



WELD COUNTY, COLORADO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2014

High Plains Library District

2650 W. 29th Street
Greeley, Colorado 80631

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended December 31, 2014

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Prepared by:
Andrew Romero
Finance Director

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Administration
2650 W. 29th Street
Greeley CO 80631
Phone: (970) 506-8550
Fax: (970) 506-8551

June 1, 2015

To the Members of the Board of Trustees and Patrons of the High Plains Library District:

State Law requires that the High Plains Library District (HPLD) publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the HPLD for the fiscal year ended December 31, 2014.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the HPLD has established a system of internal controls that are designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Anderson & Whitney, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended December 31, 2014 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and evaluating the overall financial statement presentation.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The High Plains Library District's MD&A can be found immediately following the report of the independent auditors.

Profile of the District

The District is considered to be a "Library District" established through Colorado State Statute (C.R.S. 24-90-110) and governed by the Colorado Library Law, Article 90 of Title 24, Colorado Revised Statutes, as amended (the "Act"). The District was established on September 11, 1985 by the Weld County Board of County Commissioners, the city councils of Evans, Fort Lupton, Greeley, the town boards of Ault, Eaton, Hudson, and the Governing Board of Fort Lupton School District Number RE-8. The District is fiscally, managerially and operationally an independent political subdivision of the State of Colorado.

There are seven branch libraries and two outreach vehicles that provide services to patrons throughout the High Plains Library District. Three branches are located in the City of Greeley, one each in Erie, Evans, Firestone, and Kersey. The towns of Ault, Eaton, Hudson, Johnstown, Platteville, and the city and school district of Fort Lupton, which are located within the District's boundaries, own and operate their own library facilities. The District provides centralized support services to these locations. The citizens of these municipalities pay ad valorem property taxes to the District as District residents. By contract with the municipalities two-thirds of those ad valorem property taxes are then given to these towns for library operations and capital expenditures. The District retains one-third for providing centralized support services. The District operates public computer centers (PCCs) located in Greeley and Evans, and supports technology at PCCs located in Lochbuie, Milliken, Nunn, and Pierce. Affiliated Libraries consist of the Poudre Learning Center in Greeley, the Hazel E. Johnson Research Center, located within the City of Greeley Museum and the City of Evans museum. Book deposits are at the Briggsdale Library, Hill and Park Senior Center, Milliken Senior Center, Pierce Senior Center, and the Prairie View Senior Center in Hudson.

The Weld Library Finance Corporation (WLFC) was formed in 2001 for the purpose of purchasing, leasing or otherwise acquiring certain real property and to construct or install certain improvements in the service area of the District. The WLFC is included as a blended component unit within the financial statements of the District.

Administrative and support departments includes the Collection Resources, Executive Director, Facilities Services, Finance, Foundation, Human Resources, Information Technology, Outreach, and Public Information all located at the District's Administration and Support Services building.

Management and control of the District is vested in a board of trustees consisting of seven members, all of whom are appointed by a committee representing the original towns that established the District. Trustees serve staggered five-year terms. The trustees hold regular monthly meetings and special meetings when necessary. Board members are prohibited by law from receiving compensation for their services; however, they may be reimbursed for necessary travel, training or miscellaneous expenses.

The annual budget serves as the foundation for the High Plains Library District's (HPLD) financial planning and control. HPLD is required to file a certified copy of the budget with the State of Colorado Division of Local Government by January 31 of each year. The HPLD begins the budgeting process in July each year and develops a proposed budget. The Executive Director presents this proposed budget to the Board of Trustees for review and approval on or before October 15. The deadline for certification of mill levies to the Boulder County and Weld County Commissioners is December 15 of each year. The Board of Trustees is required to hold public hearings on the proposed budget and to adopt a final budget on or before December 31, the close of the District's fiscal year. The budget is prepared by fund, account, location, and department. Budget-to-actual comparisons are provided in this report for the general fund, debt service fund, and when applicable the capital projects fund.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the High Plains Library District operates.

Local economy: The Colorado economy continued to improve and accelerate through 2014 with the same to occur in 2015. The labor market added jobs throughout the year, with especially strong growth in the private sector. The unemployment rate is falling while wages and salaries are rising. Inflationary pressures will be moderate as long as the unemployment rate stays elevated. Inflation in Colorado was expected to be 2.8 percent in 2014 and 2.4 percent in 2015.

The unemployment rate will hover around 4.0 percent in 2015 as continued improvement in the labor market will encourage people to return to the labor force. In the fall of 2014 the Weld County unemployment rate fell to 3.6 percent, which is the lowest in years. Economic activity will continue to gain momentum in 2015. Although growth slowed in 2013 relative to 2012, significant improvements occurred in major sectors of the economy, particularly construction and manufacturing, placing the economy on a healthier footing for stronger expansion in the coming years. The labor market continued to incrementally improve, while gains in the housing market and residential construction helped drive growth.

The Weld County economy continues to be one of the strongest in the state. The unemployment rate continues to decline, consumer spending continues to outpace the rest of the state, housing permits continue to grow at a rapid rate, and nonresidential construction has maintained strength. Oil and gas exploration, as measured by the number of rigs operating in the region, continues to thrive. Growth in the county's labor market remains steady. Weld County, booming because of the oil and gas exploration in the Niobrara shale formation, had the largest increase in employment in the United States between December 2012 and December 2013, according to the U.S. Bureau of Labor Statistics. The county's economic output grew 10.1 percent from 2012 to 2013, putting Weld County at number two in the nation for Gross Domestic Product (GDP) growth. Weld County's GDP was \$7.3 billion in 2008, and has grown steadily to \$8.6 billion in 2013, or 17.8 percent, according to the Bureau of Economic Analysis numbers. The driver of growth has been oil and gas development.

The northern Colorado region's real estate market continues to be vibrant. New residential construction permits for all properties were up 37.7 percent in the Greeley area on a year-over-year basis in 2014. While prices are projected to continue to rise in 2015 growth may not be as rapid as in 2014, as increasing interest rates may dampen the market. The value of nonresidential projects continues to grow. This, along with housing growth, has also helped maintain steady growth in construction jobs for the region's labor market. In Weld County, the majority of projects were for commercial and education facilities. Retail sales continue to be strong in Weld County. Consumer spending has outperformed the state.

Oil and gas development in Weld County continued to thrive. Throughout 2014, rig counts across the region steadily increased, even as the overall number operating in Colorado declined. This increase was the result of relatively high oil prices and the continued success of plays in the Wattenberg field within the Denver-Julesburg Basin. In January 2014, there were 47 rigs operating in the region, accounting for 76 percent of the 62 total rigs in the state.

According to a study by the University of Colorado, Colorado's oil and gas industry reported an average direct employment of more than 51,200 jobs with average wages of nearly \$75,000 in 2012. Collectively, the industry contributed slightly more than \$3.8 billion in employee income, or 2.8% of total salaries and wages in the state. Additionally, that same year, over \$614 million went to private land owners through lease agreements with oil and gas companies. The industry also contributed nearly \$1.6 billion in public revenues, \$1 billion of which was derived directly from severance taxes, public lease, and property taxes. With the impact of the recent recession on Colorado's economy, the oil and gas industry's jobs and monetary contribution played a critical role in our recovery, and its importance today has not waned. The industry continues to prove itself an enormous driver not only to this recovery, but to the continued economic growth of Weld County and Colorado.

The continued impact of oil and gas development in the county touches on many aspects of the High Plains Library District (HPLD) currently, and in planning for the future. The energy development presents both challenges and opportunities for HPLD. As has been the case for the last four to five years, growth and development activity directly, or indirectly, related to oil and gas exploration seems to be the main economic driver in the majority of positive economic activities in Weld County. The County has seen several compressor stations, injection wells, new pipelines, and other oil and gas support and service industries seeking permits. Given the commitments of the large oil and gas companies in Weld County, the County seems primed to see considerable long-term investment and development in the oil and gas arena. Although the future of energy development in Weld County appears bright, it is not without risks. Oil and gas production in Colorado has risks associated with the potential of more government regulations and voter initiatives trying to restrict or limit fracking in Colorado communities. These regulatory risks, if implemented, could dramatically impact future oil and gas development in Colorado.

As the High Plains Library District looks to 2015 and beyond, a number of challenges face the District and its staff to meet the ever changing and growing demands of its patrons to maintain the quality of service and product offerings that the patrons have grown to expect from their library district. The additional production of oil and gas is resulting in significant increases in the District's assessed value with the oil and gas production exceeding sixty five percent of the District's total assessed valuation. Because of the volatility of production levels and price fluctuations of the oil and gas production, the District must prudently manage the property tax revenue created by the energy development. To assist the Board of Trustees in managing volatility in property tax revenue will be the continued utilization of the Capital Improvement Program, five year planning horizon, and the ten year forecast model used during the bi-annual budget preparation.

Although the financial health of the HPLD is currently excellent, it is important to look to the future issues, possible problems and alternative solutions to these problems. Besides the traditional role of budgeting to responsibly manage available current year funding there must be a continued emphasis of long-term planning, recognition of the cumulative effect of individual decisions, an awareness of changing realities, flexibility, patron input in setting priorities, and a focus of goals and objectives consistent with the core philosophy and mission statement. Prioritizing services is essential and a practice that the HPLD does annually. It allows the HPLD to concentrate on high priority programs and stop providing those that patrons have little or no interest in.

