deposits with a book balance of \$167,532 and bank balance of \$167,532, which was insured by the FDIC. As required by State of Colorado Law, no deposits held by the district as of December 31, 2023, in a single depository institution exceeded 25 percent of the Foundation's total investment portfolio. The Foundation currently invests excess cash in an investment account with Bank of Oklahoma where funds are used to purchase a mix of equities, mutual funds, bonds, Real Estate Investment Trusts (REITs), as well as cash.

3. Capital Assets

The District disposed of items with a net book value totaling \$2,978,375, comprised mostly of the former Castle Rock building and contents.

The District recorded depreciation expense of \$4,621,581 for the year ended December 31, 2023, of which \$1,725,499 is attributable to the District's library materials and the remainder being primarily attributable to the newly capitalized facilities, due to the age of the District's other facilities.

Capital asset activity for the year ended December 31, 2023:

	Balance 1/1/2023	Additions	Deductions	Reclass	Balance 12/31/2023
Capital assets not being depreciated:					
Land	\$ 6,591,347	\$ 0	\$ 0	\$ 0	\$ 6,591,347
Construction in progress	12,903,817	21,000	0	(12,903,817)	21,000
Artwork	188,195	55,234	(22,200)	0	221,229
Total capital assets not being depreciated	19,683,359	76,234	(22,200)	(12,903,817)	6,833,576
Capital assets being depreciated:					
Buildings	43,166,319	10,917,159	(7,193,726)	12,791,036	59,680,788
Building Improvements	6,262,124	149,358	(542,315)	0	5,869,167
Computers	4,718,358	416,155	(659,761)	0	4,474,752
Shelving	1,569,056	316,793	(2,878)	0	1,882,971
Furniture	2,617,097	1,271,293	(217,820)	5,250	3,675,820
Equipment and machinery	2,797,160	526,674	(660,764)	107,531	2,770,601
Right to use leased assets	429,122	404,906	(26,162)	0	807,866
Subscription assets	0	68,234	0	0	68,234
Archives and Collections	6,850,504	1,570,696	(1,502,138)	0	6,919,062
Total capital assets being depreciated	68,409,740	15,641,268	(10,805,564)	12,903,817	86,149,261
Accumulated depreciation:					
Buildings	(15,407,114)	(1,297,692)	4,508,294	0	(12,196,512)
Building Improvements	(1,722,438)	(386,617)	306,844	0	(1,802,211)
Computers	(3,473,846)	(426,531)	659,761	0	(3,240,616)
Shelving	(964,967)	(148,120)	2,878	0	(1,110,209)
Furniture	(1,411,248)	(248,886)	182,548	0	(1,477,586)
Equipment and machinery	(2,313,313)	(212,189)	660,764	0	(1,864,738)
Right to use leased assets	(117,844)	(173,632)	26,162	0	(265,314)
Subscription assets	0	(2,415)	0	0	(2,415)
Archives and Collections	(2,469,482)	(1,725,499)	1,502,138	0	(2,692,843)
Total accumulated depreciation	(27,880,252)	(4,621,581)	7,849,389	-	(24,652,444)
Total capital assets being depreciated, net	40,529,488	11,019,687	(2,956,175)	12,903,817	61,496,817
Governmental activities capital assets, net	\$ 60,212,847	\$ 11,095,921	\$ (2,978,375)	\$ 0	\$ 68,330,393

4. Long-Term Debt

Certificates of Participation

In 2015, the District issued \$20,655,000 in Certificates of Participation (2015 CoPs) to partially fund the construction of three new libraries. The 2015 CoPs carry an average coupon rate of 2.545 percent. Interest payments are due semi-annually in June and December. Principal payments are due annually in December, through 2030.

Annual debt service requirements are as follows as of December 31, 2023:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,455,000	\$ 557,375	\$ 2,012,375
2025	1,525,000	484,625	2,009,625
2026	1,600,000	408,375	2,008,375
2027	1,680,000	328,375	2,008,375
2028	1,765,000	244,375	2,009,375
2029 - 2030	3,805,000	219,500	4,024,500
	<u>\$11,830,000</u>	<u>\$2,242,625</u>	<u>\$14,072,625</u>

Lease to Purchase

In 2021, the District entered into a lease to purchase for nineteen self-check kiosks for a total purchase price of \$222,863 and a financed cost of \$196,844. Principal and interest payments are due annually in May from 2022 through 2025. In 2022, the District entered into a lease to purchase for two servers located at Iron Mountain and Lone Tree library for a total purchase price and finance cost of \$347,310. Principal and interest payments are due monthly from 2022 through 2027.

Annual debt service requirements are as follows as of December 31, 2023:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 136,409	\$ 13,490	\$ 149,899
2025	136,291	7,191	143,482
2026	45,074	1,822	46,896
2027	16,301	156	16,457
	<u>\$ 334,075</u>	<u>\$ 22,659</u>	<u>\$ 356,734</u>

Leases

In 2022, the District implemented GASB 87 Leases that included the Roxborough Library and a courier truck for a total purchase price of \$429,122 and a financed cost of \$347,310. In 2023, the courier truck was disposed of for \$26,163. Douglas County Libraries has entered into two lease agreements for library branch space and a courier truck. Douglas County Libraries is required to make principal and interest payments through December 2025. In 2023, the District entered into lease agreements for two courier trucks and the Facilities shop for a total purchase price of \$404,906. The District is required to make principal and interest payments through February, 2029, and January, 2028, respectively. The lease liability was valued using discount rates between 1.0% and 4.8%. The rate was determined such as based on the interest rates for similar lengths as disclosed in the Bond Buyer State and Local Government's Series Rates for similar terms as of the date of projected close, plus an additional 200 basis points (2%).

Remaining principal and interest payments on leases are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 173,020	\$ 19,889	\$ 192,909
2025	181,209	11,818	193,027
2026	75,263	6,039	81,302
2027	78,556	3,169	81,725
2028	46,972	804	47,776
2029	6,134	12	6,146
	<u>\$ 561,154</u>	<u>\$ 41,731</u>	<u>\$ 602,885</u>

Subscription-Based Information Technology Arrangements (SBITA)

During the current year, the District entered into a SBITA contract for the use of lease asset software. As of December 31, 2023, the value of the subscription liability was \$21,742. The District is required to make annual principal and interest payments through October 2025. The subscription has an interest rate of 6.19%. In the prior year, the District entered into a SBITA contract for the use of internet security software. The subscription was valued using a discount rate of 6.19%. Interest rates for similar lengths as disclosed in the Bond Buyer State and Local Government's Series Rates for similar terms as of the date of projected close, plus an additional 200 basis points (2%) (as the rate is published from US Treasury Securities). The rate is found at <https://fiscaldata.treasury.gov/datasets/slgs-daily-rate-table/demand-deposit-rate> by selecting "State and Local Government Series Rates."

Remaining principal and interest payments on SBITAs are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 10,223	\$ 1,264	\$ 11,487
2025	11,519	592	12,111
	<u>\$ 21,742</u>	<u>\$ 1,856</u>	<u>\$ 23,598</u>

Changes in Long-Term Debt

Changes in the District's long-term obligations for the year ended December 31, 2023, consisted of the items below:

	Balance 1/1/2023	Additions	Reductions	Balance 12/31/2023	Due Within One Year
Governmental Activities:					
Compensated absences	\$ 1,238,708	\$ 1,654,503	\$ 1,555,523	\$ 1,337,688	\$1,337,688
2015 Certificates of Participation	13,215,000	0	1,385,000	11,830,000	1,455,000
2015 Premium	1,034,026	0	231,466	802,560	207,058
Lease to Purchase	466,689	0	132,614	334,075	136,409
Leases	324,001	404,906	167,753	561,154	173,020
Subscriptions	0	68,234	46,492	21,742	10,223
Total	\$ 16,278,424	\$ 2,127,643	\$ 3,518,848	\$ 14,887,219	\$3,319,398

The general fund is used to liquidate compensated absences.

5. Employee Retirement Plans

Defined Benefit Pension Plan

Plan description. Eligible employees of the District are provided with pensions through the LGDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that may be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided as of December 31, 2022. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100% match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

It is possible for employees participating in the LGDTF to be earning service credit under the DPS benefit structure. The lifetime retirement benefit for all eligible retiring employees under the Denver Public Schools (DPS) benefit structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.

- \$15 times the first 10 years of service credit plus \$20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

In all cases, the service retirement benefit is limited to 100% of highest average salary and cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether five years of service credit has been obtained and the benefit structure under which contributions were made.

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. For State Troopers whose disability is caused by an on-the-job injury, the five-year service requirement is waived and they are immediately eligible to apply for disability benefits. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions. Eligible employees of the District and the State are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements for the LGDTF are established under CRS § 24-51-401, *et seq.* and § 24-51-413. Employee contribution rates for the period of January 1, 2023, through December 31, 2023, are summarized in the table below:

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022	January 1, 2023 Through June 30, 2023	July 1, 2023 Through December 31, 2023
Employee contribution (all employees other than State Troopers)	8.50%	9.00%	9.00%	9.00%

The employer contribution requirements for all employees other than State Troopers are summarized in the tables below:

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022	January 1, 2023 Through June 30, 2023	July 1, 2023 Through December 31, 2023
Employer contribution rate	10.50%	11.00%	11.00%	11.00%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02%)	(1.02%)	(1.02%)	(1.02%)
Amount apportioned to the LGDTF	9.48%	9.98%	9.98%	9.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%	2.20%	2.20%	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%	1.50%	1.50%	1.50%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.03%	0.03%	0.06%	0.06%
Total employer contribution rate to the LGDTF	13.21%	13.71%	13.74%	13.74%

**Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the District were \$1,900,058 for the year ended December 31, 2023.

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

The net pension liability for the LGDTF was measured as of December 31, 2022, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TPL to December 31, 2022. The District's proportion of the net pension liability was based on District contributions to the LGDTF for the calendar year 2022 relative to the total contributions of participating employers.

At December 31, 2023, the District reported a liability of \$15,281,393 for its proportionate share of the net pension liability.

At December 31, 2022, the District's proportion was 1.524 percent, which was a decrease of 0.110 percent from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the District recognized pension expense that was reduced by (\$1,004,876) and reported pension related deferred outflows of resources and deferred inflows of resources related to pensions as shown in the following table:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 0	\$ 76,181
Changes of assumptions or other inputs	0	0
Net difference between projected and actual earnings on pension plan investments	6,238,594	0
Changes in proportion and differences between contributions recognized and proportionate share of contributions	0	348,681
Contributions subsequent to the measurement date	1,900,058	0
Total	<u>\$ 8,138,652</u>	<u>\$ 424,862</u>

\$1,900,058 reported as deferred outflows of resources related to pension, resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,

2024	\$	(1,367,149)
2025		660,429
2026		2,185,084
2027		<u>4,335,368</u>
	\$	<u>5,813,732</u>

Actuarial assumptions. The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial Cost Method	Entry Age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.20-11.30%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07, and DPS benefit structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06	Financed by the AIR

The total pension liability for the LGDTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, as allowable under C.R.S. § 24-51-313, of Tri-County Health Department (Tri-County Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis.

Pre-retirement mortality assumptions for members other than State Troopers were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for members other than State Troopers were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- Males: 94% of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 87% of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Disabled mortality assumptions for members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The actuarial assumptions used in the December 31, 2021, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared at least every five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation, and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100.00%	

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25 percent.

Discount rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 and 2020 AAP

assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the LGDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and, therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

Sensitivity of the District's proportionate share of the net pension liability or asset to changes in the discount rate. The table below presents the proportionate share of the net pension liability or asset calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability or asset would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability (asset)	\$ 25,653,614	\$ 15,281,393	\$ 6,598,129

Pension plan fiduciary net position. Detailed information about the LGDTF's fiduciary net position is available in PERA's annual comprehensive financial report, which may be obtained at www.copera.org/investments/pera-financial-reports.

At December 31, 2023, the District recorded a payable of \$42,000, owed to PERA, due to a correction in PERA contributions for employees hired on or after July 1, 2019. Employees hired after July 1, 2019, must contribute based upon gross wages; employees hired before that date had the choice to contribute based upon gross wages or adjusted wages (after section 125 cafeteria plan

deductions). The \$42,000 is an estimate the District arrived at based upon a review of prior payrolls; PERA is auditing this information and plans to provide a final bill to be paid in 2024.

Other Post-Employment Benefits

Health Care Trust Fund

Plan description. Eligible employees of the District are provided with other post-employment benefits (OPEB) through the Health Care Trust Fund (HCTF)—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado state law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (ACFR) that may be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided. The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 *et seq.* specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare health benefits program is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure. The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit

recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

Contributions. Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$141,052 for the year ended December 31, 2023.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2023, the District reported a liability of \$998,211 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2022. The District's proportion of the net OPEB liability was based on the District contributions to the HCTF for the calendar year 2022 relative to the total contributions of participating employers to the HCTF.

At December 31, 2022, the District's proportion was 0.122 percent, which was a decrease of 0.004 percent from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the District recognized OPEB expense of \$185,261. At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 130	\$ 241,401
Changes of assumptions or other inputs	16,044	110,172
Net difference between projected and actual earnings on OPEB plan investments	60,969	0
Changes in proportion and differences between contributions recognized and proportionate share of contributions	0	90,945
Contributions subsequent to the measurement date	141,052	0
	<u>\$ 218,195</u>	<u>\$ 442,518</u>

\$141,052 reported as deferred outflows of resources related to OPEB, which resulted from contributions subsequent to the measurement date and will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended December 31,</u>		
2024	\$	(141,661)
2025		(121,433)
2026		(60,738)
2027		(11,618)
2028		(29,925)
	<u>\$</u>	<u>(365,375)</u>

Actuarial assumptions. The total OPEB liability in the December 31, 2021, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions, and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.20%-11.30%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	6.50% in 2022, gradually decreasing to 4.50% in 2030
Medicare Part A premiums	3.75% in 2022, gradually increasing to 4.50 % in 2029
DPS benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

The total OPEB liability for the HCTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under C.R.S. § 24-51-313, of Tri-County Health Department (TriCounty Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

Beginning January 1, 2022, the per capita health care costs are developed by plan option; based on 2022 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

Age-Related Morbidity Assumptions

Participant Age	Annual Increase (Male)	Annual Increase (Female)
65-69	3.0%	1.5%
70	2.9%	1.6%
71	1.6%	1.4%
72	1.4%	1.5%
73	1.5%	1.6%
74	1.5%	1.5%
75	1.5%	1.4%
76	1.5%	1.5%
77	1.5%	1.5%
78	1.5%	1.6%
79	1.5%	1.5%
80	1.4%	1.5%
81 and older	0.0%	0.0%

Sample Age	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$1,704	\$1,450	\$583	\$496	\$1,923	\$1,634
70	\$1,976	\$1,561	\$676	\$534	\$2,229	\$1,761
75	\$2,128	\$1,681	\$728	\$575	\$2,401	\$1,896

The 2022 Medicare Part A premium is \$499 (actual dollars) per month.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2021, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2022	6.50%	3.75%
2023	6.25%	4.00%
2024	6.00%	4.00%
2025	5.75%	4.00%
2026	5.50%	4.25%
2027	5.25%	4.25%
2028	5.00%	4.25%
2029	4.75%	4.50%
2030+	4.50%	4.50%

Mortality assumptions used in the December 31, 2021, valuation for the State Division, Local Government Division, and Judicial Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the December 31, 2021, valuation for the HCTF, but developed on a headcount-weighted basis. Affiliated employers of these Division Trust Funds participate in the HCTF.

Pre-retirement mortality assumptions for the State and Local Government Divisions (Members other than State Troopers) were based upon the PubG-2010 Employee Table with generational projections using scale MP-2019.

Pre-retirement mortality assumptions for the School Division were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions (members other than State Troopers) were based upon the PubG-2010 Healthy Retiree table, adjusted as follows:

- Males: 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- Males: 97 percent of the rates for all ages, with generational projection using scale MP-2019.
- Females: 105 percent of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.

The following health care costs assumptions were updated and used in the roll-forward calculation for the HCTF:

- Per capita health care costs in effect as of the December 31, 2021, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2022 plan year.
- The December 31, 2021, valuation utilizes premium information as of January 1, 2022, as the initial per capita health care cost. As of that date, PERACare health benefits administration is performed by UnitedHealthcare. In that transition, the costs for the Medicare Advantage Option #2 decreased to a level that is lower than the maximum possible service-related subsidy as described in the plan provisions.
- The health care cost trend rates applicable to health care premiums were revised to reflect the then current expectation of future increases in those premiums. Medicare Part A premiums continued with the prior valuation trend pattern.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by the Board's actuary, as discussed above.