Long-term financial planning: The District's bi-annual budget process includes the preparation of a five year capital improvement plan (CIP) and a ten year forecast of revenues and expenditures. The CIP identifies major construction and equipment needs that are on the horizon, as well as projections of those revenues dedicated for capital purchases. Also of keen interest is the continued view beyond five years as to how operational expenditures will be met by the known revenue sources.

A key component of the CIP is the District's commitment to maintaining its current infrastructure. Buildings and parking lots are evaluated annually, with resources dedicated to keeping infrastructure at acceptable quality levels and avoiding more costly major repairs and reconstruction. While the five year CIP is a planning tool that is subject to change, it allows the District to prepare for major capital needs as well as match those needs with the appropriate projected revenue sources.

Relevant financial policies: The Colorado Constitutional Amendment passed in November 1992, commonly known as the Taxpayer Bill of Rights (TABOR), restricts growth in governmental spending and revenues, with those amounts adjusted annually for inflation and a local growth factor. In November 1999, Weld County voters approved a referendum that allowed the HPLD to retain revenues that might otherwise have been refundable to citizens under the TABOR limits. As a result, the HPLD is able to retain any "excess" revenues and spend them for capital improvements, district operations and services, and other patron purposes. The District continues to be subject to other provisions of TABOR, including maintaining an emergency reserve equal to 3 percent of annual spending and the requirement for elections to approve any tax increase.

Major initiatives: During 2014 the construction of the Riverside Library and Cultural Center was completed with minor finishing touches to be completed in 2015. An existing HVAC unit was replaced with a more energy efficient unit at the Farr Regional library. A new automated Integrated Library System known as SIERRA was implemented and is now up and running.

Looking ahead: HPLD budgeted revenues for fiscal year 2015 increased by 22%, compared to 2014. This allowed the District to increase its spending allocation for library materials, increase emphasis on library programming, and to provide funding to address the relocation of the Lincoln Park library as well as the Kersey library. The 2015 budget includes five million dollars to address the future home site of the Lincoln Park Library currently located in Downtown Greeley. Also included is three hundred thousand dollars to enhance the Kersey Library with a new building or upgrade an existing building.

During April 2014 Towns of Ault, Eaton and Hudson, the City of Fort Lupton, RE8 School District in Fort Lupton, and the Weld County Commissioners, founding parties of the Weld Library District (WLD) (now known as the High Plains Library District (HPLD)), approved respective resolutions, except for the City of Greeley and Evans, to remove all existing High Plains Library District Board of Trustee members and approved appointment of nominees for the vacant positions. This all stemmed from the members stating that the HPLD Board of Trustees was not honoring the three conditions that were guaranteed by the creating documents. 1) Municipal retention of the title to their library property, 2) Continuation of local boards of library trustees to insure local control, and 3) The sharing of the library-related mill levies through 2/3-1/3 allocation of the property tax generated from the service area of the municipal libraries. The HPLD Trustees brought suit seeking Declaratory Judgment and Injunctive Relief, granted by the District Court of Weld County, Colorado, as necessary and the only relief available under the law at this time. The current board is prohibited from entering into any new contracts without full agreement of all parties involved in this action, or without written Court approval if no agreement can be reached, after hearing.

The current board may adopt a definition for good cause. However, the member libraries are not bound by any such definition at this time as the adoption obviously comes as a result of the actions preceding the definitions. Essentially, the current board is authorized to continue implementation of policies or procedures previously adopted. The current board is not authorized to begin any new projects, or adopt new policies except for the definition of good cause as stated above. The Court's conclusion is currently being appealed by the Defendants (members). Oral arguments are scheduled for May 26, 2015.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the High Plains Library District for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2013. This was the twelfth consecutive year that the High Plains Library District has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance and administration departments. We would like to express our appreciation to all members of the District who assisted and contributed to the preparation of this report. Credit also must be given to the Board of Trustees for their unfailing support for maintaining the highest standards of professionalism in the management of the High Plains Library District's finances. We would also like to express our appreciation to the audit firm of Anderson & Whitney, P.C. who provided guidance in preparing the annual report.

Respectfully submitted,



Janine Reid
Executive Director

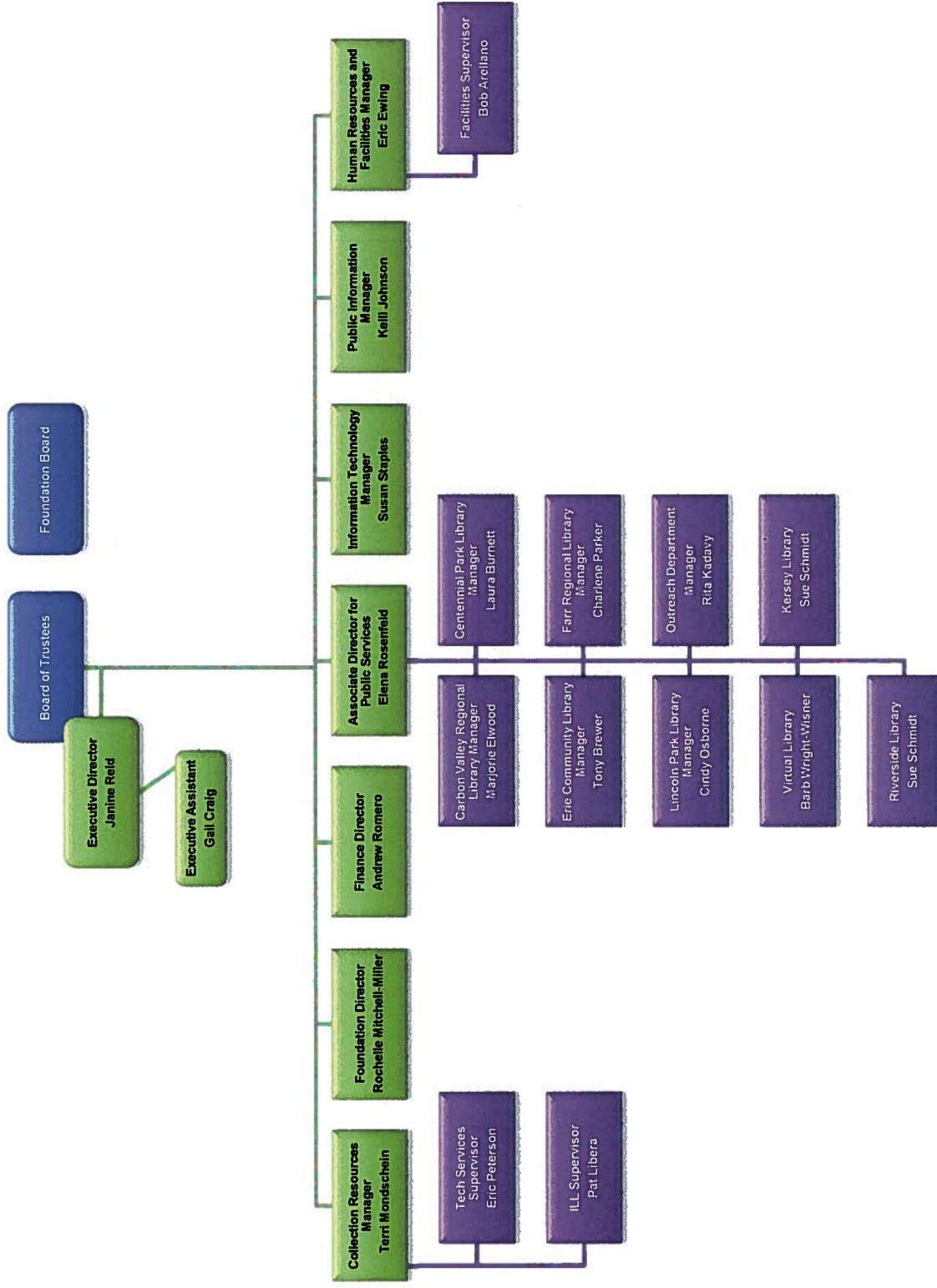


Andrew Romero
Finance Director

**HIGH PLAINS LIBRARY DISTRICT
PRINCIPAL DISTRICT OFFICIALS**

Janine Reid Executive Director
Elena Rosenfeld Associate Director for Public Services
Eric Ewing Director of Human Resources & Facilities
Kelli Johnson Public Information Coordinator
Rochelle Mitchell-Miller Foundation Director
Terri Mondschein Collection Resources Manager
Andrew Romero Finance Director
Susan Staples Information Technology Manager

2014 HPLD Management Organization Plan





Government Finance Officers Association

**Certificate of
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**High Plains Library District
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO



Independent Auditors' Report

Board of Trustees
High Plains Library District
Greeley, Colorado

We have audited the accompanying financial statements of the governmental activities and the major funds of the High Plains Library District as of December 31, 2014, and for the year then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major funds of the High Plains Library District as of December 31, 2014, and the changes in its financial position and the General Fund budgetary comparison for the year then ended in conformity with accounting principles generally accepted in the United States.

Other Matters

Accounting principles generally accepted in the United States require that management discussion and analysis be presented to supplement the basic financial statements. Such information, 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 auditing standards generally accepted in the United States, 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 evidence sufficient to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the High Plains Library District. Such information is the responsibility of the management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Anderson & Whitney, P.C.

June 1, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report provides readers with a narrative overview and analysis of the financial activities of the High Plains Library District for the year ended December 31, 2014. We encourage readers to consider the information presented here in conjunction with the letter of transmittal and basic financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

- High Plains Library District's assets exceeded liabilities by \$36.1 million at the end of 2014. Of this amount, \$12.6 million may be used to meet the government's ongoing obligations to citizens and creditors. The remaining \$23.6 million are capital assets or are restricted by law.
- The District's General Fund balance was \$13.0 million as of December 31, 2014. Of this amount, \$685,000 is reserved for emergencies.
- The 2014 General Fund balance is \$1,877,291 lower than the previous year. The total fund balance is 51% of 2014 General Fund operating expenditures and transfers out.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements contain three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic statements, this report also contains other supplementary information including budgeting comparison statements for certain funds, and a statistical section.

Government-wide Financial Statements: The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances in a manner similar to a private sector business.

The *statement of net assets* presents information on all of the District's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the District's financial position is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

The government-wide financial statements can be found on pages 18-23 of this report.

Fund financial statements: A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. High Plains Library District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the High Plains Library District can be categorized as governmental funds.

Governmental funds: *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources, as well as on balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

High Plains Library District maintains three individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, and Capital Projects Fund. Individual fund data for the Debt Service Fund and Capital Projects Fund is provided in the form of a budget comparison schedule on pages 37-38 of this report.

The basic governmental fund financial statements can be found on pages 18 through 23 of this report.

Budgetary comparisons: High Plains Library District adopts an annual appropriated budget for its funds. A budgetary comparison statement has been provided for the General Fund on pages 24 to 25 of this report. Budget to actual comparison for the Debt Service and Capital Projects funds is provided on pages 37 and 38.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26 through 36 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position: As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December 31, 2014, net position was \$36.1 million.

The following table provides a summary of the District's net position at December 31:

Table 1 - Net position (in Millions)		
	2014	2013
Assets		
Current and other assets	\$ 42.1	\$ 38.0
Capital assets	36.4	31.4
Total assets	78.5	69.4
Liabilities		
Current and other liabilities	2.5	2.4
Long-term liabilities	12.9	14.4
Total liabilities	15.4	16.8
Deferred Inflows		
Deferred Property Taxes	27.0	21.0
Net Position		
Net Investment in capital assets	22.6	15.5
Restricted	1.6	1.5
Unrestricted	11.9	14.6
Total net position	\$ 36.1	\$ 31.6

A significant portion of High Plains Library District's net assets (33%) represents unrestricted net assets of \$11.9 million, which may be used to meet the Library District's ongoing obligations to citizens and creditors.

Another significant portion of the Library District's net assets (62%) reflects its investment in capital assets. These assets include land, buildings, furniture, and equipment. These capital assets are used to provide services to citizens; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. The District's outstanding debt consists of the certificates of participation for the construction of the Farr Regional Library, the Carbon Valley Regional Library, the Erie Community Library, and remodel of other facilities. High Plains Library District has no other debt.

An additional \$1.6 million of the District's net assets (5%) represents resources that are subject to external restrictions on how they may be used. Included in this category are the reserves for TABOR emergency and debt service requirements.

The following table indicates the changes in net position:

Governmental Activities	2014	2013
Revenues:		
General revenues:		
Property and specific ownership taxes	\$ 22,833,804	\$ 20,341,879
Investment earnings	146,285	167,822
Program revenues:		
Charges for services	174,026	176,750
Operating grants and contributions	137,247	185,227
Total revenues	23,291,362	20,871,678
Expenses:		
Library services	14,578,164	12,943,507
Operations and maintenance	2,451,583	2,755,539
Depreciation	1,099,605	1,141,270
Interest on long-term debt	622,536	665,007
Total expenses	18,751,888	17,505,323
Increase in net position	\$ 4,539,474	\$ 3,366,355

Governmental activities

Governmental activities increased High Plains Library District's net position by \$4,539,474 in 2014. The key element to this change was the increased property taxes from anticipated increases in assessed property valuations for the 2014 collection year.

Expenses totaled a 7% increase over the previous year. Increases occurred due to the opening of the Riverside Library and Cultural Center and due to normal wage inflation and costs of providing services to a growing patron population. Distributions to member libraries also increased as they are related to increased property taxes.

FINANCIAL ANALYSIS OF THE LIBRARY DISTRICT'S FUNDS

As noted earlier, High Plains Library District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds Overview: The focus of Library District governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Library District's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

As of the end of 2014, the combined ending fund balance of High Plains Library District governmental funds was \$13.9 million. Approximately 88% of this consists of unrestricted fund balance, which is available as working capital and for current spending in accordance with the purposes of the specific funds. The remainder of fund balance is restricted to indicate that it is not available for new spending because it is committed for the following purposes: 1) state-constitution mandated emergency reserve of \$684,707, 2) a debt service reserve of \$933,079 and 3) a capital projects reserve of \$28.

The District has three major governmental funds:

1. **General Fund.** This is the primary operating fund of the High Plains Library District. It accounts for all of the District's library services. The general fund balance was \$13.0 million as of December 31, 2014. The 2014 fund balance is \$1.9 million less than the previous year. As a measure of the General Fund liquidity, it may be useful to compare both unrestricted fund balance and total fund balance to total fund expenditures and transfers out. Unrestricted fund balance represents 49% of total 2014 expenditures and transfers out, while total fund balance is 51% of the same amount. The fund balance decreased in 2014 due to the construction of the Riverside Library and Cultural Center in Evans.
2. **Debt Service Fund.** The debt service fund has a fund balance of \$933,079 all of which is restricted for the payment of debt. This balance increased slightly during the year.
3. **Capital Projects Fund.** The capital projects fund has a fund balance of \$28 as it was largely spent for the remodeling of the Centennial Park Library. This balance is part of the proceeds of the 2010 certificates of participation.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared according to Colorado statutes. The most significant budgeted fund is the General Fund.

In December of 2014, the Board of Trustees appropriated \$29.0 million for general fund expenditures and other financing uses, anticipating a decrease in the fund balance by \$6.2 million. The actual decrease was \$1.9 million due to capital expenditures for new library facilities shifted to 2015, and expenditures held under budget. The budget was not amended during the year.

Table		
2014 General Fund Budget		
(in Millions)		
	Budget	Actual
Beginning Fund Balance	\$ 14.9	\$ 14.9
Revenue	22.8	23.3
Expenditures and other financing uses	29.0	25.2
Ending Fund Balance	\$ 8.7	\$ 13.0

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: High Plains Library District's investment in capital assets for its governmental activities as of December 31, 2014 totals \$36.4 million (net of accumulated depreciation). This investment includes all land, buildings, opening day collections, furniture, and equipment.

Additional information on the District's capital assets can be found in Note 4 of this report.

Long-term debt: At December 31, 2014, High Plains Library District had outstanding long-term debt (principal amount) of \$14.105 million in Certificates of Participation (COP's), funded by lease payments for building the Farr Regional Library, the Carbon Valley Regional Library, the Erie Community Library, and remodeling the other facilities.

Additional information on High Plains Library District's debt can be found in Note 5.

OTHER MATTERS

The following factors are expected to have a significant effect on the High Plains Library District's financial position or results of operations and were taken into account in developing the 2015 budget:

- Continued modest growth in Weld County causes increased demands in all service areas of the library system.
- Oil and gas property tax revenues continue to be very volatile. Property tax revenue is expected to increase by 29.7% in 2015 compared to 2014. Budgeted expenditures for 2015 include funding to address the need for a new Lincoln Park Library building and Kersey Library building as well as meet the demands placed by our patrons for library materials as well as increased programing for all ages.
- Interest rates continue to increase which will have a possible impact on investment income.
- The economy for the State of Colorado and Weld County continues to improve at a faster pace than the nation as a whole.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of High Plains Library District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided or for additional financial information should be addressed to the Finance Director, 2650 West 29th Street Greeley, CO 80631.

HIGH PLAINS LIBRARY DISTRICT

GOVERNMENTAL FUNDS BALANCE SHEET/ STATEMENT OF NET POSITION

December 31, 2014	General Fund	Debt Service Fund	Capital Projects Fund
<u>ASSETS</u>			
Cash and Investments	\$ 13,823,703	\$ 958,337	\$ 28
Receivables:			
Property taxes	27,320,278	-	-
Prepaid items	10,987	-	-
Capital Assets:			
Depreciable	-	-	-
Nondepreciable	-	-	-
Total Assets	41,154,968	958,337	28
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Loss on Debt Refunding	-	-	-
<u>LIABILITIES</u>			
Accounts Payable	625,051	-	-
Accrued Expenses	237,120	25,258	-
Long-Term Liabilities:			
Due within one year	-	-	-
Due after one year	-	-	-
Total Liabilities	862,171	25,258	-
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Property Taxes	27,320,278	-	-
<u>FUND BALANCES/NET POSITION</u>			
Fund Balances:			
Restricted for:			
Emergencies	684,707	-	-
Debt service and capital	-	933,079	28
Assigned for capital projects	5,300,000	-	-
Unassigned	6,987,812	-	-
Total Fund Balances	12,972,519	933,079	28
Total Liabilities and Fund Balances	\$ 13,834,690	\$ 958,337	\$ 28

Net Position:

Net investment in capital assets
 Restricted for debt service and capital
 Restricted for emergencies
 Unrestricted

Total Net Position

See Accompanying Notes to Financial Statements.