Effective for the December 31, 2022, measurement date, the timing of the retirement decrement was adjusted to middle-of-year within the valuation programming used to determine the total OPEB liability, reflecting a recommendation from the 2022 actuarial audit report, dated October 14, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021, actuarial valuation.

The actuarial assumptions used in the December 31, 2021, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared at least every five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors were considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100.00%	

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the health care cost trend rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	<u>1% Decrease in Trend Rates</u>	<u>Current Trend Rates</u>	<u>1% Increase in Trend Rates</u>
Initial PERACare Medicare trend rate	5.25%	6.25%	7.25%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	3.00%	4.00%	5.00%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$ 969,957	\$ 998,211	\$ 1,028,954

Discount rate. The discount rate used to measure the total OPEB liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2022, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- Estimated transfer of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the HCTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OBEP plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate; therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

Sensitivity of the District's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25)
Proportionate share of the net OPEB liability (asset) \$	1,157,222	\$ 998,211	\$ 862,205

OPEB plan fiduciary net position. Detailed information about the HCTF's fiduciary net position is available in PERA's annual comprehensive financial report, which may be obtained at www.copera.org/investments/pera-financial-reports.

6. Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position or fund balance that applies to a future period and so will not be recognized as an inflow of resources or revenue until that time.

At December 31, 2023, the District did not record a deferred inflow for property tax revenues to be levied and collected in 2024. The mill levy certification for 2024 did not take place until January 2024. Accordingly, the District has not presented these unavailable revenues as a deferred inflow of resources in the balance sheet – governmental fund/statement of net position as prescribed under Governmental Accounting Standards Board Statement No. 65, *Items Previously Reported as Assets and Liabilities* (GASB 65).

Additionally, at December 31, 2023, the District has recorded a deferred inflow for pension and OPEB-related liabilities of \$424,862 and \$442,518, respectively. Accordingly, the District has presented these unavailable revenues as a deferred inflow of resources in the balance sheet – governmental fund/statement of net position as prescribed under GASB 68 and GASB 75.

7. Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net position or fund balance that applies to a future period and so will not be recognized as an outflow of resources until that time.

At December 31, 2023, the District has recorded a deferred outflow for pension and OPEB-related liabilities of \$8,138,652 and \$218,195, respectively. Accordingly, the District has presented these unavailable revenues as a deferred outflow of resources in the balance sheet – governmental fund/statement of net position as prescribed under GASB 68 and GASB 75.

8. Fund Balance/Net Position

The District reports fund balance and net position in accordance with GASB 54. This statement redefines the elements of fund balance in governmental funds and more clearly describes the different types of governmental funds.

Amounts reported as nonspendable fund balance at December 31, 2023, include prepaids of \$577,172 considered nonspendable in form and \$59,615 of security deposits.

At December 31, 2023, the District reported restricted fund balance of \$1,121,120, which is the emergency reserve as required by Article X, Section 20, of the Colorado Constitution.

Assigned fund balance at December 31, 2023, includes \$3,600,000, which is pursuant to the District's reserve policy to establish reserves to cover first-quarter obligations prior to receipt of property tax revenues, contingencies, and insurance deductibles.

The District reported unassigned fund balance at December 31, 2023, of \$14,743,496.

Net position as reported at December 31, 2023, includes a net investment in capital assets of \$54,780,862. This amount represents the District's investment in capital assets of \$68,330,393, net of the District's remaining obligation under the 2015 CoPs at December 31, 2023, of \$12,632,560, which is net of unamortized premium of \$802,559, net of Lease to Purchase of \$334,075, net of leases of \$561,154, and net of subscriptions of \$21,742.

The Foundation reported net position at December 31, 2023, comprised of unrestricted funds of \$1,923,076.

9. Risk Management

The District is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters for which the District carries commercial and workers' compensation insurance. Settled claims have not exceeded coverage for property, liability, or workers' compensation deductibles in the past five fiscal years. In the 2024 Budget, the District has included funds to provide limited medical benefits for volunteers who serve in the District in lieu of workers' compensation for which volunteers are ineligible.

10. Tax, Spending and Debt Limitations

Article X, Section 20, of the Colorado Constitution contains tax, spending, revenue and debt limitations, which apply to the State of Colorado and all local governments. In 1996, the voters of the County approved an increased mill levy and authorized the District to collect and spend or retain all revenue without regard to any limitations under this article or any other Colorado law. A Colorado Attorney General's opinion issued in 1999 affirms the ability of a district that holds a vote pursuant to statute to obtain such voter approval.

11. Commitment & Contingencies

The District does not currently have reportable Commitments and/or Contingencies.

12. Subsequent Events

Purchase agreement dated June 13, 2023, was fully executed for the sale of 102 South Wilcox Street from Douglas County Libraries to Berkenkotter Holdings. Funds were received on January 8, 2024, in the amount of \$3,048,230. This amount includes the total consideration of \$3,250,000 (purchase price), \$1,000 in interest earned on earnest money deposit, less \$202,770 in settlement costs.

REQUIRED SUPPLEMENTARY INFORMATION



BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
For the Years Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance
Expenditures				
Current				
Operating				
Salaries and benefits	\$ 18,791,174	\$ 18,792,231	\$ 17,482,263	\$ (1,309,968)
Library materials	3,934,530	3,934,530	3,969,124	34,594
Facilities	2,338,387	2,338,387	1,801,238	(537,149)
Technology and support services	1,841,551	1,789,525	1,462,249	(327,276)
Programs and outreach	1,259,677	1,259,077	1,177,265	(81,812)
District-wide support	1,489,374	1,516,944	1,318,090	(198,854)
Capital Outlay	8,324,516	14,393,784	14,146,806	(246,978)
Debt Service	2,011,625	2,109,725	2,349,845	240,120
Total Expenses	<u>39,990,834</u>	<u>46,134,203</u>	<u>43,706,880</u>	<u>(2,427,323)</u>
Program Revenues				
Operating contributions and grants	305,932	305,932	303,961	(1,971)
Charges for services	514,402	514,402	534,069	19,667
Total Program Revenues	<u>820,334</u>	<u>820,334</u>	<u>838,030</u>	<u>17,696</u>
Net Program Expenses	<u>(39,170,500)</u>	<u>(45,313,869)</u>	<u>(42,868,850)</u>	<u>2,445,019</u>
General Revenues				
Property taxes	32,436,073	32,436,073	32,295,064	(141,009)
Auto ownership taxes	1,568,000	1,568,000	3,036,478	1,468,478
Investment earnings	268,859	195,783	1,531,656	1,335,873
Total General Revenues	<u>34,272,932</u>	<u>34,199,856</u>	<u>36,863,198</u>	<u>2,663,342</u>
Other Financing Sources (Uses)				
Lease income (expense), net	0	0	(11,538)	(11,538)
Leases issued-inflow	0	0	404,906	404,906
Subscriptions issued-inflow	0	0	21,741	21,741
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>415,109</u>	<u>415,109</u>
Net Change in Fund Balance	<u>(4,897,568)</u>	<u>(11,114,013)</u>	<u>(5,590,543)</u>	<u>5,523,470</u>
Fund Balance, Beginning of Year	<u>0</u>	<u>0</u>	<u>25,691,946</u>	<u>25,691,946</u>
Fund Balance, End of Year	<u>\$ (4,897,568)</u>	<u>\$ (11,114,013)</u>	<u>\$ 20,101,403</u>	<u>\$ 31,215,416</u>

See the accompanying independent auditor's report.

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Years Ended December 31,

	District's proportion (percentage) of the collective net pension liability (asset)	District's proportionate share of the collective pension liability (asset)	Covered payroll	District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net pension as a percentage of the total pension liability
2023	1.52%	\$15,281,393	\$12,624,049	121%	82.99%
2022	1.63%	-\$1,400,686	\$12,279,731	-11%	101.49%
2021	1.64%	\$8,539,635	\$11,664,855	73%	90.88%
2020	1.70%	\$12,441,110	\$11,715,798	106%	86.26%
2019	1.72%	\$21,675,902	\$11,308,418	192%	75.96%
2018	1.80%	\$20,082,094	\$11,800,629	170%	79.37%
2017	1.85%	\$24,917,735	\$11,184,779	223%	73.60%
2016	1.76%	\$19,433,036	\$10,018,742	194%	76.90%
2015	1.76%	\$15,770,396	\$9,641,175	164%	62.80%

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
For the Years Ended December 31,

	District's proportion (percentage) of the collective net OPEB liability (asset)	District's proportionate share of the collective OPEB liability (asset)	Covered payroll	District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	Plan fiduciary net OPEB as a percentage of the total pension liability
2023	0.12%	\$998,211	\$12,624,049	7.91%	38.57%
2022	0.13%	\$1,090,415	\$12,279,731	8.88%	39.40%
2021	0.12%	\$1,186,573	\$11,664,855	10.17%	32.78%
2020	0.13%	\$1,464,199	\$11,715,798	12.50%	24.49%
2019	0.13%	\$1,819,124	\$11,308,418	16.09%	17.03%
2018	0.14%	\$1,821,389	\$11,800,629	15.43%	17.53%
2017	0.14%	\$1,836,557	\$11,184,779	16.42%	

See Note 2 to the Required Supplementary Information.

See the accompanying independent auditor's report.

**SCHEDULE OF EMPLOYER'S CONTRIBUTIONS
TO THE PENSION PLAN
For the Years Ended December 31,**

	Statutorily required contributions	Contributions in relation to the statutorily required distribution	Contribution deficiency (excess)	Covered payroll	Contribution as a percentage of covered payroll
2023	\$ 1,900,058	\$ 1,900,058	\$ -	\$ 13,828,660	13.74%
2022	\$ 1,699,413	\$ 1,699,413	\$ -	\$ 12,624,049	13.46%
2021	\$ 1,620,924	\$ 1,620,924	\$ -	\$ 12,279,731	13.20%
2020	\$ 1,505,196	\$ 1,505,196	\$ -	\$ 11,664,855	12.90%
2019	\$ 1,485,563	\$ 1,485,563	\$ -	\$ 11,715,798	12.68%
2018	\$ 1,433,907	\$ 1,433,907	\$ -	\$ 11,308,418	12.68%
2017	\$ 1,496,320	\$ 1,496,320	\$ -	\$ 11,800,629	12.68%
2016	\$ 1,364,600	\$ 1,364,600	\$ -	\$ 11,184,779	12.20%
2015	\$ 1,270,376	\$ 1,270,376	\$ -	\$ 10,018,742	12.68%

**SCHEDULE OF EMPLOYER'S CONTRIBUTIONS
TO OPEB
For the Years Ended December 31,**

	Statutorily required contributions	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Covered payroll	Contribution as a percentage of covered payroll
2023	\$ 141,052	\$ 141,052	\$ -	\$ 13,828,660	1.02%
2022	\$ 128,765	\$ 128,765	\$ -	\$ 12,624,049	1.02%
2021	\$ 125,254	\$ 125,254	\$ -	\$ 12,279,731	1.02%
2020	\$ 118,982	\$ 118,982	\$ -	\$ 11,664,855	1.02%
2019	\$ 119,501	\$ 119,501	\$ -	\$ 11,715,798	1.02%
2018	\$ 115,346	\$ 115,346	\$ -	\$ 11,308,418	1.02%
2017	\$ 116,056	\$ 116,056	\$ -	\$ 11,800,629	0.98%

See Note 2 to the Required Supplementary Information.
See the accompanying independent auditor's report.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION



NOTES TO REQUIRED SUPPLEMENTARY INFORMATION December 31, 2023

1. Stewardship, Compliance, and Accountability

The District's Board of Trustees holds a public hearing in the fall each year to approve the budget for the general fund and appropriate the funds for the ensuing year. Expenditures may not legally exceed amounts appropriated by fund. Any change in the budget for a particular fund requires approval by the Board of Trustees. Management is authorized to make transfers between line items within a fund.

This budgetary comparison schedule is presented on a basis in conformity with generally accepted accounting principles (GAAP).

2. Pension and OPEB Related Disclosures

GASB 68, adopted during fiscal year 2015, and GASB 75, implemented during fiscal year 2018, require disclosure of the District's proportionate share of the net pension liability at the measurement date and contributions to the pension plan for the previous 10-year period. Until a full 10-year trend is compiled, the District is presenting information for those years for which information is available.

OTHER INFORMATION



**SUMMARY OF REVENUES, EXPENDITURES, AND CHANGE
IN FUND BALANCE – GENERAL FUND**
For the Years Ended December 31,
(Unaudited)

	2019	2020	2021	2022	2023
Expenditures					
Current					
Operating					
Salaries and benefits	\$ 15,018,559	\$ 15,243,578	\$ 15,807,234	\$ 16,523,332	\$ 17,482,263
Library materials	3,669,890	3,840,904	3,847,342	3,996,798	3,969,124
Facilities	1,810,114	1,527,772	1,673,773	1,785,765	1,801,238
Technology and support services	1,370,079	1,412,851	1,360,864	1,395,873	1,462,249
Programs and outreach	813,191	503,623	822,131	1,137,341	1,177,265
District-wide support	1,242,742	1,099,971	1,188,083	1,260,806	1,318,090
Capital Outlay	4,511,943	1,214,327	2,046,816	12,821,756	14,146,806
Debt Service	2,012,300	2,012,800	2,013,425	2,225,930	2,349,845
Total Expenses	<u>30,448,818</u>	<u>26,855,826</u>	<u>28,759,668</u>	<u>41,147,601</u>	<u>43,706,880</u>
Program Revenues					
Operating contributions and grants	400,796	340,873	264,404	421,593	303,961
Charges for services	689,313	410,207	566,869	567,080	534,069
Total Program Revenues	<u>1,090,109</u>	<u>751,080</u>	<u>831,273</u>	<u>988,673</u>	<u>838,030</u>
Net Program Expenses	<u>(29,358,709)</u>	<u>(26,104,746)</u>	<u>(27,928,395)</u>	<u>(40,158,928)</u>	<u>(42,868,850)</u>
General Revenues					
Property taxes	25,757,166	28,971,244	29,655,129	32,350,900	32,295,064
Auto ownership taxes	2,512,679	2,529,513	288,807	2,894,516	3,036,478
Investment earnings	548,596	195,065	38,739	521,327	1,531,656
Total General Revenues	<u>28,818,441</u>	<u>31,695,822</u>	<u>29,982,675</u>	<u>35,766,743</u>	<u>36,863,198</u>
Other Financing Sources (Uses)					
Lease income (expense), net	191,914	106,996	108,853	2,138	(11,538)
Lease to purchase	0	0	196,844	347,310	0
Leases issued-inflow	0	0	0	436,818	404,906
Subscriptions issued-inflow	0	0	0	0	21,741
Total Other Financing Sources (Uses)	<u>191,914</u>	<u>106,996</u>	<u>305,697</u>	<u>786,266</u>	<u>415,109</u>
Net Change in Fund Balance	<u>(348,354)</u>	<u>5,698,072</u>	<u>2,359,977</u>	<u>(3,605,919)</u>	<u>(5,590,543)</u>
Fund Balance, Beginning of Year	<u>18,988,170</u>	<u>18,639,816</u>	<u>24,337,888</u>	<u>29,297,865</u>	<u>25,691,946</u>
Fund Balance, End of Year	<u>\$ 18,639,816</u>	<u>\$ 24,337,888</u>	<u>\$ 26,697,865</u>	<u>\$ 25,691,946</u>	<u>\$ 20,101,403</u>

**SUMMARY HISTORICAL COMPARISON OF
REVENUES, EXPENSES, AND CHANGE IN FUND BALANCE – GOVERNMENTAL FUND
For the Years Ended December 31, 2023**