Total	Adjustments (Note 10)	Statement of Net Position
\$ 14,782,068	\$ -	\$ 14,782,068
27,320,278	-	27,320,278
10,987	-	10,987
-	26,617,611	26,617,611
-	9,819,226	9,819,226
42,113,333	36,436,837	78,550,170
-	288,276	288,276
625,051	-	625,051
262,378	-	262,378
-	1,590,000	1,590,000
-	12,892,060	12,892,060
887,429	14,482,060	15,369,489
27,320,278	-	27,320,278
684,707	(684,707)	-
933,107	(933,107)	-
5,300,000	(5,300,000)	-
6,987,812	(6,987,812)	-
13,905,626	(13,905,626)	-
<u>\$ 14,793,055</u>		
	22,620,113	22,620,113
	933,107	933,107
	684,707	684,707
	11,910,752	11,910,752
	<u>\$ 36,148,679</u>	<u>\$ 36,148,679</u>

HIGH PLAINS LIBRARY DISTRICT

STATEMENT OF GOVERNMENTAL FUNDS REVENUE, EXPENDITURES AND CHANGE IN FUND BALANCES/ STATEMENT OF ACTIVITIES

Year Ended December 31, 2014	General Fund	Debt Service Fund	Capital Projects Fund	Total
Revenue:				
General property taxes	\$21,038,657	\$ -	\$ -	\$21,038,657
Specific ownership taxes	1,784,930	-	-	1,784,930
Penalties and interest on delinquent taxes	10,217	-	-	10,217
Library fines	174,026	-	-	174,026
Earnings on investments	145,134	1,151	-	146,285
Contributions in kind - rent	113,750	-	-	113,750
Donations	-	-	-	-
Grant	16,302	-	-	16,302
Miscellaneous	7,195	-	-	7,195
Total Revenue	23,290,211	1,151	-	23,291,362
Expenditures/Expenses:				
Current:				
Salaries, wages, and benefits	7,796,046	-	-	7,796,046
Supplies	323,539	-	-	323,539
Small equipment	51,269	-	-	51,269
Software	198,247	-	-	198,247
Postage	25,730	-	-	25,730
Printing	10,703	-	-	10,703
Book collections	827,549	-	-	827,549
Periodicals	51,936	-	-	51,936
Public relations	45,935	-	-	45,935
Audio visual	263,144	-	-	263,144
CD and online databases	359,313	-	-	359,313
Telephone	177,924	-	-	177,924
Contract services	835,266	-	-	835,266
Buildings and grounds	154,416	-	-	154,416
Travel and meetings	96,316	-	-	96,316
County Treasurer's fees	315,630	-	-	315,630
Maintenance of equipment	422,613	-	-	422,613
Memberships	12,598	-	-	12,598
Miscellaneous	12,022	-	-	12,022
Insurance	49,189	-	-	49,189
Rent	113,750	-	-	113,750
Utilities	261,859	-	-	261,859
Grants-in-aid	4,577,277	-	-	4,577,277
Depreciation	-	-	-	-
Total Current	16,982,271	-	-	16,982,271

Continued on next page.

Adjustments (Note 11)	Statement of Activities
\$ -	\$21,038,657
-	1,784,930
-	10,217
-	174,026
-	146,285
-	113,750
-	-
-	16,302
-	7,195
-	23,291,362

47,476	7,843,522
-	323,539
-	51,269
-	198,247
-	25,730
-	10,703
-	827,549
-	51,936
-	45,935
-	263,144
-	359,313
-	177,924
-	835,266
-	154,416
-	96,316
-	315,630
-	422,613
-	12,598
-	12,022
-	49,189
-	113,750
-	261,859
-	4,577,277
1,099,605	1,099,605
1,147,081	18,129,352

HIGH PLAINS LIBRARY DISTRICT

STATEMENT OF GOVERNMENTAL FUNDS REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES - Continued

Year Ended December 31, 2014	General Fund	Debt Service Fund	Capital Projects Fund	Total
Expenditures/Expenses - Continued:				
Capital Outlay	\$ 6,090,351	\$ -	\$ -	\$ 6,090,351
Debt Service:				
Principal	-	1,530,000	-	1,530,000
Interest and Fees	-	564,880	-	564,880
Total Expenditures/Expenses	23,072,622	2,094,880	-	25,167,502
Revenue Over (Under) Expenditures	217,589	(2,093,729)	-	(1,876,140)
Other Financing Sources (Uses):				
Transfers - internal activities	(2,094,880)	2,094,880	-	-
Net Change in Fund Balances/Net Position	(1,877,291)	1,151	-	(1,876,140)
Fund Balances/Net Position, Beginning of Year	14,849,810	931,928	28	15,781,766
Fund Balances/Net Position, End of Year	\$12,972,519	\$ 933,079	\$ 28	\$13,905,626

See Accompanying Notes to Financial Statements.

Adjustments (Note 11)	Statement of Activities
\$ (6,090,351)	\$ -
(1,530,000)	-
57,656	622,536
<u>(6,415,614)</u>	<u>18,751,888</u>
6,415,614	4,539,474
-	-
6,415,614	4,539,474
<u>15,827,439</u>	<u>31,609,205</u>
<u>\$ 22,243,053</u>	<u>\$ 36,148,679</u>

HIGH PLAINS LIBRARY DISTRICT

BUDGETARY COMPARISON STATEMENT - GENERAL FUND

Year Ended December 31, 2014	Actual	Original and Final Budget	Variance
Revenue:			
General property taxes	\$21,038,657	\$20,966,575	\$ 72,082
Specific ownership taxes	1,784,930	1,175,000	609,930
Penalties and interest on delinquent taxes	10,217	96,799	(86,582)
Grants	16,302	50,000	(33,698)
Library fines	174,026	170,000	4,026
Earnings on investments	145,134	175,000	(29,866)
Contributions - in kind	113,750	113,750	-
Donations	-	-	-
Miscellaneous	7,195	10,000	(2,805)
Total Revenue	23,290,211	22,757,124	533,087
Expenditures:			
Current:			
Salaries, wages, and benefits	7,796,046	8,254,341	458,295
Supplies	323,539	391,185	67,646
Small equipment	51,269	66,330	15,061
Software	198,247	219,424	21,177
Postage	25,730	38,958	13,228
Printing	10,703	18,600	7,897
Book collection	827,549	829,577	2,028
Periodicals	51,936	55,000	3,064
Public relations	45,935	90,972	45,037
Audio visual	263,144	782,200	519,056
CD and Online databases	359,313	151,300	(208,013)
Telephone	177,924	242,642	64,718
Contract services	835,266	715,291	(119,975)
Buildings and grounds	154,416	130,800	(23,616)
Travel, training, and meetings	96,316	111,750	15,434
County Treasurer's fees	315,630	314,498	(1,132)
Maintenance of equipment	422,613	511,978	89,365
Memberships	12,598	16,364	3,766
Miscellaneous	12,022	12,000	(22)
Insurance	49,189	46,000	(3,189)
Rent	113,750	113,750	-
Utilities	261,859	333,888	72,029
Grants-in-aid	4,577,277	4,577,277	-
Total Current	16,982,271	18,024,125	1,041,854
Capital Outlay	6,090,351	8,851,327	2,760,976
Total Expenditures	23,072,622	26,875,452	3,802,830

Continued on next page.

HIGH PLAINS LIBRARY DISTRICT

BUDGETARY COMPARISON STATEMENT - GENERAL FUND - Continued

<u>Year Ended December 31, 2014</u>	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Variance</u>
Revenue Over Expenditures	\$ 217,589	\$ (4,118,328)	\$ 4,335,917
Other Financing Sources (Uses):			
Transfer to Debt Service Fund	(2,094,880)	(2,098,956)	4,076
Excess of Revenue Over Expenditures and Other Financing Sources (Uses)	(1,877,291)	(6,217,284)	4,339,993
Fund Balances - Beginning	14,849,810	14,849,810	-
Fund Balances - Ending	\$12,972,519	\$ 8,632,526	\$ 4,339,993

See Accompanying Notes to Financial Statements.

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies:

The accounting and reporting policies of the High Plains Library District (the District) conform to accounting principles generally accepted in the United States. The following summary of significant accounting policies is presented to assist the reader in evaluating the District's financial statements.

Reporting Entity:

The Weld Library District was established on September 11, 1985, under the provisions of Article 90 of Title 24 of the Colorado Revised Statutes. The Weld County Commissioners together with the city councils of Evans, Fort Lupton, and Greeley, and the town boards of Ault, Eaton, and Hudson, Colorado, and the governing board of Weld School District RE-8 acted to establish the Weld Library District. On April 21, 2008, the District's Board of Trustees approved a name change to the High Plains Library District. The Library District Board was originally appointed by the Weld County Commissioners with concurrence of the city councils and has total autonomy under the State Library Act to incur debt, establish budgets, and levy property taxes to support the District's library system.