	Actual			Budget
	2021	2022	2023	2024
Statistics				
Circulation	5,941,127	6,056,477	6,036,732	
Patron visits	1,158,320	1,326,756	1,340,490	
Building square footage	177,000	176,000	192,968	
Full time equivalent employee headcount	233	243	254	
Revenues				
Property and auto ownership taxes	\$ 32,543,936	\$ 35,245,416	\$ 35,331,542	\$ 37,724,932
Charges for services	566,869	567,080	534,069	345,468
Contributions and grants	264,404	421,593	303,961	305,932
Investment earnings	38,739	521,327	1,531,656	1,205,050
Total Revenues	33,413,948	36,755,416	37,701,228	39,581,382
Operating Expenditures				
Salaries, wages and benefits	15,807,234	16,523,332	17,482,263	20,189,931
Library content	3,847,342	3,996,798	3,969,124	4,617,007
Facilities	1,673,773	1,785,765	1,801,238	2,652,382
Technology equipment and services	1,360,864	1,395,873	1,462,249	1,668,940
Programs and outreach	822,131	1,137,341	1,177,265	1,583,839
District-wide support	1,188,083	1,260,806	1,318,090	1,905,455
Interest and principal payments	2,013,425	2,225,930	2,349,845	2,313,535
Capital expenditures	505,857	1,338,024	908,399	1,175,671
Total Operating Expenditures	27,218,709	29,663,869	30,468,473	36,106,760
Revenues Over (Under) Operating Expenditures	6,195,239	7,091,547	7,232,755	3,474,622
Non-Operating Revenues (Expenditures)				
Lease income (expense), net	108,853	2,138	(11,538)	0
Lease to purchase	196,844	347,310	0	0
Capital expenditures	(1,540,959)	(11,483,732)	(13,238,407)	(2,329,788)
Leases issued-inflow	0	436,818	404,906	0
Subscriptions issued-inflow	0	0	21,741	0
Total Non-Operating Revenues (Expenditures), net	(1,235,262)	(10,697,466)	(12,823,298)	(2,329,788)
Total Revenues Over (Under) Total Expenditures	\$ 4,959,977	\$ (3,605,919)	\$ (5,590,543)	\$ 1,144,834

HISTORY OF ASSESSED VALUATIONS (Unaudited)

Levy / Collection Year	Assessed Valuation	Percent Change	Statutory "Actual" Value
2018/2019	\$ 6,438,835,604	1.58%	\$ 62,315,982,391
2019/2020	\$ 7,239,081,296	12.43%	\$ 72,076,633,311
2020/2021	\$ 7,406,236,279	2.31%	\$ 74,185,916,447
2021/2022	\$ 8,065,691,731	8.90%	\$ 81,370,875,194
2022/2023	\$ 8,104,381,140	0.48%	\$ 83,777,072,422
2023/2024	\$ 10,292,323,249	27.00%	\$ 114,596,756,478

HISTORY OF MILL LEVIES (Unaudited)

Levy / Collection Year	General Fund	Special Abatement	Temporary Rate Reduction	Total Levy
2018/2019	4.000	0.008		4.008
2019/2020	4.000	0.023		4.023
2020/2021	4.000	0.012		4.012
2021/2022	4.000	0.021		4.021
2022/2023	4.000	0.008		4.008
2023/2024	4.000	0.000	-0.487	3.513

PROPERTY TAX COLLECTIONS (Unaudited)

Levy/Collection Year	Taxes Levied	Current Tax Collections	Collection Rate
2017/2018	\$ 25,488,713	\$ 25,488,019	100.00%
2018/2019	\$ 25,806,853	\$ 25,849,883	100.17%
2019/2020	\$ 29,122,824	\$ 29,173,238	100.17%
2020/2021	\$ 29,713,820	\$ 29,901,263	100.63%
2021/2022	\$ 32,432,146	\$ 32,606,739	100.54%
2022/2023	\$ 32,436,073	\$ 32,641,357	100.63%

Douglas County Libraries 

DCL.ORG

Douglas County Libraries Board of Trustees (the Board) met in Study Session on April 24, 2024, to conduct their annual self-evaluation as required by the Board Bylaws.

Present: Terry Nolan, Suzanne Burkholder, Megan Silverthorn, Zach McKinney, and Ted Vail.
Absent: Jessica Kallweit and Rick La Pointe

The board discussed performance in three areas:

1. Board Effectiveness
2. Representation and Advocacy
3. Oversight

For Board Effectiveness, the Board found that they met or exceeded expectations with only one suggestion from Nolan for improvement.

Opportunity: Nolan suggested the Board make a goal of trustees prioritizing board obligations such as attending the annual retreat over other obligations.

Comments reflecting the rating of met or exceeded included:

- Prepared – comes having read the packet

Yes, trustees come prepared as evidenced by the quality of the board conversation, discussion, and questions to staff during meetings.

- Participation – adds to the discussion, votes on issues, expresses dissenting opinions or views respectfully, actively listens and remains engaged

Yes, trustees speak up. There is not a sense that the Board is just rubber-stamping without discussion and/or information when needed.

- Team Player – respects that the board only has authority as a group, not as individual members; works collaboratively with fellow board members

Yes, the Board sees this as important, and could not think of an instance where board members fell out of this expectation. The Board feels that onboarding helps in setting the distinction that they are given statutory authority in acting as a board, not individual board members. Board members support board decisions that they did not vote for and speak positively about decisions even when they voted against them. Board members feel comfortable expressing their viewpoints and do so respectfully for staff and each other.

- Supports the Executive Library Director and respects the lines of authority, not going around the Executive Library Director to staff

Yes, the Board felt they did this appropriately. Bob is accountable to the Board for all operations trustees when needing information need to include Bob in the request or question and not go around Bob directly to staff.

For **Representation & Advocacy** the Board found that they met and or exceeded expectations except in the areas of as spokesperson for the library and in listening where they saw opportunity.

Comments reflecting the rating of met or exceeded included:

- Is seen as a spokesperson for the library

Opportunity: The Board could do more in this area. While involved in partnerships, the Board feels they could be utilized more to promote Foundation activities and the library.

Discussion of opportunities included:

Internal – e.g., attend a GED ceremony, when attending the Gala network, thanking sponsors and attendees.

External – going to meetings and participating with partners

Where are opportunities where the Board can make an impact?

- Continue to connect through their channels, sharing information when you can in an informed way.
- Bob suggested focusing on connections through the Partnership of Douglas County Governments.
- Staff can give the Board more opportunities, training or information here as needed.
- Listens to constituency, understands community interests, and issues, and represents them to the library

Yes, the Board last year exhibited a high ability to listen as tested with large groups of opposing sides attending meetings and engaging in public comment.

The Board noted that being aware of potential “critical moments” such as was the case in 2022 and 2023 where the Board prepared for potential conflict around materials challenges, supported the Board’s ability to meet this standard.

The Board exhibited listening to different perspectives when making decisions as they discussed and worked through 2024 budget adoption.

Opportunity: An area where the board is improving and should continue to do so is when complaints, comments, or requests come from someone outside the organization as a pass-through to the Board or staff by elected officials, these interactions should not be elevated past normal procedure because of who brought it to the organization. Policy and procedure prize consistency of behavior on our part.

- Supports decisions made by the board to the community

Yes, Touched on above. Even if you vote no on something, you stand behind the decision as a Board decision and while trustees can share that they voted against something and give their reason, all trustees support the Board decision because the authority is in the collective, not the individual.

For **Oversight**, the Board found that they met and or exceeded expectations except in the area Executive Library Director annual evaluation where they saw opportunity.

Comments reflecting the rating of met or exceeded included:

- Practices governance, not management (controls and directs the making of policy as opposed to exercising executive, administrative or supervisory direction)

Yes, the Board works to stay in their governance role while being informed of what they need to govern. When there is a question or issue, the Executive Committee addresses it. The Board does a decent job of speaking of what is on individual trustees' minds and discussing to come to collaborative decisions.

- Works to ensure policies are in place to address the legal responsibilities given the board

Yes, the Board's bylaws and policy work of the last year and a half demonstrate this commitment, as does ongoing conversation and evaluation of policy as it is enacted. The Board reaches out to legal counsel for advice and support when needed.

- Participates in reviewing/adopting budgets and keeps informed of library financial status

Yes, the Board conducts and receives a report on the annual audit, reviews financials quarterly and did a deeper dive into the budget process in 2023 due to the uncertain property tax assessment situation.

- Participates in annual evaluation of and assists other trustees in setting clear direction for the Executive Library Director (ELD)

Yes, the Board has worked to build a replicable process over the last five years. All trustees participated in the recent mid-year review. There is now a written and adopted policy. The Board has scheduled an additional meeting annually in October solely for the ELD's annual review.

Opportunity: As one of the more important trustee responsibilities:

- The Board should continue to prioritize participation in the annual review process by all trustees.
- The Board should continue to clarify, with support from the Executive Library Director, the monthly reporting that is part of the organizational "review" that sets the background for his review.

MEMO

To:	Douglas County Libraries Board of Trustees
Date:	May 2024
From:	Bob Pasicznyuk
Subject:	May Executive Library Director's Report

ISSUE: Monthly Library Report

DISCUSSION:**Quarterly Strategic Report – Highlights.**

- Remote work goals and team work is now complete this year handling many of the issues associated with support of remote and hybrid workers via our stipend program and IT remote work packages.
- Our Safety and Security Manager is leading the strategic efforts for those needs conducting a 90-day safety review.
- Our marketing team's work continues through sponsorship of youth activities and events.

Key Performance Indicator Quarterly Check-up

Performance indicators show that the Library is healthy and providing value to our customers.

Communications: News and Trends.

May is Mental Health Awareness Month – being mentioned across our communication channels.

Q1 2024 Emergent Incidents

Ransomware. The Library is currently working with insurers on the claim.

Highlands Ranch Repairs. The Library is currently working with insurers on the claim.

Legislation and Libraries.

SB 24-216 (*Standards for Decisions Regarding Library Resources*) passed the legislature and waits for the Governor's signature to become law.

SB 24-233 (Property Taxes): Casie Cook is pursuing the implications of this bill on Library revenue and will report findings to the Board when her investigation is complete.

Northwest Library Branch. This is the May Study Session topic.

Divisional Work and Accomplishments.**Community Engagement****This Month**

Summer Reading. +3,800 people have pre-registered for summer reading. As part of our marketing efforts, elementary schools in Douglas County received an interactive promotional piece for their students to enjoy and encourage registration in our summer reading event. Summer Reading officially kicks off June 3. Visit <https://dcl.org/summer-reading/> for details and to register!

Archives and Local History and Visual Arts & Design Teams.

- A new collection from the Eugene Everitt photo collection. Eugene was a prominent photographer in Douglas County from 1960-1990.
- New history exhibit titled *From the Archives: Murder, Mayhem, Mystery & Moonshine* for display in August at the Parker, Castle Rock, Highlands Ranch and Lone Tree locations.

Coming Soon

Summer Reading kicks off on June 3, 2024. Each DCL location will celebrate the kick-off with morning registration activities and surprises. This year's celebration, Flock to the Library, offers vibrant activities and events throughout the summer.

Camp DCL begins in June. Campers will be welcomed to various camps throughout the district. Camp assistants have been hired and camp volunteers went through a new, special training and are all ready for some summer fun.

Author Jack Carr will present on Friday, June 21, at the DCSD, Legacy Campus. KOA's Ross Kaminsky, will host the event.

On June 3, we will launch the **new reservation/booking software**, Communico, to the public. Staff has worked for over 7 months to find a replacement for DCL's reservation software system. When we were notified that our current software would no longer be available, staff jumped in to find a solution and create a transition plan. Over the last month, staff has been training in the new system, communicating with frequent room/study room users, updating to a new digital signage system (also now Communico), and preparing for the public launch.

DCL has partnered with RTD, CDOT and the City of Lone Tree to host a themed Storytime on June 11, 2024 at the Lone Tree library. DCL's young Storytime guests will experience a themed event about buses and transportation, be surprised by a favorite book character and receive a fun book to take home.

Customer Experience

This Month

- We **launched a film discussion club at Castle Rock**. Walter Chaw, a Senior Film Critic for Film Freak Central (filmfreakcentral.net) and film professor at the University of Colorado led the discussion after viewing the film *Double Indemnity* (1944).
- **Teen Library Connection** (TLC) groups held murder mystery sessions for teens and produced very cute stuffed animal sleepovers for preschoolers.
- Branch Services Manager Ryan Lammers held office hours at each location to gather feedback and questions related to upcoming **employee classification changes**. The BS Supervisor team is considering this feedback and any scheduling implications that may come from changes to employee classifications.

Coming Soon

- In Q3, we will be adding **Ageless Grace elements** into many of the Customer Experience Department's services. Ageless Grace is a brain fitness program that includes simple exercises designed for all ages and abilities. These exercises, based on everyday movements, focus on the healthy longevity of the body and brain.
- We are preparing to refresh the **Epic Reads program** to better serve in-branch audiences. This program formerly focused on creating lists for book talks in classrooms, but with our new approach to school services (school groups come to the library, rather than librarians going to schools) we are refreshing the program to focus on creating high-quality lists of titles to support Reader's Advisory within the branches and book talks for visiting groups – both formal and impromptu.

- **Outdoor storytimes** will begin in June! Each location will hold one outdoor storytime per week, weather permitting.
- **Courier trucks will be wrapped** at the end of May to promote Summer Reading

Executive

This Month

- Working on **records retention** for Executive Office information. Completed All folders except Executive folder for records retention. On track to be complete with all by end of May.
- Completed all **meeting room bookings** Jul 2024-Dec 2025 into the new Communico software.

Finance

- Successfully **passed the 2023 audit** with no findings
- Currently **researching both budget and accounts payable software** options
- Preparing to host the June Manager's Meeting – our agenda includes **the budget kick-off**, Q & A invoice coding session, and navigating Intacct, our ERP software

Infrastructure Services

This Month

- Capital projects
 - The **Castle Pines sorter upgrade** is complete.
- Talent Management
 - The first cohort of the **Leadership Development Academy** has been selected. Classes will be once a month for 12 months starting in June.
 - The **DCL Wellness challenge**, Sustain, was a huge success with over 50% staff participation and over 100,000 points logged.
- Cost containment
 - We launched the **2024 Employee Handbook update** for employee review and acknowledgement. HR worked closely with Employers Council to ensure the handbook update is compliant with current employment law.

Coming Soon

- Capital projects
 - We are working on a project plan to replace the **Highlands Ranch Library roof**, VAVs, and entry way later this year.
- Talent Management
 - **Mid-year performance reviews** have been launched and completed reviews will be submitted to HR by June 14.
 - We are working with Brown & Brown, our insurance broker, to go to **market for our 2025 health insurance benefits**.
- Cost containment
 - All staff are working on **compliance trainings**. These help in keeping DCL staff and facilities safe and result in a discounted premium on the renewal of our property and liability insurance premium.
 - The Safety & Security Manager will be **completing a 90-day Safety & Security report** with recommendations for moving forward after evaluating our current Safety & Security program.

Board Meeting Follow up.

Urban Renewal Authorities. No Action.

About Castle Rock's output comparison to our other, similar libraries.

Highlands, Castle Rock, and Parker visits and circulation			
	Highlands Ranch	Castle Rock	Parker
Circulation 2022	1,193,226	866,317	1,166,097
Circulation 2023	1,107,486	696,315	1,089,949
Circulation 2024 Q1	216,880	205,691	230,860
Visits 2022	334,912	279,028	344,938
Visits 2023	339,626	239,272	361,025
Visits 2024 Q1	66,278	68,511	79,106

RECOMMENDATION: None; information only.

DCL 2021-2025 Strategic Plan

Q1 2024 Update

The four active responses met their Q1 benchmarks and are working on Q2 benchmarks at this time. A few of the noteworthy updates to share at this point include:

- Our new Safety and Security Manager Terrell Brown is meeting with stakeholders across the district to conduct an initial risk assessment of each DCL location. The SRP/Active threat training was implemented across DCL in conjunction with the Douglas County Sheriff's Office.
- DCL's presence in senior living facilities continues to grow. We serve 15 facilities throughout the county, and most are picking additional services from our menu. We have added Book Chats to all living facilities and senior centers and are preparing to offer 60 themed Book Chats in 2024. Additionally, we hosted the first DC Senior's Council meeting under partnership and contracted with a local community organization (Tally Tales Ranch) for coffee and pastries. The room was filled to capacity.
- Volunteer Services' first "concierge" event was a success utilizing seven volunteers to assist with setup for a branch after-hours buyout for a school charity auction. E&H staff expressed their gratitude, and the customer sent in this feedback: "And thank you to your awesome volunteers who stepped up in a special way, who helped the night-of."