In addition, the Weld Library Finance Corporation was formed in 2001 for the purpose of purchasing, leasing, or otherwise acquiring certain real property and to construct or install certain improvements in the service area of the District. The Weld Library Finance Corporation is blended with the financial statements of the District.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States as applied to governmental entities. The following summary of significant accounting policies is presented to assist the reader in evaluating the District's financial statements.

Government-wide and Fund Financial Statements:

The District reports as a special purpose government engaged in a single governmental program. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Government activities are supported by taxes and intergovernmental revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

The government-wide financial statements are reported using the economic resources 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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources 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 a current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes and interest associated with the current year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term debt of the District.

The *capital projects fund* accounts for the acquisition and construction of major capital facilities.

Fund Equity:

In the fund financial statements, governmental funds report restrictions of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

Restrictions for the District are recorded up to the maximum equity available in the fund balance and consist of:

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Fund Equity – Continued:

Restricted for Emergencies:

These restrictions are established to comply with TABOR. Recorded TABOR restrictions at December 31, 2014 are \$684,707.

Restricted for Debt Services:

A restricted fund of \$933,079 is required by the 2010 certificates of participation.

Assigned fund balances, if any, are amounts the District intends to use for a specific purpose. Intent can be expressed by the Board of Trustees or by the executive director, to whom the Board delegated the authority. Fund balance may be assigned after the end of the reporting period. Restricted funds are considered to be spent first, followed by committed, assigned and unassigned, for an expenditure for which any could be used.

Net Position:

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition and construction of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Budget:

An annual budget and appropriation ordinance is adopted by the Board in accordance with the Colorado State Budget Law. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States for all governmental funds. The accounting system is employed as a budgetary management control device during the year to monitor the individual expenditures. The legal level of control is at the fund level. All annual appropriations lapse at year end. No budget amendments were necessary.

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Capital Assets:

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. Acquisitions of capital assets are recorded as capital outlay expenditures within the governmental funds. The District's capitalization level is \$5,000.

Capital assets are depreciated as appropriate for the government-wide statement of activities. Depreciation is provided on the straight-line basis over useful lives ranging from three years for computer equipment to fifty years for buildings.

The library's "opening day" collection of books and other materials is capitalized at estimated historical cost. As individual items are replaced or updated as necessary, the collection is considered inexhaustible and is not depreciated. Subsequent purchases of materials are not capitalized unless they significantly expand the opening day collection.

Property Taxes:

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied no later than December 15 and are payable in two installments on February 28 and June 15 or in full on April 30. The District records delinquent tax payments in the year received, as delinquent taxes are believed to be uncollectible. The Weld County Treasurer and the Boulder County Treasurer bill and collect the property taxes for the District.

The original January 1, 2014, levies for the general fund of the District are as follows:

	Mill Levy	Amount
General Fund	3.249	\$ 21,063,374

Vacation and Sick Leave:

Accrued sick leave for the District is accounted for in the government-wide statement of net assets. Sick leave is earned when vested and recorded as expenditure in the general fund when paid. In the event of retirement or termination, an employee whose date of hire is prior to January 1, 1985, is paid for 50% of accumulated sick-leave hours up to the equivalent of one month.

Accrued vacation for the District is accounted for in the government-wide statement of net assets. The maximum accumulation is two times the annual accrual. Upon termination or retirement, employees are paid for their accrued vacation. Accrued vacation is recorded as expenditure in the General Fund when paid.

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Investments:

Short-term investments are reported at cost, which approximates fair value.

NOTE 2 - Cash and Investments:

The District's bank accounts at year end were entirely covered by federal depository insurance or by collateral held by the District's custodial bank under provisions of the Colorado Public Deposit Protection Act.

The Colorado Public Deposit Protection act requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral includes municipal bonds, U.S. government securities, mortgages and deeds of trust.

State statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of the state of Colorado or of any county, school district, and certain towns and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

The District's investment policy is not more restrictive than State statutes. The District's investments are concentrated in money market funds and local government investment pools (10%), U.S. treasury bonds (26%), U.S. sponsored agency bonds (45%), and corporate bonds (19%).

Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair values arising from increasing interest rates.

At December 31, 2014, the Library District held General Fund investments of \$1,320,317 and Debt Service Fund investments of \$958,337 in the Colorado Local Government Liquid Asset Trust (COLOTRUST), which is a 2a7-like investment pool. The investment pool is routinely monitored by the Colorado Division of Securities with regard to operations and investments. Investments are valued at amortized cost with each share valued at \$1.00. COLOTRUST is rated AAAM by Standard & Poor's.

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - Cash and Investments - Continued:

Investments held as of December 31, 2014 are as follows:

	Cost	Fair Value
U.S. Government Treasury and Sponsored Agency Bonds, primarily FNMA, FFCB, and FHLMC, maturing in 2015 through 2019, rated AA+ by Standard & Poor's	\$ 9,713,409	\$ 9,733,433
Corporate Bonds, maturing 2015 through 2017, rated AA by Standard & Poor's	2,517,467	2,520,000
Total	\$ 12,230,876	\$ 12,253,433

NOTE 3 - Grants-In-Aid:

Cash grants-in-aid sent to member libraries to help support their facilities are listed below:

Year Ended December 31, 2014	Amount
Town of:	
Ault	\$ 352,203
Eaton	892,935
Fort Lupton	1,108,587
Hudson	1,087,402
Johnstown	353,787
Platteville	782,363
	\$ 4,577,277

Grants-in-aid are determined by the amount of property tax collected from incorporated areas. Additional grants-in-aid in the form of equipment donations are also occasionally made.

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – Capital Assets:

Capital asset activity for the year ended December 31, 2014 was as follows:

	Balance, 01/01/14	Additions	Deletions	Balance, 12/31/14
Not Depreciated:				
Land	\$ 716,670	\$ --	\$ --	\$ 716,670
Opening day book collection	2,495,152	432,049	--	2,927,201
Construction in progress	1,168,818	5,006,537	--	6,175,355
Depreciated:				
Buildings	26,874,131	--	--	26,874,131
Building improvements	4,585,988	139,080	--	4,725,068
Equipment and furniture	3,537,990	512,685	--	4,050,675
Total Cost	39,378,749	6,090,351	--	45,469,100
Less Accumulated Depreciation:				
Buildings	4,228,862	599,782	--	4,828,644
Building improvements	1,179,323	188,564	--	1,367,887
Equipment and furniture	2,524,473	311,259	--	2,835,732
Total Accumulated Depreciation	7,932,658	1,099,605	--	9,032,263
Capital Assets, net	\$ 31,446,091	\$ 4,990,746	\$ --	\$ 36,436,837

NOTE 5 - Long-Term Liabilities:

December 31	2014
\$9,580,000 Refunding Certificates of Participation (2010) due in varying installments through December 15, 2019, interest at 2.0 – 3.0%	\$ 5,115,000
\$12,110,000 Certificates of Participation (2006) due in varying installments through December 15, 2026, interest at 4.0 – 5.1%	8,990,000
	\$ 14,105,000

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 5 - Long-Term Liabilities - Continued:

The annual requirements to repay these certificates as of December 31, 2014, are as follows:

Years Ending December 31	Principal	Interest	Total
2015	\$ 1,570,000	\$ 519,856	\$ 2,089,856
2016	1,615,000	476,556	2,091,556
2017	1,665,000	428,125	2,093,125
2018	1,715,000	375,550	2,090,550
2019	1,780,000	317,400	2,097,400
2020-2024	3,935,000	978,925	4,913,925
2025-2026	1,825,000	138,000	1,963,000
	\$ 14,105,000	\$ 3,234,412	\$ 17,339,402

Underlying the Certificates is an annually renewable lease entered into between the District and the Weld Library Finance Corporation, a Colorado nonprofit corporation created to facilitate District financings for library buildings in Weld County. The Certificates are payable solely from the rentals paid by the District, proceeds of certain insurance policies and proceeds of foreclosure on and sale of the property, if necessary. Neither the certificates nor the lease gives rise to a general obligation of the District. As the chance of the lease not being renewed is remote, the Certificates are recorded as a long-term liability.

Transfers from the General Fund to the Debt Service Fund are made to fund these payments.

Changes in long-term liabilities during the year were as follows:

	Balance 01/01/14	Additions	Deletions	Balance 12/31/14	Due Within One Year
Certificates of Participation – 2006	\$ 9,565,000	\$ --	\$ 575,000	\$ 8,990,000	\$ 595,000
Refunding Certificates of Participation – 2010	6,070,000	--	955,000	5,115,000	975,000
Compensated Absences	329,584	57,223	9,747	377,060	20,000
	\$ 15,964,584	\$ 57,223	\$ 1,539,747	\$ 14,482,060	\$ 1,590,000

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 6 - Consolidation Agreement with City of Greeley:

On December 28, 1990, the District entered into an intergovernmental agreement with the City of Greeley to consolidate their operations. The agreement provides for the transfer of the ownership and control of all of the Greeley Public Library to the District exclusive of the building previously housing the Greeley Public Library along with all associated appurtenances and fixtures. During 2003, the District renewed the agreement with the City of Greeley for ten years. On January 1, 2014, the District and the City renewed the agreement on an annual basis, pending the redevelopment of the property by the City.