Strategic Plan Dashboard

Strategic Priority	Strategic Response	Response Status
Vibrant Libraries	Create and feature fun, unexpected visual and interactive exhibits that encourage library visits.	Complete
	Set up a district task force to conduct an annual evaluation of meeting room customer use and feedback, and identify barriers to using our meeting spaces that we can reduce or eliminate.	On Track
Beyond our Walls	Sponsor local kids' activities to raise brand awareness among kids and their parents, grandparents, and other supporters.	Complete
	Increase the frequency and market saturation of traditional advertising, targeting a broad audience with general library messaging (e.g., get to know DCL).	On Hold
	Improve and reprise the popular Brew Tour, incorporating Friday-Saturday night events in our libraries.	Complete
Community Service	Identify and provide library services to support mental health in Douglas County.	Complete
	Serve as a destination for Douglas County seniors to congregate, learn, and socialize.	On Track
Fortify our Infrastructure	Create an organized and accessible information storage structure that meets staff, customer, and retention needs.	On Hold
	Support and achieve excellence in co-working and remote work through shared workspaces and amenities, sophisticated use of mobile technology, and clear expectations for remote work.	Delayed
	Develop an organizational data strategy detailing how we capture, use, analyze, and make decisions based on data.	Complete
	Work with Douglas County Sheriff to validate and adapt our safety practices, procedures, and training to contemporary standards.	On Track
	Identify and implement volunteer integration in every DCL division, to fundamentally leverage volunteers and their skills to significantly increase organizational capacity.	On Track

Q1 2024 KPI

NPS: How DCL users feel about our brand and services

86.21 Quarter score **January - March 2024**

84.47 Quarter score **January - March 2023**

Use

Market Penetration: The percentage of Douglas County households with an active library card

59.33% **March 2024**

59.45% **March 2023**

Door Count

302,583 **January - March 2024**

346,035 **January - March 2023**

302,583 Total 2024 **January - March**

1,340,683 Total 2023

Website Visits

505,042 **January - March 2024**

464,085 **January - March 2023**

505,042 Total 2024 **January - March**

1,843,506 Total 2023

Community Engagement

Resource Donors: Total number of unique volunteers and donors

821 **January - March 2024**

713 **January - March 2023**

Partnerships: Total number of organizations DCL has a working relationship/partnership

157 **January - March 2024**

175 Total 2023

Indirect Outreach/Impressions Total number of times someone has a chance of seeing the DCL brand

36,156,693 **January - March 2024**

132,875,148 **January - March 2023**

36,156,693 Total 2024 **January - March**

455,640,843 Total 2023

Direct Outreach: Total number of people DCL staff talked about the library and our services outside of our library locations

9,610 **January - March 2024**

6,669 **January - March 2023**

9,610 Total 2024 **January - March**

37,842 Total 2023

Notes :

Indirect impressions down in the area of views of PR/news pieces.

Door count figures are comparing two different systems, IPSOS versus Retail Next.
That could account for the variance between those figures.

MEMO

To:	Douglas County Libraries Board of Trustees
Date:	May 29, 2024
From:	Casie Cook, Director of Finance
Subject:	Financial Statement Review for the three months ending March 31, 2024

Balance Sheet

As of March 31, 2024, the Library has \$30.626 million of cash and liquid investments. The Library is holding \$0.191 million, or, \$191 thousand, in cash for accounts payable purposes. The Library is holding \$30.400 million in liquid funds at ColoTrust, plus \$.010 million, or, \$10 thousand in liquid investments at the Colorado Statewide Investment Program (CSIP).

At March 31, 2024, the Library recorded interest income of \$.320 million, or, \$320 thousand, which exceeds the budget by 44%.

At March 31, 2024 the Library recorded a receivable and related deferred revenue of \$22.245 million for property taxes. We expect the Library to collect in excess of 99% of property taxes budgeted for 2024.

Funds available for future capital improvements total \$14.769 million at March 31, 2024, as reported on the fund balance line of the balance sheet.

Performance vs Budget

Overall, the Library has realized a \$4.124 million, 63% favorable, variance to budget for the three months ending March 31, 2024.

Total operating revenues are (\$.211 million, or, \$211 thousand), and (1.4%) under budget, through March 31, 2024. Property taxes account for the majority of the variance, due to the difference between budgeted vs actual tax collections.

Operating expenditures are (15.5%) under budget through March 31, 2024. Library Content accounts for a large portion of this variance due to timing of receipt of goods, and a pause in purchasing during the cyber incident. There are \$400 thousand worth of materials on order and spending is expected to move along regularly through the remainder of the year and meet the budgeted figure.

Salaries, Wages, Benefits & PERA Retirement, which account for 69% of operating expenses through March 31, 2024, are (\$.289 million, or, \$289 thousand), and (6%) under budget, through March 31, 2024. This variance is primarily due to timing of benefit provider invoices.

All other operating expenditures were (\$0.345 million, or, \$345 thousand), and (18%) below budget, through March 31, 2024, primarily due to seasonality differences between budgeted vs actual expenditures.

Capital Expenditures

Actual spending for Capital Maintenance items for the three months ending March 31, 2024 is \$.332 million, or, \$332 thousand, vs. an annual budget of \$1.176 million. The remaining funds are expected to be expended through the course of the year.

Actual spending for Capital Improvement items for the three months ending March 31, 2024 is \$.130 million, or, \$130 thousand, vs. an annual budget of \$2.330M. The remaining funds are expected to be expended through the course of the year.

Cyber Expenditures

Actual spending related to the cyber incident was minimal in the first quarter as the vast majority of vendor invoices were processed in the second quarter of 2024. At this moment in time, all vendor invoices received are expected to be covered by the Library's cyber liability insurance (\$1 million in coverage).

2024 Forecast

Based on the Library's 2024 performance through March 31, 2024, and assuming the Library performs according to its remaining budget through December 2024, the Library is projecting a fund balance of \$21.246 million at December 31, 2024, which is \$.502 million, or, \$502 thousand, greater than the original 2024 budget projection.



BALANCE SHEET

	<u>December 31, 2023</u>	<u>March 31, 2024</u>
	Audited	Unaudited
ASSETS		
Cash	\$ 20,847,693	\$ 30,625,934
Property Taxes Receivable	196,915	22,245,307
Prepaid Expenses And Deposits	636,787	611,526
Receivable DCL Foundation	225,000	212,108
Accounts Receivable	8,959	50,043
Total Assets	<u>\$ 21,915,354</u>	<u>\$ 53,744,918</u>
LIABILITIES & FUND BALANCE		
LIABILITIES		
Deferred Property Taxes	\$ 0	\$ 22,245,308
Accrued Salaries And Benefits	341,355	572,978
Accounts Payable	1,431,098	190,965
Other Accrued Liabilities	41,498	8,639
Total Liabilities	<u>\$ 1,813,951</u>	<u>\$ 23,017,890</u>
FUND BALANCE		
Nonspendable Fund Balance	\$ 636,787	\$ 611,527
Restricted Fund Balance	1,121,120	1,121,120
Assigned Fund Balance	3,600,000	3,600,000
Unassigned Fund Balance	26,604,747	14,768,757
Revenues Over (Under) Total Expenditures	(11,861,250)	10,625,625
Total Fund Balance	<u>\$ 20,101,403</u>	<u>\$ 30,727,028</u>
Total Liabilities & Fund Balance	<u>\$ 21,915,354</u>	<u>\$ 53,744,918</u>



Quarterly Report of Cash and Investments
March 2024

Institution	% of Total	Value	Maturity Date	Interest YTD	Current Rate
Cash					
Colotrust *	99.28%	\$ 30,404,071	N/A	\$ 318,538	5.44%
Independent Bank	0.58%	178,152	N/A	1,119	1.01%
Wells Fargo Bank	0.10%	31,258	N/A	-	0.00%
CSIP Liquid*	0.03%	10,133	N/A	137	5.42%
Cash in Use	0.00%	1,319	N/A	-	
Total Cash	100.00%	<u>30,625,934</u>		<u>319,793</u>	
Property tax interest		-		(445)	
Wilcox escrow deposit interest				1,000	
Total Cash and Investments		<u>\$30,625,934</u>		<u>\$ 320,348</u>	

NOTES:

* Variable rate account.



STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE

As of March 31, 2024

(Unaudited)

	Month Ending March 31, 2024		Year To Date March 31, 2024			Annual Budget 2024	
	Actual	Actual	Budget	Variance	% Budget	Budget	Remain %
Revenue							
Property taxes	\$ 13,406,347	\$ 13,674,161	\$ 14,237,194	\$ (563,033)	(3.95) %	\$ 36,156,932	62.18 %
Specific Ownership Taxes	222,009	482,994	392,001	90,993	23.21 %	1,568,000	69.20 %
Contributions/Grants	0	65,000	0	65,000	100.00 %	305,932	78.75 %
Charges for services	35,505	191,081	92,242	98,839	107.15 %	345,468	44.69 %
Interest Income	130,110	320,349	222,928	97,421	43.70 %	1,205,050	73.42 %
Total Revenue	13,793,971	14,733,585	14,944,365	(210,780)	(1.41) %	39,581,382	62.78 %
Operating Expenditures							
Salaries & Wages	1,888,681	3,922,035	3,912,735	9,299	0.23 %	16,337,049	75.99 %
Benefits	(6,291)	221,442	338,879	(117,437)	(34.65) %	1,356,468	83.68 %
PERA Pension	265,020	523,803	704,505	(180,702)	(25.64) %	2,496,414	79.02 %
Library Content	216,840	573,118	1,179,105	(605,987)	(51.39) %	4,617,007	87.59 %
Facilities	97,850	408,306	640,466	(232,160)	(36.24) %	2,652,382	84.61 %
Technology, Equipment & 3rd-Party Services	109,412	333,815	503,717	(169,902)	(33.72) %	1,668,940	80.00 %
Library Programs & Outreach	86,858	258,171	285,137	(26,966)	(9.45) %	1,583,839	83.70 %
District-Wide Support Costs	77,014	226,301	340,606	(114,305)	(33.55) %	1,339,582	83.11 %
Capital Maintenance Projects	91,214	331,677	134,050	197,627	147.42 %	1,175,671	71.79 %
Total Operating Expenditures	2,826,598	6,798,668	8,039,200	(1,240,533)	(15.43) %	33,227,352	79.54 %
Debt Service	0	23,984	62,988	(39,004)	(61.92) %	2,313,535	98.96 %
County Treasurer's Fees	201,097	205,115	219,438	(14,323)	(6.52) %	565,873	63.75 %
Total Operating, Interest & Fee Expenditures	3,027,695	7,027,767	8,321,626	(1,293,860)	(15.54) %	36,106,760	80.54 %
Total Revenues Over (Under) Operating Expenditures	10,766,276	7,705,818	6,622,739	1,083,079	16.35 %	3,474,622	(121.77) %
Non-Operating Revenues (Expenditures)							
Asset Sale	2,600	3,050,071	0	3,050,072	100.00 %	0	0.00 %
Capital Improvement Projects	(130,265)	(130,265)	(120,666)	(9,599)	7.95 %	(2,329,788)	94.41 %
Total Non-Operating Revenues (Expenditures)	(127,665)	2,919,806	(120,666)	3,040,473	(2,519.74) %	(2,329,788)	225.32 %
Total Revenues Over (Under) Total Expenditures	10,638,611	10,625,624	6,502,073	4,123,552	63.41 %	1,144,834	(828.14) %
Beginning Fund Balance	20,088,416	20,101,403				20,101,403	
Ending Fund Balance	\$ 30,727,027	\$ 30,727,027				\$ 21,246,237	



2024 Budget
Maintenance & Improvement Projects
For Projects over \$5,000 and a life of greater than one year
As of March 31, 2024

	Original Budget	Spent To-Date	Remaining Budget
<u>Operating Expenditures: Maintenance Projects</u>			
[M1] District IT: B100	\$ 507,000	\$ -	\$ 507,000
District-Wide: B100	99,500	0	99,500
Castle Pines: B200	16,800	0	16,800
Castle Rock: B700	61,781	0	61,781
Highlands Ranch: B300	82,685	50,975	31,710
Lone Tree: B400	55,310	12,515	42,795
[M1] Parker: B600	344,435	268,187	76,248
Roxborough: B800	8,160	0	8,160
Unallocated	0	0	0
Total Maintenance Projects	\$ 1,175,671	\$ 331,677	\$ 843,994

Notes

[M1] Requires Board motion to approve

Non-Operating Expenditures: Improvement Projects

[I1] District IT: B100	\$324,000	\$ -	\$ 324,000
[I1] District-Wide: B100	552,138	-	552,138
Castle Pines: B200			0
Castle Rock: B700	50,000	-	50,000
[I1] Highlands Ranch: B300	1,047,650	-	1,047,650
[I1] Lone Tree: B400	176,000	70,265	105,735
[I1] Parker: B600	180,000	60,000	120,000
Roxborough: B800			0
Total Improvement Projects	\$2,329,788	\$130,265	\$2,199,523

Notes

[I1] Requires Board motion to approve

Grand Total Maintenance, Improvements, Capital Campaign	\$ 3,505,459	\$ 461,942	\$ 3,043,517
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Comparison of Property & Auto Tax Revenues
March 2024 YTD

Property Tax (net of adjustments)

	<u>2023</u>	<u>2024</u>	<u>Change \$</u>	<u>Change %</u>
January	\$0	\$0	n/a	n/a
February	1,035,333	267,815	(767,518)	(74%)
March	11,750,451	13,406,346	1,655,895	14%
April	1,441,173		n/a	n/a
May	5,971,374		n/a	n/a
June	2,840,175		n/a	n/a
July	8,703,008		n/a	n/a
August	309,325		n/a	n/a
September	124,953		n/a	n/a
October	42,528		n/a	n/a
November	40,517		n/a	n/a
December	36,227		n/a	n/a
Total	<u>\$32,295,064</u>	<u>\$13,674,161</u>	<u>\$888,377</u>	

Adjustments include prior year tax collected, TIF deductions and abated taxes.

Auto Tax

	<u>2023</u>	<u>2024</u>	<u>Change \$</u>	<u>Change %</u>
January	\$0	\$0	n/a	n/a
February	247,261	260,985	13,724	6%
March	260,368	222,009	(38,359)	(15%)
April	263,927		n/a	n/a
May	222,189		n/a	n/a
June	276,452		n/a	n/a
July	247,647		n/a	n/a
August	262,444		n/a	n/a
September	283,666		n/a	n/a
October	247,418		n/a	n/a
November	261,343		n/a	n/a
December	463,763		n/a	n/a
Total	<u>\$3,036,478</u>	<u>\$482,994</u>	<u>(\$24,635)</u>	

MEMO

To:	Douglas County Libraries Board of Trustees
Date:	May 29 th , 2024
From:	Casie Cook, Director of Finance
Subject:	Internal Control Overview

ISSUE:

More information desired regarding the Library's Internal Controls.

DISCUSSION:

It is the goal and practice of the Finance division to ensure strong financial management practices and proper controls over cash and other assets. Toward this end, the following controls are incorporated in the policies and procedures:

- Duties are segregated as to authorization, recording, custodial functions and reconciliation.
- Cash and other assets are physically safeguarded.
- Physical assets, detailed ledgers and third-party statements are reconciled to the general ledger in a timely fashion.
- Automated accounting systems are properly maintained, safe guarded as to access, and backed up.

Management is responsible for the design, implementation, and maintenance of all internal controls. Strong internal controls allow for three main objectives: accurate and reliable financial reporting, compliance with laws and regulations, and effectiveness and efficiency in the organization's operations.

Annually, the District is audited by an outside CPA firm, which obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate to the circumstances. The auditors' objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error. By understanding the internal controls that the District has designed, the auditors will tailor their audit to the risks.

Below are some key points of interest in any organization's internal control procedures.

1) Financial Accounting System

The Library uses Sage Intacct, an enterprise resource planning software. Intacct is a cloud-based software with a robust information security management program. Intacct utilizes intrusion detection, firewalls, patch and vulnerability management, antivirus, and performs various types of internal and third-party audits to validate compliance with applicable requirements. Sage Intacct has the ability to recover data in the event of a disaster or for business continuity purposes. Sage Intacct maintains a Data Recovery Process, covering back-up and restore procedures for Sage Intacct customer data. For customer data, our SLAs include both a Restore Point Objective (RPO) of no more than 4 hours and Restore Time Objective (RTO) of no more than 24 hours.

Access to Intacct is controlled through unique user identifications and passwords. Intacct restricts users by a system of permissions given to each role that is then assigned to each user.

2) Reconciliations

Balance sheet accounts are reconciled monthly, and balances documented either by third-party verification or supported by detailed ledgers.

Bank Account Statements

Bank statements are obtained electronically by the Senior Accountant, who then reconciles the statement to the general ledger. The Controller then does the final reconciliation in Intacct after they review the bank statement for inconsistent check numbers, expected wires in (property taxes) and expected wires out (payroll, benefit plans, etc.), agreement between accounts for interbank transfers, and large dollar amounts. The Director of Finance reviews all bank reconciliations.

Bank accounts are reconciled using the bank reconciliation functionality of the accounting software. When reconciling the bank accounts, the following items are included in the procedures:

- a. Daily deposits are agreed to the bank statements.
- b. Inter-bank transfers are agreed to each affected bank statement.
- c. Checks written are agreed to checks cleared.
- d. Checks or deposits rejected by the bank are investigated and resolved.
- e. Check sequence is in order and missing check numbers are investigated.
- f. Voided checks are mutilated and accounted for on the accounting system.
- g. Outstanding checks greater than six months old are investigated and reissued as necessary.
- h. Bank fees are reviewed in accordance with known fee schedules.
- i. Interest earnings are reviewed in accordance with known market rates.

Other Asset and Liability Accounts

Each month all other balance sheet accounts are reconciled to detailed ledgers or other documentation.

- a. Change box fund balances agree to the Change Box Reconciliation Form, as applicable.
- b. Accounts receivable balances agree to itemized detailed ledgers.
- c. Inter fund receivable and payable balances agree.
- d. Credit card receivable agrees to the summary ledger and can be proved by reference to the credit card processor's outstanding transaction reports.
- e. Property taxes receivable and deferred property taxes balances agree to the Property Tax Ledger.
- f. Prepaid expense balances agree to the Amortization of Prepaids Ledger.
- g. Fixed asset and accumulated depreciation balances agree to the Fixed Asset Module's detailed inventory reports.
- h. Security deposits equal amounts paid in escrow to landlords.
- i. Accounts payable balance agrees to the detailed ledger of outstanding invoices.
- j. Benefit and payroll deduction payables agree to detailed ledgers or can be proven out by reference to benefit and payroll reports.
- k. Sales tax payable agrees to activity from the last quarterly or yearly tax submission.
- l. Miscellaneous payables agree to itemized detailed ledgers.

Income and Expense Accounts

- a. Total property tax revenue agrees in total to County Treasurer's monthly reports.
- b. Clearing accounts are zero by each month end, when applicable.
- c. Insurance expense is reconciled to total expense per the Prepaid Ledger.
- d. Depreciation expense agrees to Fixed Asset Module's detailed reports.

e. Capital expenditure accounts (9900's) are reconciled to activity in the fixed asset accounts (1500's) and to Fixed Asset Module's detailed inventory reports.

Month End

The general ledger is closed and financial reports created and distributed around the 10th of each month. Once closed, any corrections, adjustments, or voids that are required are made in the subsequent month.

A Monthly Close Checklist is completed each month to verify all required elements have been completed.

Year End

The general ledger is closed each year-end which means that 1) all income and expense accounts are zeroed out and dollar amounts transferred to Fund Balance 2) balance sheet account ending balances are rolled forward as beginning balances in the New Year and 3) year to date and life to date information on the accounting system is updated.

Before the year-end close (traditionally once a year) entries are made for the following items in addition to the normal month end entries:

- a. Depreciation of fixed assets
- b. Capitalization/depreciation of library materials
- c. Compensated absences accrual
- d. Management fee owed by the Foundation to the Library
- e. Deferred property taxes and reserve adjustments
- f. Liability accrual for outstanding invoices
- h. Accrue salaries and payroll taxes
- i. Amortization of bond premium
- j. Accrue pension
- k. Accrue other post-employment benefits
- l. Accrue lease receivables and liabilities

The Library reserves three percent of its operating revenues (excluding grants, donations and asset sales) for emergency reserves as required by Article X, Section 20 of the Constitution of Colorado. The Library maintains at least two months of operating expenses in its fund balance.

3) Vendors:

All invoices and requests for payments are reviewed for validity. The vendor is a known vendor or is appropriate for the goods and services normally purchased by the Library. Most invoices will have the vendor name and address, an invoice number and date, and a detailed description and cost of the item or service purchased. The invoice foots and cross foots accurately. Invoiced items and prices are agreed and attached to the underlying purchase order, contract, packing slip or other documentation.

Invoices are approved by the department manager or designee who initiated the transaction. Approval indicates that the item or services were received, the billing is in accordance with agreed upon terms, contract or purchase order, the expenditure is within budget and there are no outstanding conditions that would cause a delay in payment.

New vendors are added or vendor information modified on the Accounts Payable system when appropriate. Vendor information is reviewed for correct name, address, telephone number, 1099 classification and federal identification number, terms, discounts, etc.

Vendors classified as 1099 vendors are individuals, partnerships and limited liability companies providing services (as opposed to product) to the Library.

Approved vendors are generally those where there are underlying contracts for multiple purchases (office supply provider, for example) or that provide for government discounts in accordance with previously negotiated state or cooperative purchasing agreements. Other approved vendors are those that, due to convenience and known value, provide a ready source for small purchases in the day to day operations of the Library. The finance department maintains a list of approved vendors. Other vendors not on the list are occasionally used as needed for specific items.

In regards to related party vendors: Disclosure of conflicts of interest is required if an employee holds a decision-making position in the Library. The employee completes a "Disclosure and Potential Conflict of Interest" form. Trustees also complete this form.

Generally, all managers, trustees and the Procurement Manager will be considered holding decision-making positions. If a decision maker or a family/household member of a decision maker conducts or has an ownership interest in a business that enters into a vendor relationship with the Library, then that business is considered a related party with the decision maker in a position of a potential conflict of interest. Being a related party does not preclude doing business with the Library, but special care must be followed in order that there is documentation that the transaction entered into is an arm's length, competitively bid transaction.

A list of related party vendors is maintained by the Finance Office and updated from time to time as circumstances change.

There may be other vendors who have a relationship with or are members of households or families of employees who are not managers or decision makers. These employees do not have final approval authority, cannot exercise undue influence over selection of the vendor, and cannot single handedly authorize payment to a vendor; therefore, these are not related party vendors.

In the same vein, decision makers who have relatives or family members employed by a vendor and the relative or family member is not in a decision-making capacity (not an owner or officer) or does not have a direct economic interest in the transaction with the Library, then that vendor is not considered a related party.

As in all vendor relationships, consideration should be given to cost, value and competitive bids where applicable.

4) Payroll:

Segregation of duties is paramount when processing payroll. The Human Resource Department (HR) is responsible for personnel records and all updates to the Paylocity payroll system for new hires, terminations, benefit enrollments, pay rate changes, payroll deductions, exempt / non-exempt status, etc.

Responsibilities

The Human Resource Department (HR) is responsible for personnel records and all updates to Paylocity (HRIS) for new hires, terminations, benefit enrollments, pay rate changes, payroll

deductions, exempt / non-exempt status, etc. HR also transmits the bi-weekly payroll, clearing any automated timesheet exceptions and reconciling bi-weekly batch totals.

The accounting team is responsible for accurately recording all expenditures and accruals for salaries, wages, all benefits and PERA on a timely basis. The Director of Finance or Controller reviews and approves payroll and signs the Payroll Review Form, before payroll is officially processed. Finance is responsible for processing bi-weekly payroll wires.



2023 YEAR IN REVIEW

Douglas County Libraries 
Foundation



Foundation
Board
2024

Elaine McCain
CHAIR

Linda Boyle
VICE CHAIR

Laureen Boll

Rochelle Logan

Shelly Humphreys

Krystie Baker

Dawn Vaughn

Ron Cole

Louise Wood

Jessica Kallweit

Megan Boespflug



Dear Friends,

The Douglas County Libraries Foundation (DCLF) is grateful for another wonderful year of continued growth, philanthropic spirit within our community, and overall success. Major accomplishments last year include meeting the annual fundraising goals, continuing to support endowment growth, and raising funds to help support members in our community through innovative library services and events. As always, these were made possible through the generosity and contributions of our donors.

2023 highlights include:

- Securing new grants, including one from the Douglas County Community Foundation and a Philip S. Miller Grant
- Another annual Fête des Fables gala that surpassed its goal
- Honoring all qualifying scholarship requests from our community members

As we settle into 2024 and look to the years ahead, we will continue to build our endowment to ensure that our community enjoys premium library services and support for many years to come. In addition, the DCLF will continue to support library events such as Forest of Stories, services like Operation Paperback, and library event scholarships for community members needing extra support.

The DCLF is led by an incredible volunteer board and supportive staff. In order to continue reaching new goals, this amazing team works together, along with our donors, to strengthen the Foundation and inspire a love of reading, discovery and connection in our community. I am thankful to our board members, donors, library trustees, staff, and volunteers who dedicate their time and expertise to support the Foundation's vision. Their passionate commitment to creating a thriving community for years to come continues to inspire, and ensures we can keep the libraries vibrant into the future.

Thank you for another successful year and for your continued support.

Regards,

Amber DeBerry
EXECUTIVE DIRECTOR

Fundraising

Fête des Fables

The Snow Queen-themed gala raised over \$95,000 through sponsorships, ticket sales, silent auction, and the very popular wine pull. The Highlands Ranch Mansion was filled to capacity with 250 guests who enjoyed the Frost Yourself glam stations, henna tattoo artist, live music, and much more during this delightful evening.

Colorado Gives Day

- Goal: \$70,000
- Total raised via Colorado Gives Day campaign (November 1-December 6): \$69,538.05
- Total year-end giving (November 1-December 31): \$99,853.82
- Number of donors: 615, including 141 first-time donors

Impact

Scholarships

- 19 Camp DCL scholarships, totaling \$5,060
- 8 tickets to DCL Storybook Holiday events, totaling \$150
- 8 Career Online High School (COHS) scholarships, totaling \$10,000
- 30 individual GED test vouchers, totaling \$1,125
- DCL celebrated seven graduates from our GED and COHS programs

Summer Reading Award Recipients

Each year, the DCLF awards \$500 to four K-12 schools (one at each level: elementary, middle, high, and other/charter) with the most summer reading registrations through the program's school contest. In addition, if the community reading goal is met, we award \$1,000 to a Douglas County nonprofit that is chosen based on our summer reading theme. Recipients of the DCLF donation awards were: Ben Franklin Academy, Roxborough Primary School, Mountain Ridge Middle School, ThunderRidge High School, and Guide Dogs for the Blind (nonprofit).

Continued on Next Page...



“I am truly grateful for such a generous [camp] scholarship program ... and that my son got to attend Jedi Masters LEGO Camp. It was such a huge leap for my son's development, and the staff couldn't have been more kind. Thank you, Douglas County Libraries!”

KASEY,
Parent of Summer Camp
Scholarship Recipient



Continued from Previous Page...

Community Fundraisers

- 13 baskets for silent auction, value totaling \$1,100

Children's Hospital Colorado (CHCO)

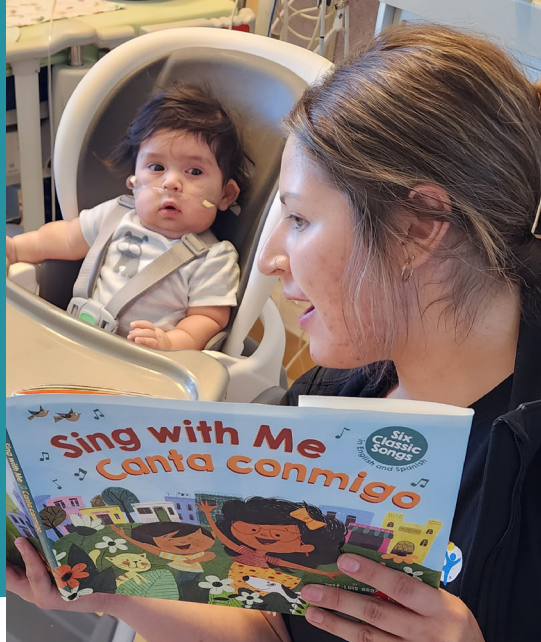
In 2023, the Foundation donated books to CHCO in support of two events. In February, 530 books were donated to CHCO for children staying in the hospital or coming in for treatment, coinciding with its annual telethon. Additionally, in September we fulfilled a second request for 100 books in support of CHCO's participation in a worldwide read-a-thon for Babies with Books. Books were given to families whose babies were in the NICU.

Operation Paperback *Managed by DCL Volunteer Services*

- 644 books shipped
- 70 family recipients
- Most shipped within the U.S., plus several international shipments

Kiwanis Club of Castle Rock

In 2023, the Foundation donated 300 books to the Kiwanis Club in support of South Elementary School's Trunk or Treat event. South Elementary is a Title 1 school in Douglas County and its students and families appreciate receiving the books to keep at home.



“Douglas County Libraries has provided so many educational opportunities for my children above and beyond the books available at the library. ... Thank you, DCL, for providing amazing educational programs to our children and community!”

LORI ANN DEAN,
DCL Customer

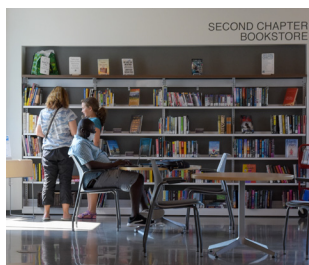


Supporting The Work of Douglas County Libraries

The DCLF grants money each year to Douglas County Libraries to support the incredible work of our libraries. With the help of these funds, DCL provided premium programming and services to more than 3.2 million visitors to our library locations and online last year. DCL offers an array of opportunities impacting youth, families, and adults in Douglas County.

DCL's journey with a family begins when a gift bag for new parents and their newborn is delivered in the hospital. In 2023, 3,500 gift bags were delivered through Douglas County hospitals. Our support continues to grow as the child and family does, with more than 140,000 people attending Storytime in 2023.

Our libraries partnered with and supported Douglas County schools and students through school ID access to digital resources, book-themed theatrical assemblies, and trivia bowl-style competitions around books. In addition, participants of all ages in DCL's summer reading program logged nearly 10 million minutes of reading last year. With myriad book clubs, lifelong learning events, and outreach, DCL provides for everyone, stretching beyond our walls to deliver services.



The biggest event in 2023 was the grand opening of the Philip and Jerry Miller Library in Castle Rock. Over 10,000 excited community members attended the summer celebration. This library in the heart of downtown Castle Rock has acquired several sponsorships, including the Aloha Fund, Sjostrom Family Fund, Rotary Club of Castle Rock, and the Kiwanis Clubs of Castle Rock, which will directly benefit the DCLF over the next five years with unrestricted donations totaling \$250,000.

New to DCL in 2023 was the addition of Dolly Parton's Imagination Library, a book-gifting program that mails books to children from birth to age five for free. The program provides the gift of literacy for all children, inspires children to love books and reading, and supports parents and communities in fostering a child's success. In the first full year of affiliation with Dolly Parton's Imagination Library, DCL registered over 6,000 children who now receive a new book at home every month.

Forest of Stories was back in 2023 and bigger than before, with 150 book-inspired trees located throughout the library's seven branches and displayed for seven weeks. DCLF became the presenting sponsor of this wintertime tradition, offering a free cultural experience that brings shared enjoyment and wonder to the entire DCL community. In addition, the sponsorship recognized the Foundation on printed marketing materials, in social media, and on signage for each themed tree.



Other Noteworthy Activity

Grants Received

- Awarded four competitive grants from Ent Credit Union, Walmart (Castle Rock), and Douglas County Community Foundation, totaling \$8,850
- Received seven grants from community organizations, including Rotary and Kiwanis Clubs, totaling \$6,350
- Received three grants from corporate foundations, totaling \$295
- Received 11 grants from family foundations, totaling \$14,250

Endowment

In 2023, our endowment's value grew by over \$85,000. DCLF celebrated 13 individual donations designated for the endowment totaling \$2,076.24, and the fund's current total is now nearly \$200,000.

Volunteer Services Contributions

In addition to monetary donors, DCL is fortunate to have a wonderful volunteer program. These individuals donate their time to support the vision of DCL and directly impact money earned for DCLF through our physical and online bookstores.

Book sale services are managed by DCL Volunteer Services.

- 1,198 unique volunteers
- 26,209 hours donated to DCL
- Second Chapter Used Bookstore sales revenue: \$81,907.64
- Online book sales: 989 units, \$9,283.19

DreamBooks Co.