The District rents a library building from the City of Greeley for \$10 per year. These yearly rents have been adjusted in the financial statements to recognize the fair market value of these facilities. Rents equal to the approximate fair market value has been recorded as contributed revenue and like amounts have been recorded as offsetting in-kind expenditures in the amount of \$113,750.

NOTE 7 - Risk Management:

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and injuries to employees and natural disasters.

The District purchases commercial insurance for risks of loss in excess of deductible amounts. Insurance coverage has not been significantly reduced from prior years and settlements have not exceeded insurance coverage in the past three years.

NOTE 8 - Taxpayer's Bill of Rights:

In November 1992, the voters of Colorado approved Amendment 1, commonly known as the Taxpayer's Bill of Rights (TABOR), which added a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue, and debt limitations which apply to the State of Colorado and all local governments.

TABOR generally requires voter approval for any new tax, tax rate increase, mill levy increase, or issuance of new debt. Spending not subject to TABOR includes that from enterprise activities, gifts, federal funds, reserve expenditures, damage awards or property sales.

Included in the accompanying financial statements in the General Fund is an emergency reserve of \$684,707 as required by TABOR. In November 1999, voters approved a District mill levy increase of 1.8 mills and a resolution to exempt the increase from TABOR. The mill levy shall be reduced by \$1 million annually beginning in the collection year of 2020.

TABOR is complex and subject to interpretation. Ultimate implementation may depend upon litigation and legislative guidance.

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – Retirement Plan:

The High Plains Library District pension plan is a single-employer, defined contribution retirement plan. The plan provides retirement and death benefits to plan members and beneficiaries. The Board of Trustees maintains the authority to establish and amend provisions of the plan. Employees of the High Plains Library District who are hired to work at least 30 hours per week and are at least 18 years of age are eligible to participate in the plan. Participants are always 100% vested in their participant contributions and become fully vested in the employer contributions after 5 years of service. The plan is administered by John Hancock.

The contribution requirements of plan members and the District are established and maintained by the Board of Trustees. Plan members are required to contribute 6% of their annual covered payroll. The District is required to contribute 6% of annual covered payroll. During 2014, employees contributed \$303,763 and the District contributed \$303,763 to the plan.

NOTE 10 – Explanation of Adjustments Between Governmental Funds Balance Sheet and the Statement of Net Position:

Amounts reported in the statement of net position are different because (see Note 11 also):

<u>December 31</u>	<u>2014</u>
Total fund balances of governmental funds	\$ 13,905,626
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	36,436,837
Long-term liabilities and deferred outflows, including C.O.P.'s payable, are not due and payable in the current period and therefore are not reported in the funds	(14,193,784)
<u>Total Net Position</u>	<u>\$ 36,148,679</u>

HIGH PLAINS LIBRARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 11 - Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities:

Amounts reported for governmental activities in the statement of activities are different because (see Note 10 also):

<u>Year Ended December 31</u>	<u>2014</u>
Net change in fund balances – total governmental funds	\$(1,876,140)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as a depreciation expense. This is the amount by which capital outlay (\$6,090,351) exceeded depreciation (\$1,099,605) in the current year.	4,990,746
The issuance of long term debt (e.g., COP's) provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of deferred amounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	1,472,344
Compensated absence expense reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in governmental funds	(47,476)
<u>Change in Net Position of Governmental Activities</u>	<u>\$ 4,539,474</u>

NOTE 12 – Contingencies:

During April 2014 several founding parties of the Weld Library District (now the High Plains Library District or HPLD) approved respective resolutions to remove all existing HPLD Board of Trustee members and approved appointment of nominees for the vacant positions. The HPLD Trustees brought suit seeking declaratory judgment and injunctive relief, which was granted by the District Court of Weld County, Colorado, as necessary and the only relief available under the law at this time. The founding parties have appealed this ruling. The current Board of Trustees is prohibited from entering into any new contracts without full agreement of all parties involved in this action, or without written Court approval if no agreement can be reached, after hearing.

HIGH PLAINS LIBRARY DISTRICT

BUDGETARY COMPARISON SCHEDULE - DEBT SERVICE FUND

Year Ended December 31, 2014	Actual	Original and Final Budget	Variance
Revenue:			
Earnings on investments	\$ 1,151	\$ 1,100	\$ 51
Total Revenue	1,151	1,100	51
Expenditures:			
Debt service	2,094,880	2,098,956	4,076
Total Expenditures	2,094,880	2,098,956	4,076
Revenue Under Expenditures	(2,093,729)	(2,097,856)	4,127
Other Financing Sources (Uses):			
Transfer from General Fund	2,094,880	2,098,956	(4,076)
Revenue and Other Financing Sources Over Expenditures	1,151	1,100	51
Fund Balance - Beginning	931,928	931,900	28
Fund Balance - Ending	\$ 933,079	\$ 933,000	\$ 79

HIGH PLAINS LIBRARY DISTRICT

BUDGETARY COMPARISON SCHEDULE - CAPITAL PROJECTS FUND

Year Ended December 31, 2014	Actual	Original and Final Budget	Variance
Revenue:			
Earnings on investments	\$ -	\$ -	\$ -
Total Revenue	-	-	-
Expenditures:			
Trustee management fee	-	-	-
Capital outlay	-	-	-
Total Expenditures	-	-	-
Revenue Under Expenditures	-	-	-
Other Financing Sources (Uses):			
Transfer to General Fund	-	-	-
Revenue and Other Financing Sources Over Expenditures	-	-	-
Fund Balance - Beginning	28	28	-
Fund Balance - Ending	\$ 28	\$ 28	\$ -

STATISTICAL SECTION



STATISTICAL SECTION
(unaudited)

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

Contents	Pages
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the district’s financial performance and well-being have changed over time.....</i>	<i>41-46</i>
Revenue Capacity	
<i>These schedules contain information to help the reader assess the district’s most significant local revenue source, the property tax.....</i>	<i>47-49</i>
Debt Capacity	
<i>These schedules present information to help the reader assess the affordability of the district’s current levels of outstanding debt and the district’s ability to issue additional debt in the future.....</i>	<i>50-52</i>
Demographic and Economic Information	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the district’s financial activities take place.....</i>	<i>53-54</i>
Operating Information	
<i>These schedules contain service data to help the reader understand how the information in the district’s financial report relates to the services the district provides and the activities it performs.....</i>	<i>55-57</i>

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**High Plains Library District
Net Position by Component
Last Ten Years
(accrual basis of accounting)**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities:										
Net investment in capital assets	\$ 4,683,065	\$ 5,083,956	\$ 7,494,429	\$ 9,056,248	\$ 11,402,832	\$ 12,011,872	\$ 12,298,749	\$ 13,537,209	\$ 15,481,507	\$ 22,620,113
Restricted for										
Debt service	992,448	994,391	982,877	968,184	972,355	916,009	929,937	930,828	931,956	933,107
Emergencies	246,010	377,228	437,649	464,902	451,652	555,749	449,770	515,291	598,917	684,707
Unrestricted	7,605,489	9,889,106	11,300,000	11,793,599	10,105,814	12,658,266	13,109,042	13,360,265	14,596,825	11,910,752
Total governmental activities net position	\$ 13,527,012	\$ 16,344,681	\$ 20,214,955	\$ 22,282,933	\$ 22,932,653	\$ 26,141,896	\$ 26,787,498	\$ 28,343,593	\$ 31,609,205	\$ 36,148,679
Primary government:										
Net investment in capital assets	4,683,065	5,083,956	7,494,429	9,056,248	11,402,832	12,011,872	12,298,749	13,537,209	15,481,507	22,620,113
Restricted	1,238,458	1,371,619	1,420,526	1,433,086	1,424,007	1,471,758	1,379,707	1,446,119	1,530,873	1,617,814
Unrestricted	7,605,489	9,889,106	11,300,000	11,793,599	10,105,814	12,658,266	13,109,042	13,360,265	14,596,825	11,910,752
Total primary government net position	\$ 13,527,012	\$ 16,344,681	\$ 20,214,955	\$ 22,282,933	\$ 22,932,653	\$ 26,141,896	\$ 26,787,498	\$ 28,343,593	\$ 31,609,205	\$ 36,148,679