Working together with DCL since July 2023

- 91,457 pounds of material (76,214 books) diverted from the landfill
- 6,779 units sold
- \$7,523.61 given back to DCLF

King Soopers

- 132 households
- \$4,850.10

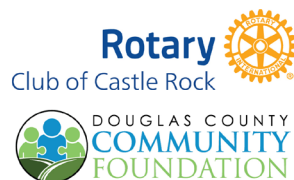


Recognizing Donors

Thank you to all our donors!

While we only list individual donors at \$1,000 and above in this report, DCLF acknowledges and appreciates support from all our donors at all levels. We are grateful for our more than 800 donors and supporters.

2023 Supporters, \$5,000+



2023 Corporate, Community, Grants & Foundations Supporters

5280 Exteriors	Colgate Palmolive	FirstBank	Mrs. C's House Foods
A Dog's World	Colorado Rapids	Fitch Group	Murdoch's Ranch & Home Supply
A Line Boutique	Colorado Symphony	Fogo de Chão Brazilian Steakhouse	Museum of Contemporary Art Denver
A&D Woodcraft	Comcast Corporation	Glenmoor Country Club	National Western Stock Show
Amazon Smile Foundation	Comedy Works	Grandma's Cabin	Network for Good
Amizetta Vineyards	Confluence Companies	Great Divide Brewing Company	Nordstrom
Andy's Frozen Custard	CORE Electric Cooperative	Grist Brewing Company	Oo-de-Lally Coffee
Anschutz Corporation	Cornzapoppin	Guiry's	OPN Architects
Aqua-Tots Swim School	Costco	Hammond's Candies	Oriental Trading
Arapahoe Ski Basin	Cranelli's Italian Restaurant	Huron Consulting	Outlets at Castle Rock
AT&T	Crumbl Cookies	In-N-Out Burger	OverDrive, Inc.
Back40 Landscape Architecture	CycleBar Lone Tree	Iron Mule Brewery	PACE Center
Ball Corporation	Daughters of the American Revolution Smoky Hill Trail	Johns Manville	Panera Bread
Biscuits & Berries Catering	Davidsons Beer, Wine & Spirits	Kaiser Permanente	Park Meadows Mall
Boondocks Food & Fun	DejaVu Med Spa	Kendra Scott	Parker Performing Arts School
Bowlero Corporation	Denver Art Museum	KeyBank	Parkside Promotions
Brainfuse Inc.	Denver Center for the Performing Arts	Kilwins Chocolates and Ice Cream	PBJ Reece Charitable Fund
Butterfly Pavilion	Denver Film	King Soopers (Kroger)	Petit Parker
Canvas and Cocktails	Denver Museum of Nature & Science	Kiwanis Clubs of Castle Rock	Pets at Heart Boutique
Carboy Winery	Denver Zoo	Kneaders Bakery & Cafe	Playaway Products
Castle Pines Chamber of Commerce	Design View Construction	Kunjani Coffee	Print Partners
Castle Pines Jewelers	Dinosaur Ridge	Landtech Contractors	Prost Brewing Company
Castle Rock Colorado Genealogical Society	Direct Edge Media	Lazy Dog Restaurants	Pulte Group
CBRE	Douglas County Land Conservancy	Letterjoy	Qdoba Mexican Eats
Charles Schwab	Douglas County Sheriff's Office	Liberty Media Corporation	Raising Cane's Chicken Fingers
Cherokee Ranch & Castle Foundation	Edible Beats	Links Golf Course	Republic National Distributing Company
Chick-fil-A	Eileen's Colossal Cookies	Lively Productions	ResaJeanne Jewelry
Children's Museum	Emerson Electric	Living the Dream Brewing	Resource Colorado Inc.
Chipotle	Empower Retirement	Lone Tree Arts Center	RidgeGate Investments Inc.
City of Castle Pines, Colorado	English Tealeaves	Lone Tree Brewing Company	Rio Grande Mexican Restaurant
City of Englewood (Pirates Cove)	Enstrom Toffee & Confectionery	Lost Coffee	Rock Bottom Restaurant and Brewery
Cockrel, Ela, Glesne, Greher, & Ruhland, P.C., CEGR Law	Ent Credit Union	Meow Wolf	Rotary Club of Parker
Coff33	Epic Escape Game	Microsoft	Rouge Wine Bar & Patio
Cold Stone Creamery	Equitable Foundation	Midwest Tape	
		Molly Brown House Museum	

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Salesforce
Seasons 52
Sedalia Crafts
Skin Essentials Medical Skin Care & Day Spa
Small Solutions
South Metro Fire Rescue
South Suburban Parks and Recreation
Space Foundation Discovery Center
Splunk
Starbucks
Sticky Fingers Cooking
Sugar and Salt Crafts
Tattered Cover Denver
The Chocolate Therapist

The Club at Pradera
The Cox Real Estate Group
The Drip Bar Greenwood Village
The Emporium
The Pindustry
The Stanley Hotel
Timbuk Toys
Tito's Handmade Vodka
Tonni Lemma Photography
Tony's Meats and Market
Town of Castle Rock
Trane Technologies
Tropical Smoothie Cafe
Ubergrippen
UBS

Union An American Bistro
Urban Egg Eatery
US Foods
Via Baci Italian Bistro
VMware Foundation
Walmart
Western Union Foundation
WhistlePig
Whitmore Pest Control
Wines for Humanity
Wings Over the Rockies
Wingstop
Woodhouse Day Spa
Workplace Elements, LLC (Elements)
Zoom Video Communications

2023 Individual Donors, \$1,000+

Beryl and Jay Jacobson
Betsy and Terry Marzoni
Daniel Danser
David and Camille Johnson
Ed Struzeki
Elaine McCain
Ewing Family Foundation
Janiece Murphy
Jeff Stotler

Jennifer Ford
Jill Halvorsen
Joe and Marietta Landon Fund
Johanna and Rowland Harden
John Swygert
Jones Family Giving Fund
Linda Boyle and Barry Wolf
Louise Wood
Melanie and Sean Tafaro

Patti Owen-DeLay
Paul Crawford
Richard and Joanne Akeroyd
Sarah Howe
Sue Reynolds
Suzanne and Rob Burkholder
Terry Nolan
Tyber Family Gift Fund



Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

105 of 150 **2023**

Do not enter social security numbers on this form as it may be made public.

Go to www.irs.gov/Form990 for instructions and the latest information.

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 2023 calendar year, or tax year beginning _____, **and ending** _____

B Check if applicable: Address change Name change Initial return Final return/terminated Amended return Application pending

C Name of organization **DOUGLAS COUNTY LIBRARY FOUNDATION**
 Doing business as _____
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
100 S WILCOX STREET
 City or town State ZIP code
CASTLE ROCK CO 80104
 Foreign country name Foreign province/state/county Foreign postal code

D Employer identification number **84-1207775**

E Telephone number _____

F Name and address of principal officer:
AMBER DEBERRY 100 SOUTH WILCOX, CASTLE ROCK, CO 80104

G Gross receipts \$ **422,127**

H(a) Is this a group return for subordinates? Yes No
H(b) Are all subordinates included? Yes No
 If "No," attach a list. See instructions
H(c) Group exemption number _____

I Tax-exempt status: 501(c)(3) 501(c) () (insert no.) 4947(a)(1) or 527

J Website: **DCL.ORG**

K Form of organization: Corporation Trust Association Other

L Year of formation: **1991** **M** State of legal domicile: **CO**

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: BRING COMMUNITY AWARENESS AND APPRECIATION OF THE DOUGLAS COUNTY LIBRARIES; SPONSOR PROGRAMS AND CONDUCT OTHER ACTIVITIES THAT WILL ENHANCE THE LIBRARY'S CONTRIBUTIONS TO EDUCATION AND CULTURE WITHIN THE COMMUNITY		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	10
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	9
	5 Total number of individuals employed in calendar year 2023 (Part V, line 2a)	5	0
	6 Total number of volunteers (estimate if necessary)	6	1,198
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b Net unrelated business taxable income from Form 990-T, Part I, line 11	7b		
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	361,994	152,440
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	89,119	91,920
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	49,986	85,274
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	537,299	375,426
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	51,611	144,061
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	0	0
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25)	0	0
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	38,473	48,738
	18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	90,084	192,799
19 Revenue less expenses. Subtract line 18 from line 12	447,215	182,627	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	1,750,549	2,148,076
	22 Net assets or fund balances. Subtract line 21 from line 20	128,825	225,000
		1,621,724	1,923,076

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here *Amber DeBerry*
 Signature of officer **AMBER DEBERRY** Date **05/14/2024**
 Type or print name and title **EXECUTIVE DIRECTOR**

Paid Preparer Use Only

Print/Type preparer's name _____ Preparer's signature _____ Date _____ PTIN _____
 Check if self-employed

Firm's name _____ Firm's EIN _____
 Firm's address _____ Phone no. _____

May the IRS discuss this return with the preparer shown above? See instructions. Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:
THE DOUGLAS COUNTY LIBRARIES FOUNDATION'S SOLE PURPOSE IS TO SUPPORT DOUGLAS COUNTY LIBRARIES (THE LIBRARY) BY FUNDING OPPORTUNITIES AND PROVIDING SERVICES ABOVE AND BEYOND THE LIBRARY'S NORMAL OPERATING BUDGET.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

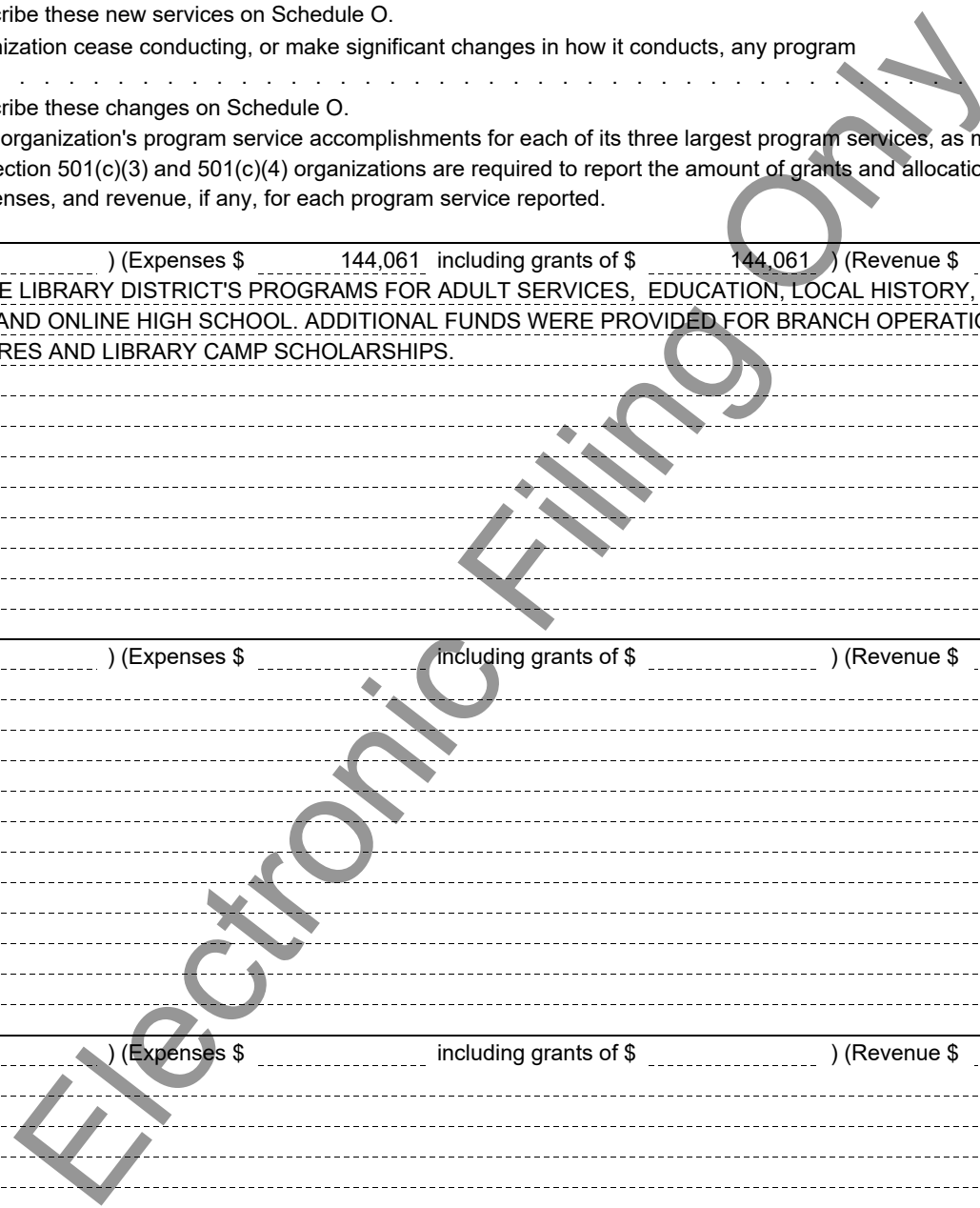
4a (Code:) (Expenses \$ 144,061 including grants of \$ 144,061) (Revenue \$)
FUNDED THE LIBRARY DISTRICT'S PROGRAMS FOR ADULT SERVICES, EDUCATION, LOCAL HISTORY, VOLUNTEER SERVICES, AND ONLINE HIGH SCHOOL. ADDITIONAL FUNDS WERE PROVIDED FOR BRANCH OPERATIONS CAPITAL EXPENDITURES AND LIBRARY CAMP SCHOLARSHIPS.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe on Schedule O.)
(Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)

4e Total program service expenses 144,061



Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A.</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ? See instructions.	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I.</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II.</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Rev. Proc. 98-19? <i>If "Yes," complete Schedule C, Part III.</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I.</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II.</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III.</i>		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV.</i>		X
10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi-endowments? <i>If "Yes," complete Schedule D, Part V.</i>		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI.</i>		X
b Did the organization report an amount for investments—other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII.</i>		X
c Did the organization report an amount for investments—program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII.</i>		X
d Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX.</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i>	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X.</i>		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII.</i>		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional.</i>	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E.</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV.</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV.</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV.</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I.</i> See instructions.	X	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II.</i>	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III.</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H.</i>		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II.</i>	X	

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question number, Question text, Yes, No. Rows 22-38 covering various IRS schedule requirements.

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V. []

Table with 3 columns: Question number, Question text, Yes, No. Rows 1a-1c regarding Form 1096, W-2G forms, and gaming winnings.

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)		Yes	No		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	0		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a			X
b	If "Yes," has it filed a Form 990-T for this year? <i>If "No" to line 3b, provide an explanation on Schedule O.</i>	3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			X
b	If "Yes," enter the name of the foreign country _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a			X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a			X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	Organizations that may receive deductible contributions under section 170(c).				
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	X		
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	X		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8			
9	Sponsoring organizations maintaining donor advised funds.				
a	Did the sponsoring organization make any taxable distributions under section 4966?	9a			
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b			
10	Section 501(c)(7) organizations. Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	Section 501(c)(12) organizations. Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	Section 501(c)(29) qualified nonprofit health insurance issuers.				
a	Is the organization licensed to issue qualified health plans in more than one state? Note: See the instructions for additional information the organization must report on Schedule O.	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			X
b	If "Yes," has it filed a Form 720 to report these payments? <i>If "No," provide an explanation on Schedule O.</i>	14b			
15	Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see the instructions and file Form 4720, Schedule N.	15			X
16	Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	16			X
17	Section 501(c)(21) organizations. Did the trust, or any disqualified or other person, engage in any activities that would result in the imposition of an excise tax under section 4951, 4952, or 4953? If "Yes," complete Form 6069.	17			

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI. [X]

Section A. Governing Body and Management

Table with columns for line number, question, and Yes/No responses. Includes questions 1a through 9 regarding governing body members, relationships, and documentation.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with columns for line number, question, and Yes/No responses. Includes questions 10a through 16b regarding local chapters, policies, conflict of interest, whistleblower, and compensation.

Section C. Disclosure

Table with questions 17 through 20 regarding state filing requirements, public inspection of forms, and disclosure of governing documents and records.