High Plains Library District
Changes in Net Position
Last Ten Years
 (accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental activities:										
General government	\$ 8,262,595	\$ 9,320,875	\$ 10,292,240	\$ 12,563,649	\$ 13,479,401	\$ 14,544,604	\$ 13,607,335	\$ 15,346,468	\$ 16,840,316	\$ 18,129,352
Interest on long term debt	500,984	480,715	1,015,541	956,850	927,203	772,337	734,515	704,412	665,007	622,536
Debt issuance costs	-	-	-	-	-	-	14,389	14,389	-	-
Total governmental activities expenses	\$ 8,763,579	\$ 9,801,590	\$ 11,307,781	\$ 13,520,499	\$ 14,406,604	\$ 15,316,941	\$ 14,356,239	\$ 16,065,269	\$ 17,505,323	\$ 18,751,888
Program Revenues										
Governmental activities:										
Charges for services:										
General government	132,401	147,131	179,480	167,380	195,387	197,986	178,005	201,749	176,750	174,026
Operating grants and contributions	113,950	128,750	246,986	553,113	113,750	138,750	113,750	126,248	185,227	137,247
Total governmental activities program revenues	\$ 246,351	\$ 275,881	\$ 426,466	\$ 720,493	\$ 309,137	\$ 336,736	\$ 291,755	\$ 327,997	\$ 361,977	\$ 311,273
Net (Expenses)/Revenue										
Governmental activities	\$ (8,517,228)	\$ (9,525,709)	\$ (10,881,315)	\$ (12,800,006)	\$ (14,097,467)	\$ (14,980,205)	\$ (14,064,484)	\$ (15,737,272)	\$ (17,143,346)	\$ (18,440,615)
Total primary government net										
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 8,527,897	\$ 10,793,756	\$ 12,409,983	\$ 13,009,141	\$ 13,278,755	\$ 16,906,588	\$ 13,602,800	\$ 15,849,259	\$ 19,043,402	\$ 21,048,874
Specific ownership	955,943	1,097,230	1,230,703	1,211,207	1,048,351	1,044,416	979,076	1,280,320	1,298,477	1,784,930
Unrestricted investment earnings	259,965	452,392	1,110,903	647,636	420,081	238,444	128,210	163,788	167,822	146,285
Total governmental activities	9,743,805	12,343,378	14,751,589	14,867,984	14,747,187	18,189,448	14,710,086	17,293,367	20,509,701	22,980,089
Total primary government	\$ 9,743,805	\$ 12,343,378	\$ 14,751,589	\$ 14,867,984	\$ 14,747,187	\$ 18,189,448	\$ 14,710,086	\$ 17,293,367	\$ 20,509,701	\$ 22,980,089
Change in Net Position										
Governmental activities	\$ 1,226,577	\$ 2,817,669	\$ 3,870,274	\$ 2,067,978	\$ 649,720	\$ 3,209,243	\$ 645,602	\$ 1,556,095	\$ 3,366,355	\$ 4,539,474
Total primary government	\$ 1,226,577	\$ 2,817,669	\$ 3,870,274	\$ 2,067,978	\$ 649,720	\$ 3,209,243	\$ 645,602	\$ 1,556,095	\$ 3,366,355	\$ 4,539,474

High Plains Library District
Fund Balances of Governmental Funds
Last Ten Years

(modified accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Restricted	\$ 246,010	\$ 377,228	\$ 437,649	\$ 464,902	\$ 451,652	\$ 555,749	\$ 449,770	\$ 515,291	\$ 598,917	\$ 684,707
Unrestricted	7,770,439	10,069,028	11,504,420	12,021,916	10,339,711	12,800,520	13,278,254	13,541,761	14,250,893	12,287,812
Total general fund	\$ 8,016,449	\$ 10,446,256	\$ 11,942,069	\$ 12,486,818	\$ 10,791,363	\$ 13,356,269	\$ 13,728,024	\$ 14,057,052	\$ 14,849,810	\$ 12,972,519
All other Governmental Funds										
Restricted	\$ 992,448	\$ 12,660,356	\$ 1,700,247	\$ 1,023,775	\$ 976,128	\$ 1,435,069	\$ 929,965	\$ 930,828	\$ 931,956	\$ 933,107
Total for all governmental funds	\$ 9,008,897	\$ 23,106,612	\$ 13,642,316	\$ 13,510,593	\$ 11,767,491	\$ 14,791,338	\$ 14,657,989	\$ 14,987,880	\$ 15,781,766	\$ 13,905,626

High Plains Library District
Changes in Fund Balances, Governmental Funds
Last Ten Years

(modified accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Taxes	\$ 9,483,840	\$ 11,890,986	\$ 13,640,686	\$ 14,220,348	\$ 14,327,106	\$ 17,951,004	\$ 14,581,876	\$ 17,129,579	\$ 20,341,879	\$ 22,823,587
Charges for services	26,476	22,240	19,346	25,878	27,436	23,787	21,504	25,106	-	-
Library fines	93,229	118,368	128,082	128,295	165,640	170,724	154,588	168,186	167,834	174,026
Earnings on investments	259,965	452,392	1,110,903	647,636	420,081	238,444	128,210	163,788	167,822	146,285
Contributions in kind - rent	113,750	113,750	113,750	113,750	113,750	113,750	113,750	113,750	113,750	113,750
Miscellaneous	12,896	21,523	165,288	394,024	2,311	28,475	1,913	20,955	80,393	33,714
Total revenues	9,990,156	12,619,259	15,178,055	15,529,931	15,056,324	18,526,184	15,001,841	17,621,364	20,871,678	23,291,362
Expenditures										
General government	7,494,199	8,479,730	10,605,257	12,339,574	12,617,493	13,602,384	12,573,567	14,237,613	15,651,701	16,982,271
Capital outlay	133,407	1,146,099	12,471,553	1,875,230	2,189,730	1,049,190	479,764	957,104	2,323,740	6,090,351
Debt issuance costs	-	-	-	-	-	129,523	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Interest	500,984	480,715	1,015,541	956,850	927,203	772,337	676,859	646,756	607,351	564,880
Principal	505,000	525,000	550,000	570,000	1,065,000	1,235,000	1,405,000	1,450,000	1,495,000	1,530,000
Total expenditures	8,633,590	10,631,544	24,642,351	15,741,654	16,799,426	16,788,434	15,135,190	17,291,473	20,077,792	25,167,502
Excess of revenues over (under) expenditures	1,356,566	1,987,715	(9,464,296)	(211,723)	(1,743,102)	1,737,750	(133,349)	329,891	793,886	(1,876,140)
Other financing sources (uses)										
Transfers in	983,125	962,692	3,067,149	1,492,085	1,995,160	1,993,701	2,094,717	2,095,385	2,102,192	2,094,880
Transfers out	(983,125)	(962,692)	(3,067,149)	(1,492,085)	(1,995,160)	(1,993,701)	(2,094,717)	(2,095,385)	(2,102,192)	(2,094,880)
Proceeds of debt	-	12,110,000	-	-	-	9,580,000	-	-	-	-
Payment to refunded debt escrow agent	-	-	-	-	-	(8,293,903)	-	-	-	-
Sale of capital assets	-	-	-	80,000	-	-	-	-	-	-
Total other financing sources (uses)	-	12,110,000	-	80,000	-	1,286,097	-	-	-	-
Net change in fund balances	\$ 1,356,566	\$ 14,097,715	\$ (9,464,296)	\$ (131,723)	\$ (1,743,102)	\$ 3,023,847	\$ (133,349)	\$ 329,891	\$ 793,886	\$ (1,876,140)
Debt service as a percentage of noncapital expenditures	11.83%	10.60%	12.86%	11.01%	13.64%	12.75%	14.21%	12.84%	11.84%	10.98%

**High Plains Library District
General Governmental Expenditures By Function
Last Ten Fiscal Years**

Fiscal Year	Salaries	Benefits	Administrative Services	Books; Services	Facilities Operations	Grants In Aid	Capital Outlay	Debt Service	Totals
2005	3,273,817	692,467	785,929	850,327	401,874	1,489,785	133,407	1,005,984	8,633,590
2006	3,516,545	748,618	1,005,055	901,892	418,626	1,888,994	1,146,099	1,005,715	10,631,544
2007 ¹	3,765,283	820,520	1,115,606	2,090,301	565,929	2,247,618	12,471,553	1,565,541	24,642,351
2008	4,640,223	1,072,167	1,538,707	1,964,908	805,422	2,486,401	1,706,976	1,526,850	15,741,654
2009	4,943,865	1,100,470	1,664,117	1,333,189	868,594	2,707,258	2,189,730	1,992,203	16,799,426
2010	4,993,005	1,256,554	1,498,585	1,253,838	1,168,945	3,431,457	1,049,190	2,136,860	16,788,434
2011	4,972,908	1,270,033	1,691,690	1,056,746	996,174	2,586,016	479,764	2,081,859	15,135,190
2012	5,334,425	1,389,422	1,772,378	1,239,946	1,272,936	3,228,506	957,104	2,096,756	17,291,473
2013	5,644,619	1,306,285	2,056,482	1,248,730	1,315,355	4,080,230	2,323,740	2,102,351	20,077,792
2014 ²	6,120,836	1,675,209	1,780,284	1,238,798	1,598,867	4,577,277	6,090,351	2,094,880	25,176,502

Note:

¹ The large increase in capital outlay reflects the construction costs of the Erie Community Library and the Carbon Valley Regional Library.

² The large increase in capital outlay reflects the construction costs of the Riverside Library and Cultural Center.