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

See the instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) AMBER DEBERRY ----- EXECUTIVE DIRECTOR	1.00 39.00			X				123,703		
(2) CASIE COOK ----- TREASURER	1.00 39.00			X				113,422		
(3) PATTI OWEN-DELAY ----- SECRETARY	1.00 39.00			X				79,122		
(4) SHELLY HUMPHREYS ----- DIRECTOR	1.00 0.00	X								
(5) LAUREEN BOLL ----- DIRECTOR	1.00 0.00	X								
(6) LINDA BOYLE ----- VICE CHAIR	1.00 0.00	X								
(7) KRYSTIE BAKER ----- DIRECTOR	1.00 0.00	X								
(8) ROCHELLE LOGAN ----- DIRECTOR	1.00 0.00	X								
(9) ELAINE MCCAIN ----- CHAIR	1.00 0.00	X								
(10) DAWN VAUGHN ----- DIRECTOR	1.00 0.00	X								
(11) RON COLE ----- DIRECTOR	1.00 0.00	X								
(12) JESSICA KALLWEIT ----- DIRECTOR	1.00 0.00	X								
(13) LOUISE WOOD ----- DIRECTOR	1.00 0.00	X								
(14) -----										

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15)										
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
1b Subtotal							0	316,247	0	
c Total from continuation sheets to Part VII, Section A							0	0	0	
d Total (add lines 1b and 1c)							0	316,247	0	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 2

	Yes	No
3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual.</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual.</i>		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person.</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
		0
		0
		0
		0
		0

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 0

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII.

				(A)	(B)	(C)	(D)	
				Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a	0				
	b	Membership dues	1b	0				
	c	Fundraising events	1c	0				
	d	Related organizations	1d	0				
	e	Government grants (contributions)	1e	0				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	152,440				
	g	Noncash contributions included in lines 1a-1f	1g	\$ 0				
	h	Total. Add lines 1a-1f			152,440			
Program Service Revenue	2a	BOOK SALES	Business Code	453310	91,920	91,920		
	b	-----			0			
	c	-----			0			
	d	-----			0			
	e	-----			0			
	f	All other program service revenue			0			
	g	Total. Add lines 2a-2f			91,920			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)			85,274	85,274		
	4	Income from investment of tax-exempt bond proceeds			0			
	5	Royalties			0			
	6a	Gross rents	(i) Real	(ii) Personal				
			6a					
			6b					
	6c	Less: rental expenses			0	0		
	6d	Net rental income or (loss)			0			
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			7a			0	0	
			7b			0	0	
	7c	Less: cost or other basis and sales expenses			0	0		
	7d	Net gain or (loss)			0			
	8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18						
			8a			92,493		
8b					46,701			
8c	Less: direct expenses							
8d	Net income or (loss) from fundraising events			45,792				
9a	Gross income from gaming activities. See Part IV, line 19							
		9a			0			
		9b			0			
9c	Less: direct expenses							
9d	Net income or (loss) from gaming activities			0				
10a	Gross sales of inventory, less returns and allowances							
		10a			0			
		10b			0			
10c	Less: cost of goods sold							
10d	Net income or (loss) from sales of inventory			0				
Miscellaneous Revenue	11a	-----	Business Code		0			
	b	-----			0			
	c	-----			0			
	d	All other revenue			0			
	e	Total. Add lines 11a-11d			0			
12	Total revenue. See instructions			375,426	177,194	0	0	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	144,061	144,061		
2	Grants and other assistance to domestic individuals. See Part IV, line 22	0			
3	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	0		0	
6	Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	0			
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	0			
9	Other employee benefits	0			
10	Payroll taxes	0			
11	Fees for services (nonemployees):				
a	Management	26,596		26,596	
b	Legal	0			
c	Accounting	0			
d	Lobbying	0			
e	Professional fundraising services. See Part IV, line 17	0			
f	Investment management fees	8,930		8,930	
g	Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Schedule O.)	0		0	
12	Advertising and promotion	0			
13	Office expenses	13,112		13,112	
14	Information technology	0			
15	Royalties	0			
16	Occupancy	0			
17	Travel	0			
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	100		100	
20	Interest	0			
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	0	0	0	0
23	Insurance	0			
24	Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a	-----	0			
b	-----	0			
c	-----	0			
d	-----	0			
e	All other expenses -----	0			
25	Total functional expenses. Add lines 1 through 24e	192,799	144,061	48,738	0
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X.

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	335,548	1	167,532
	2 Savings and temporary cash investments	0	2	
	3 Pledges and grants receivable, net	0	3	0
	4 Accounts receivable, net	0	4	0
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons	0	5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)	0	6	
	7 Notes and loans receivable, net	0	7	0
	8 Inventories for sale or use	0	8	
	9 Prepaid expenses and deferred charges	7,700	9	3,100
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 0		
	b Less: accumulated depreciation	10b 0	10c	0
	11 Investments—publicly traded securities	1,407,301	11	1,977,444
	12 Investments—other securities. See Part IV, line 11	0	12	0
	13 Investments—program-related. See Part IV, line 11	0	13	0
	14 Intangible assets	0	14	0
	15 Other assets. See Part IV, line 11	0	15	0
16 Total assets. Add lines 1 through 15 (must equal line 33)	1,750,549	16	2,148,076	
Liabilities	17 Accounts payable and accrued expenses	0	17	
	18 Grants payable	0	18	
	19 Deferred revenue	0	19	
	20 Tax-exempt bond liabilities	0	20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	0	21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons	0	22	
	23 Secured mortgages and notes payable to unrelated third parties	0	23	0
	24 Unsecured notes and loans payable to unrelated third parties	0	24	0
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17–24). Complete Part X of Schedule D	128,825	25	225,000
	26 Total liabilities. Add lines 17 through 25	128,825	26	225,000
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	1,621,724	27	1,923,076
	28 Net assets with donor restrictions	0	28	
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds	0	29	
	30 Paid-in or capital surplus, or land, building, or equipment fund	0	30	
	31 Retained earnings, endowment, accumulated income, or other funds	0	31	
	32 Total net assets or fund balances	1,621,724	32	1,923,076
33 Total liabilities and net assets/fund balances	1,750,549	33	2,148,076	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	375,426
2	Total expenses (must equal Part IX, column (A), line 25)	2	192,799
3	Revenue less expenses. Subtract line 2 from line 1	3	182,627
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	1,621,724
5	Net unrealized gains (losses) on investments	5	118,725
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	1,923,076

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both. <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both. <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.		X
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F?		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits		

**SCHEDULE A
(Form 990)**

Public Charity Status and Public Support

117 of 150

OMB No. 1545-0047

2023

Open to Public Inspection

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

Attach to Form 990 or Form 990-EZ.

Go to www.irs.gov/Form990 for instructions and the latest information.

Department of the Treasury
Internal Revenue Service

Name of the organization DOUGLAS COUNTY LIBRARY FOUNDATION	Employer identification number 84-1207775
---	--

Part I Reason for Public Charity Status. (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E (Form 990).)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: _____
- 10 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions, subject to certain exceptions; and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box on lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
 - f Enter the number of supported organizations
 - g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A) DOUGLAS COUNTY LIBRARIES	84-1157718	6	X		144,061	
(B)						
(C)						
(D)						
(E)						
Total					144,061	0

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						0
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0
3 The value of services or facilities furnished by a governmental unit to the organization without charge						0
4 Total. Add lines 1 through 3	0	0	0	0	0	0
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						0

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
7 Amounts from line 4	0	0	0	0	0	0
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						0
9 Net income from unrelated business activities, whether or not the business is regularly carried on						0
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						0
11 Total support. Add lines 7 through 10						0
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2023 (line 6, column (f), divided by line 11, column (f))	14	0.00%
15 Public support percentage from 2022 Schedule A, Part II, line 14	15	0.00%
16a 33 1/3% support test—2023. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
b 33 1/3% support test—2022. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
17a 10%-facts-and-circumstances test—2023. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
b 10%-facts-and-circumstances test—2022. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions	<input type="checkbox"/>	

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II.
If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						0
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						0
3 Gross receipts from activities that are not an unrelated trade or business under section 513						0
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0
5 The value of services or facilities furnished by a governmental unit to the organization without charge						0
6 Total. Add lines 1 through 5	0	0	0	0	0	0
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						0
c Add lines 7a and 7b	0	0	0	0	0	0
8 Public support (Subtract line 7c from line 6.)						0

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
9 Amounts from line 6	0	0	0	0	0	0
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						0
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						0
c Add lines 10a and 10b	0	0	0	0	0	0
11 Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on						0
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						0
13 Total support. (Add lines 9, 10c, 11, and 12.)	0	0	0	0	0	0
14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2023 (line 8, column (f), divided by line 13, column (f))	15	0.00%
16 Public support percentage from 2022 Schedule A, Part III, line 15	16	0.00%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2023 (line 10c, column (f), divided by line 13, column (f))	17	0.00%
18 Investment income percentage from 2022 Schedule A, Part III, line 17	18	0.00%

- 19a 33 1/3% support tests—2023.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization
- b 33 1/3% support tests—2022.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization
- 20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

		Yes	No
1	Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>	X	
2	Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		X
3a	Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer lines 3b and 3c below.</i>		X
b	Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c	Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a	Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.</i>		X
b	Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c	Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a	Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		X
b	Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c	Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6	Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		X
7	Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		X
8	Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		X
9a	Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		X
b	Did one or more disqualified persons (as defined on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		X
c	Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		X
10a	Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>		X
b	Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

		Yes	No
11	Has the organization accepted a gift or contribution from any of the following persons?		
a	A person who directly or indirectly controls, either alone or together with persons described on lines 11b and 11c below, the governing body of a supported organization?		X
b	A family member of a person described on line 11a above?		X
c	A 35% controlled entity of a person described on line 11a or 11b above? If "Yes" to line 11a, 11b, or 11c, provide detail in Part VI .		X

Section B. Type I Supporting Organizations

		Yes	No
1	Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove officers, directors, or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
2	Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		

Section C. Type II Supporting Organizations

		Yes	No
1	Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		

Section D. All Type III Supporting Organizations

		Yes	No
1	Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?	X	
2	Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s), or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).	X	
3	By reason of the relationship described on line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		X

Section E. Type III Functionally Integrated Supporting Organizations

1	Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).		
a	<input type="checkbox"/>	The organization satisfied the Activities Test. Complete line 2 below.	
b	<input type="checkbox"/>	The organization is the parent of each of its supported organizations. Complete line 3 below.	
c	<input checked="" type="checkbox"/>	The organization supported a governmental entity. Describe in Part VI how you supported a governmental entity (see instructions).	
2	Activities Test. Answer lines 2a and 2b below.		
a		Yes	No
	Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.		
2a			
b	Did the activities described on line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.		
2b			
3	Parent of Supported Organizations. Answer lines 3a and 3b below.		
a	Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? If "Yes" or "No," provide details in Part VI .		
3a			
b	Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.		
3b			

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

- 1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	0
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	0
Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	0
e	Discount claimed for blockage or other factors (explain in detail in Part VI):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	0
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	0
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	0
6	Multiply line 5 by 0.035.	6	0
7	Recoveries of prior-year distributions	7	0
8	Minimum Asset Amount (add line 7 to line 6)	8	0
Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	0
2	Enter 0.85 of line 1.	2	0
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	0
4	Enter greater of line 2 or line 3.	4	0
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	0
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	1
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	3
4	Amounts paid to acquire exempt-use assets	4
5	Qualified set-aside amounts (prior IRS approval required—provide details in Part VI)	5
6	Other distributions (describe in Part VI). See instructions.	6
7	Total annual distributions. Add lines 1 through 6.	7 0
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	8
9	Distributable amount for 2023 from Section C, line 6	9 0
10	Line 8 amount divided by line 9 amount	10 0.000

Section E - Distribution Allocations (see instructions)		(i) Excess Distributions	(ii) Underdistributions Pre-2023	(iii) Distributable Amount for 2023
1	Distributable amount for 2023 from Section C, line 6			0
2	Underdistributions, if any, for years prior to 2023 (reasonable cause required—explain in Part VI). See instructions.			
3	Excess distributions carryover, if any, to 2023			
a	From 2018	0		
b	From 2019	0		
c	From 2020	0		
d	From 2021	0		
e	From 2022	0		
f	Total of lines 3a through 3e	0		
g	Applied to underdistributions of prior years		0	
h	Applied to 2023 distributable amount			0
i	Carryover from 2018 not applied (see instructions)			
j	Remainder. Subtract lines 3g, 3h, and 3i from line 3f.	0		
4	Distributions for 2023 from Section D, line 7: \$ 0			
a	Applied to underdistributions of prior years		0	
b	Applied to 2023 distributable amount			0
c	Remainder. Subtract lines 4a and 4b from line 4.	0		
5	Remaining underdistributions for years prior to 2023, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.		0	
6	Remaining underdistributions for 2023. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.			0
7	Excess distributions carryover to 2024. Add lines 3j and 4c.	0		
8	Breakdown of line 7:			
a	Excess from 2019	0		
b	Excess from 2020	0		
c	Excess from 2021	0		
d	Excess from 2022	0		
e	Excess from 2023	0		

Part VI

Supplemental Information. Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

Electronic Filing Only

Department of the Treasury Internal Revenue Service

Attach to Form 990, 990-EZ, or 990-PF. Go to www.irs.gov/Form990 for the latest information.

2023

Table with 2 columns: Name of the organization (DOUGLAS COUNTY LIBRARY FOUNDATION) and Employer identification number (84-1207775)

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

[X] 501(c)(3) (enter number) organization

[] 4947(a)(1) nonexempt charitable trust not treated as a private foundation

[] 527 political organization

Form 990-PF

[] 501(c)(3) exempt private foundation

[] 4947(a)(1) nonexempt charitable trust treated as a private foundation

[] 501(c)(3) taxable private foundation

Check if your organization is covered by the General Rule or a Special Rule.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

[] For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

[X] For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000; or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

[] For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.

[] For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions exclusively for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Don't complete any of the parts unless the General Rule applies to this organization because it received nonexclusively religious, charitable, etc., contributions totaling \$5,000 or more during the year \$

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990), but it must answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990).

Name of organization DOUGLAS COUNTY LIBRARY FOUNDATION	Employer identification number 84-1207775
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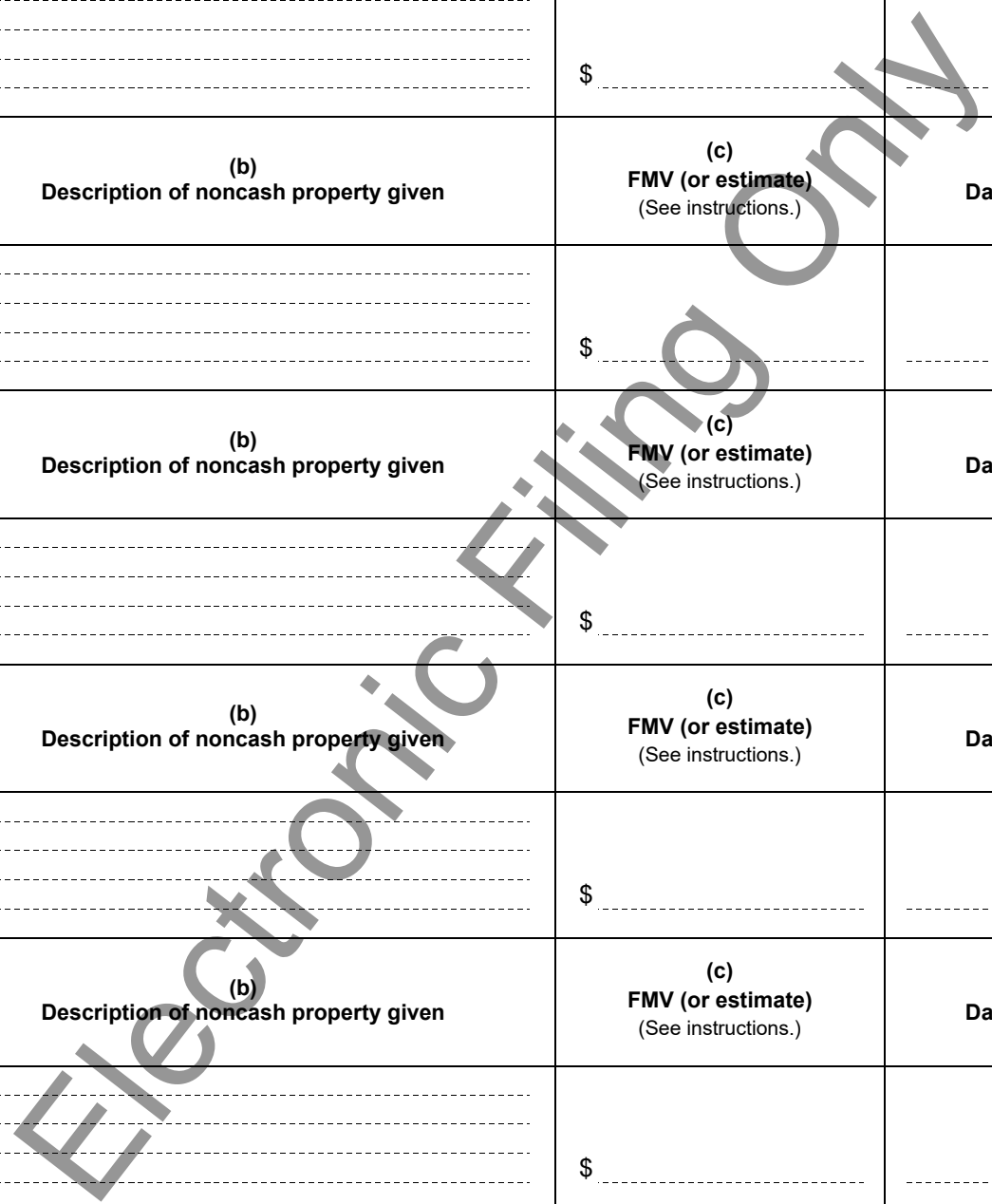
Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	LARRY KUHN N/A CASTLE ROCK CO 80104 Foreign State or Province: _____ Foreign Country: _____	\$ 5,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	ROWLAND AND JOHANNA HARDEN 9202 E PIONEER DR PARKER CO 80134 Foreign State or Province: _____ Foreign Country: _____	\$ 5,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	DOUGLAS COUNTY COMMUNITY FOUNDATION PO BOX 84 CASTLE ROCK CO 80104 Foreign State or Province: _____ Foreign Country: _____	\$ 7,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	BELLCO CREDIT UNION 7600 E ORCHARD ROAD GREENWOOD VILLAGE CO 80111 Foreign State or Province: _____ Foreign Country: _____	\$ 15,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	SJOSTROM FAMILY FUND N/A CASTLE ROCK CO 80104 Foreign State or Province: _____ Foreign Country: _____	\$ 7,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
-----	----- ----- Foreign State or Province: _____ Foreign Country: _____	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization DOUGLAS COUNTY LIBRARY FOUNDATION	Employer identification number 84-1207775
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Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
	----- ----- -----	\$ -----	-----
	----- ----- -----	\$ -----	-----
	----- ----- -----	\$ -----	-----
	----- ----- -----	\$ -----	-----
	----- ----- -----	\$ -----	-----
	----- ----- -----	\$ -----	-----
	----- ----- -----	\$ -----	-----
	----- ----- -----	\$ -----	-----



Name of organization DOUGLAS COUNTY LIBRARY FOUNDATION	Employer identification number 84-1207775
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Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) \$ _____ 0

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
----- ----- ----- For. Prov. Country		----- ----- -----	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
----- ----- ----- For. Prov. Country		----- ----- -----	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
----- ----- ----- For. Prov. Country		----- ----- -----	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
----- ----- ----- For. Prov. Country		----- ----- -----	

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

2023

Open to Public Inspection

Name of the organization: DOUGLAS COUNTY LIBRARY FOUNDATION; Employer identification number: 84-1207775

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows 1-4 for values, 5-6 for Yes/No questions.

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

Multiple choice and table questions regarding conservation easements, including a table for 'Held at the End of the Tax Year' with rows 2a-2d.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

Questions 1a-2b regarding reporting of art and historical treasures with dollar amounts.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3** Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply).
- a** Public exhibition
 - b** Scholarly research
 - c** Preservation for future generations
 - d** Loan or exchange program
 - e** Other
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a** Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b** If "Yes," explain the arrangement in Part XIII and complete the following table.
- | | Amount |
|--|--------|
| c Beginning balance | 0 |
| d Additions during the year | |
| e Distributions during the year | |
| f Ending balance | 0 |
- 2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Part V Endowment Funds.

Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	0	0	0	0	0
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	0	0	0	0	0

- 2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a** Board designated or quasi-endowment _____ %
 - b** Permanent endowment _____ %
 - c** Term endowment _____ %
- The percentages on lines 2a, 2b, and 2c should equal 100%.
- 3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|------------------------------------|-----|----|
| (i) Unrelated organizations | | |
| (ii) Related organizations | | |
- b** If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? Yes No
- 4** Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	0	0	0	0
b Buildings	0	0	0	0
c Leasehold improvements	0	0	0	0
d Equipment	0	0	0	0
e Other	0	0	0	0

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, line 10c, column (B)). 0

Part VII Investments—Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives	0	
(2) Closely held equity interests	0	
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, line 12, col. (B)).	0	

Part VIII Investments—Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, line 13, col. (B)).	0	

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, line 15, col. (B)).	0

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1.	(a) Description of liability	(b) Book value
(1)	Federal income taxes	0
(2)	INTERCOMPANY PAYABLE	225,000
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, line 25, col. (B)).		225,000

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII . . .

Part XIII Supplemental Information *(continued)*

Electronic Filing Only

Part II Fundraising Events. Complete if the organization answered "Yes" on Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

Revenue		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events	
		GALA (event type)	(event type)	NONE (total number)	(add col. (a) through col. (c))	
Revenue	1	Gross receipts	92,493	0	92,493	
	2	Less: Contributions		0	0	
	3	Gross income (line 1 minus line 2)	92,493		0	92,493
Direct Expenses	4	Cash prizes		0	0	
	5	Noncash prizes		0	0	
	6	Rent/facility costs	9,700		0	9,700
	7	Food and beverages	23,880		0	23,880
	8	Entertainment	4,310		0	4,310
	9	Other direct expenses	8,811		0	8,811
	10	Direct expense summary. Add lines 4 through 9 in column (d)				(46,701)
11	Net income summary. Subtract line 10 from line 3, column (d)				45,792	

Part III Gaming. Complete if the organization answered "Yes" on Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

Revenue		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))	
		1	Gross revenue			
Direct Expenses	2	Cash prizes				0
	3	Noncash prizes				0
	4	Rent/facility costs				0
	5	Other direct expenses				0
	6	Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
7	Direct expense summary. Add lines 2 through 5 in column (d)				(0)	
8	Net gaming income summary. Subtract line 7 from line 1, column (d)				0	

9 Enter the state(s) in which the organization conducts gaming activities: _____

a Is the organization licensed to conduct gaming activities in each of these states? Yes No

b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended, or terminated during the tax year? Yes No

b If "Yes," explain: _____

**SCHEDULE I
(Form 990)**

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

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OMB No. 1545-0047

2023

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.

Attach to Form 990.

Go to www.irs.gov/Form990 for the latest information.

Name of the organization

Employer identification number

DOUGLAS COUNTY LIBRARY FOUNDATION

84-1207775

Part I General Information on Grants and Assistance

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
(1) DOUGLAS COUNTY LIBRARIES 100 S WILCOX ST CASTLE ROCK, CO	84-1157718		144,061				GENERAL OPERATIONS, SCHOLARSHIPS
(2) -----							
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							
(8) -----							
(9) -----							
(10) -----							
(11) -----							
(12) -----							

- 2** Enter total number of section 501(c)(3) and government organizations listed in the line 1 table 1
- 3** Enter total number of other organizations listed in the line 1 table 0

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) 2023

Part III Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of noncash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV Supplemental Information. Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
 Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
 Attach to Form 990.
 Go to www.irs.gov/Form990 for instructions and the latest information.

2023

Open to Public Inspection

Department of the Treasury
 Internal Revenue Service

Name of the organization

DOUGLAS COUNTY LIBRARY FOUNDATION

Employer identification number

84-1207775

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (such as maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?

3 Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|--|--|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in or receive payment from a supplemental nonqualified retirement plan?
- c** Participate in or receive payment from an equity-based compensation arrangement?
 If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5–9.

5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
 If "Yes" on line 5a or 5b, describe in Part III.

6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
 If "Yes" on line 6a or 6b, describe in Part III.

7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1a		
1b		
2		
3		
4a		
4b		
4c		
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)–(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1	(i)							
	(ii)							
2	(i)							
	(ii)							
3	(i)							
	(ii)							
4	(i)							
	(ii)							
5	(i)							
	(ii)							
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Electronic Filing Only

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Area with horizontal dashed lines for supplemental information.

Electronic Filing Only

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

Attach to Form 990 or Form 990-EZ.

Go to www.irs.gov/Form990 for the latest information.

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OMB No. 1545-0047

2023

**Open to Public
Inspection**

Name of the organization

DOUGLAS COUNTY LIBRARY FOUNDATION

Employer identification number

84-1207775

Form 990, Part I, Line 1: BRING COMMUNITY AWARENESS AND APPRECIATION OF THE DOUGLAS COUNTY

LIBRARIES, AND TO SPONSOR PROGRAMS AND CONDUCT OTHER ACTIVITIES THAT WILL ENHANCE THE

LIBRARIES CONTRIBUTIONS TO EDUCATION AND CULTURE WITHIN THE COMMUNITY

Form 990, Part IV, Section B, Line 11b: THE ORGANIZATION'S PROCESS TO REVIEW FORM 990: THE

DIRECTOR OF FINANCE FOR THE DOUGLAS COUNTY LIBRARY PERFORMS THE DETAILED REVIEW OF THE RETURN.

THE EXECUTIVE DIRECTOR DOES A SUMMARY REVIEW PRIOR TO SIGNING THE RETURN.

Form 990, Part VI, Section B, Line 12c: THE BOARD OF DIRECTORS SIGN A CONFLICT OF INTEREST

STATEMENT AT APPOINTMENT. ANNUALLY THEY ARE ASKED TO VERIFY THAT THERE ARE NO CHANGES, IF

THERE ARE, THEY COMPLETE A NEW CONFLICT OF INTEREST STATEMENT. BOARD MEMBERS ARE ASKED AT EACH

BOARD MEETING IF THEY HAVE ANY CONFLICTS OF INTEREST REGARDING THE AGENDA MATTERS, IF SO, THEY

ARE ASKED TO RECUSE THEMSELVES AND RETURN TO THE MEETING AFTER THE DISCUSSION HAS ENDED.

Form 990, Part VI, Section C, Line 19: GOVERNING DOCUMENTS ARE AVAILABLE TO THE PUBLIC UPON

REQUEST.

Electronic Filing Only

Name of the organization

DOUGLAS COUNTY LIBRARY FOUNDATION

Employer identification number

84-1207775

Electronic Filing Only

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

144 of 150
OMB No. 1545-0047

2023

**Open to Public
Inspection**

Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

Department of the Treasury
Internal Revenue Service

Name of the organization
DOUGLAS COUNTY LIBRARY FOUNDATION

Employer identification number
84-1207775

Part I Identification of Disregarded Entities. Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) -----					
(2) -----					
(3) -----					
(4) -----					
(5) -----					
(6) -----					

Part II Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) DOUGLAS COUNTY LIBRARIES 84-1157718 100 S WILCOX STREET CASTLE ROCK, CO 80104	PROVIDES LIBRARY SERVICES TO DOUGLAS COUNTY	CO			N/A		X
(2) -----							
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							

Part III Identification of Related Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) -----												
(2) -----												
(3) -----												
(4) -----												
(5) -----												
(6) -----												
(7) -----												

Part IV Identification of Related Organizations Taxable as a Corporation or Trust. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1) -----									
(2) -----									
(3) -----									
(4) -----									
(5) -----									
(6) -----									
(7) -----									

Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?		
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to related organization(s)	X	
c Gift, grant, or capital contribution from related organization(s)		X
d Loans or loan guarantees to or for related organization(s)		X
e Loans or loan guarantees by related organization(s)		X
f Dividends from related organization(s)		X
g Sale of assets to related organization(s)		X
h Purchase of assets from related organization(s)		X
i Exchange of assets with related organization(s)		X
j Lease of facilities, equipment, or other assets to related organization(s)		X
k Lease of facilities, equipment, or other assets from related organization(s)		X
l Performance of services or membership or fundraising solicitations for related organization(s)		X
m Performance of services or membership or fundraising solicitations by related organization(s)		X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		X
o Sharing of paid employees with related organization(s)		X
p Reimbursement paid to related organization(s) for expenses	X	
q Reimbursement paid by related organization(s) for expenses		X
r Other transfer of cash or property to related organization(s)		X
s Other transfer of cash or property from related organization(s)		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of related organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1) DOUGLAS COUNTY LIBRARIES	b	144,061	CASH
(2) DOUGLAS COUNTY LIBRARIES	p	26,596	CASH
(3)			
(4)			
(5)			
(6)			

Part VI Unrelated Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1) -----													
(2) -----													
(3) -----													
(4) -----													
(5) -----													
(6) -----													
(7) -----													
(8) -----													
(9) -----													
(10) -----													
(11) -----													
(12) -----													
(13) -----													
(14) -----													
(15) -----													
(16) -----													

Part VII

Supplemental Information

Provide additional information for responses to questions on Schedule R. See instructions.

Electronic Filing Only

IRS E-file Signature Authorization for a Tax Exempt Entity

Department of the Treasury Internal Revenue Service

For calendar year 2023, or fiscal year beginning _____, 2023, and ending _____, 20_____

Do not send to the IRS. Keep for your records.

Go to www.irs.gov/Form8879TE for the latest information.

2023

Name of filer: DOUGLAS COUNTY LIBRARY FOUNDATION; EIN or SSN: 84-1207775; Name and title of officer or person subject to tax: AMBER DEBERRY, EXECUTIVE DIRECTOR

Part I Type of Return and Return Information

Check the box for the return for which you are using this Form 8879-TE and enter the applicable amount, if any, from the return. Form 8038-CP and Form 5330 filers may enter dollars and cents. For all other forms, enter whole dollars only.

Table with 3 columns: Form type (e.g., Form 990, Form 990-EZ), check box, and amount (e.g., 375,426 for Form 990 total revenue).

Part II Declaration and Signature Authorization of Officer or Person Subject to Tax

Under penalties of perjury, I declare that I am an officer of the above entity or I am a person subject to tax with respect to (name of entity) DOUGLAS COUNTY LIBRARY FOUNDATION, (EIN) 84-1207775 and that I have examined a copy of the 2023 electronic return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete.

PIN: check one box only

I authorize THOMAS M KAPAUN to enter my PIN 07775 as my signature. Enter five numbers, but do not enter all zeros.

on the tax year 2023 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer or person subject to tax with respect to the entity, I will enter my PIN as my signature on the tax year 2023 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Signature of officer or person subject to tax _____ Date _____

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

84824522561 Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2023 electronically filed return indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature THOMAS M KAPAUN Date _____

ERO Must Retain This Form—See Instructions Do Not Submit This Form to the IRS Unless Requested To Do So

IRS E-file Signature Authorization for a Tax Exempt Entity

For calendar year 2023, or fiscal year beginning _____, 2023, and ending _____, 20_____

Do not send to the IRS. Keep for your records.

Go to www.irs.gov/Form8879TE for the latest information.

2023

Department of the Treasury Internal Revenue Service

Name of filer DOUGLAS COUNTY LIBRARY FOUNDATION EIN or SSN 84-1207775

Name and title of officer or person subject to tax AMBER DEBERRY EXECUTIVE DIRECTOR

Part I Type of Return and Return Information

Check the box for the return for which you are using this Form 8879-TE and enter the applicable amount, if any, from the return. Form 8038-CP and Form 5330 filers may enter dollars and cents. For all other forms, enter whole dollars only.

Table with 2 columns: Form type (e.g., Form 990, Form 990-EZ) and Amount (1b-10b). Includes checkboxes for selection and numerical input fields.

Part II Declaration and Signature Authorization of Officer or Person Subject to Tax

Under penalties of perjury, I declare that I am an officer of the above entity or I am a person subject to tax with respect to (name of entity) DOUGLAS COUNTY LIBRARY FOUNDATION, (EIN) 84-1207775 and that I have examined a copy of the 2023 electronic return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete.

PIN: check one box only

I authorize THOMAS M KAPAUN to enter my PIN [] as my signature. Enter five numbers, but do not enter all zeros

on the tax year 2023 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer or person subject to tax with respect to the entity, I will enter my PIN as my signature on the tax year 2023 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Signature of officer or person subject to tax _____ Date _____

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

848245 do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2023 electronically filed return indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature THOMAS M KAPAUN Date _____

ERO Must Retain This Form—See Instructions Do Not Submit This Form to the IRS Unless Requested To Do So