**High Plains Library District
General Governmental Revenues By Source
Last Ten Fiscal Years**

Fiscal Year	Property Taxes	Specific					Total
		Ownership Taxes	Interest Income	Grants	Fines	Miscellaneous	
2005	\$ 8,519,389	\$ 955,943	\$ 259,965	\$ 200	\$ 93,229	\$ 161,430	\$ 9,990,156
2006	10,788,232	1,097,230	452,392	15,000	118,368	148,037	12,619,259
2007	12,394,319	1,230,703	1,110,903	133,236	128,082	180,812	15,178,055
2008	12,987,150	1,211,207	647,636	382,000	128,295	173,643	15,529,931
2009	13,254,718	1,048,351	420,081	-	165,640	167,534	15,056,324
2010	16,874,455	1,044,416	238,444	25,000	170,724	173,145	18,526,184
2011	13,602,800	979,076	128,210	-	154,588	137,167	15,001,841
2012	15,849,259	1,280,320	163,788	12,498	168,186	147,313	17,621,364
2013	19,043,402	1,298,477	167,822	71,477	167,834	122,666	20,871,678
2014	21,038,657	1,784,930	146,285	16,302	174,026	131,162	23,291,362

Source:
HPLD 2014 CAFR

High Plains Library District
Property Tax Levies and Collections
Last Ten Fiscal Years
(amounts expressed in thousands)

Levy Year	Collect Year	Total Tax Levy for Fiscal Year ¹	Collected within the Fiscal Year of the Levy		Collections in		Total Collections to Date
			Tax Amount	Percent of Levy	Subsequent Years ³	Tax Amount	
2004	2005	8,608	8,519	99.0%	-	8,519	99.0%
2005	2006	10,826	10,788	99.6%	-	10,788	99.6%
2006	2007	12,394	12,394	100.0%	-	12,394	100.0%
2007	2008	13,028	12,987	99.7%	5	12,992	99.7%
2008	2009	13,321	13,255	99.5%	66	13,321	100.0%
2009	2010	16,934	16,874	99.6%	60	16,934	100.0%
2010	2011	13,609	13,581	99.8%	-	13,581	99.8%
2011	2012	15,880	15,832	99.7%	-	15,832	99.7%
2012	2013	19,074	19,023	99.7%	-	19,023	99.7%
2013	2014	21,063	21,038	99.9%	-	21,038	99.9%

Source:

¹ Final Budget

² YTD Treasurer's Tax Distribution

³ Not available for years not shown

High Plains Library District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)

Levy Year	Vacant Land	Residential Property	Commercial Property	Industrial Property	Agricultural Resources	Natural Resources	Oil & Gas	State Assessed	Total Taxable Assessed Value	Estimated Actual Taxable Value	Total Direct Tax Rate	Assessed Value as a % of Actual Value
2005	89,806	881,185	433,442	93,554	84,920	8,510	1,244,098	392,763	3,228,278	16,440,133	3.249	19.637%
2006	79,160	941,732	457,201	89,597	85,628	9,600	1,684,449	375,798	3,723,165	17,712,418	3.249	21.020%
2007	95,329	1,000,203	533,940	97,007	89,879	13,275	1,685,509	400,731	3,915,873	18,946,262	3.249	20.668%
2008	89,085	1,028,385	555,777	98,813	91,031	13,620	1,643,986	475,737	3,996,434	20,513,872	3.249	19.482%
2009	80,401	923,754	601,990	144,788	93,731	14,798	2,728,330	520,780	5,108,572	19,995,658	3.249	25.548%
2010	76,597	935,623	612,171	191,689	93,792	11,881	1,593,865	573,725	4,089,343	19,166,061	3.249	21.336%
2011	59,313	893,155	600,970	207,560	109,046	12,221	2,338,283	593,893	4,814,441	19,664,487	3.249	24.483%
2012	55,684	902,490	637,249	279,787	111,959	11,555	3,225,865	625,554	5,850,143	21,467,579	3.249	27.251%
2013	49,578	897,581	613,627	325,483	132,082	14,056	3,750,013	678,356	6,460,770	22,463,026	3.249	28.762%
2014	46,605	915,284	620,508	430,782	138,769	14,625	5,544,193	710,011	8,420,777	25,523,496	3.249	32.992%

Source: Weld County Assessor's office

High Plains Library District
Principal Taxpayers
December 31, 2014

	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Noble Energy	\$ 1,973,801,920	1	21.62%			
Kerr-Mcgee Oil & Gas Onshore LP	1,781,268,250	2	19.51%	436,996,070	1	12.09%
Encana Oil & Gas (USA) Inc	389,820,220	3	4.27%	105,238,600	3	2.91%
Petroleum Development Corp	309,929,470	4	3.39%	58,458,890	6	1.62%
Bonanza Creek Energy	285,524,130	5	3.13%			
Public Service Company of Colorado (Xcel)	235,758,770	6	2.58%	102,537,900	4	2.84%
DCP Midstream LP	179,351,570	7	1.96%			
Kerr Mcgee Gathering LLC	127,427,700	8	1.40%	32,472,700	10	0.90%
Carrizo Oil & Gas	107,845,270	9	1.18%			
Leprino Foods	99,121,120	10	1.09%			
Merit Energy				52,430,110	8	1.45%
Rocky Mountain Energy Center				97,893,000	5	2.71%
Patina Oil & Gas Corporation				396,321,890	2	10.96%
Duke Energy Field Services Inc.				34,321,610	9	0.95%
Petro-Canada Resources Inc				53,642,060	7	1.48%
	<u>\$ 5,489,848,420</u>		<u>60.13%</u>	<u>\$1,370,312,830</u>		<u>37.90%</u>

Source: Weld County Assessor

**High Plains Library District
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year	Certificates of Participation	Total Library District	Governmental Activities	
			Percentage of Personal Income ¹	Per Capita ¹
2005	10,015,000	10,015,000	0.17%	45.12
2006	21,600,000	21,600,000	0.37%	94.17
2007	21,050,000	21,050,000	0.34%	88.85
2008	20,480,000	20,480,000	0.31%	83.76
2009	19,415,000	19,415,000	0.26%	77.28
2010	19,466,100	19,466,100	0.28%	76.99
2011	18,118,756	18,118,756	0.26%	71.12
2012	16,726,412	16,726,412	0.22%	63.43
2013	15,635,000	15,635,000	0.21%	59.29
2014	14,105,000	14,105,000	0.19%	53.49

¹ Refer to Demographic and Economic Statistics schedule on page 53 of the CAFR.

Note: Details regarding the district's outstanding debt can be found in Note 5 page 32 of the CAFR.

Source: Current and prior year's financial statements.

**High Plains Library District
Legal Debt Margin Calculation for Fiscal Year 2014**

Assessed Valuation	\$8,362,497,175
Debt Limit 1.5% of Assessed Value ¹	125,437,458
Certificates of Participation ²	<u>14,105,000</u>
Legal Debt Margin	<u>111,332,458</u>

Legal Debt Margin Information

	Last Ten Fiscal Years									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit	\$ 48,424,000	\$ 55,847,456	\$ 58,738,118	\$ 59,946,492	\$ 78,035,284	\$ 62,216,687	\$ 72,823,857	\$ 87,736,640	\$ 96,798,592	\$125,437,458
Total net debt applicable to limit	10,015,000	21,600,000	21,050,000	20,480,000	19,415,000	19,985,000	18,580,000	17,130,000	15,635,060	14,105,000
Legal debt margin	\$ 38,409,000	\$ 34,247,456	\$ 37,688,118	\$ 39,466,492	\$ 58,620,284	\$ 42,231,687	\$ 54,243,857	\$ 70,606,640	\$ 81,163,532	\$111,332,458

Total net debt applicable to the limit as a percentage of debt limit	20.68%	38.68%	35.84%	34.16%	24.88%	32.12%	25.51%	19.52%	16.15%	11.24%
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Note:

¹ Debt Limitation: Under Section 22-42-104, Colorado Revised Statutes, 1973, the High Plains Library District may incur indebtedness of general District purposes in an amount not to exceed 1.5% of assessed valuation of all taxable property.

² Certificates of Participation are not generally included as debt for purposes of calculating legal debt limit (Colorado Revised Statute 22-42-104). However, they are presented here to give the most conservative analysis of debt allowable that remains available.

High Plains Library District
Direct and Overlapping Governmental Activities Debt
As of December 31, 2014

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to Government ¹	Amount Applicable to Government
HPLD COP's	\$ 14,105,000	100.00%	\$ 14,105,000
Cities and Towns	52,542,822	82.81%	43,512,122
Schools	847,093,061	51.68%	437,760,816
Special Districts	110,989,837	61.49%	68,250,015
Total Overlapping	<u>\$1,024,730,720</u>		<u>\$ 563,627,953</u>

Source: Weld County CAFR

Note:

¹ Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the district. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by residents and businesses located within the district's boundaries. This process recognizes that, when considering the district's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

**High Plains Library District
Demographic and Economic Statistics
Last Ten Fiscal Years**

Year	High Plains Library District		Total			Unemployment Rate
	Population	Weld County Population	Personal Income (\$ billions)	Per Capita Income	Income	
2005	198,494	221,957	5.79	25,968	25,968	5.00%
2006	208,350	229,377	5.84	25,495	25,495	3.80%
2007	215,128	236,908	6.23	26,280	26,280	4.63%
2008	229,010	244,515	6.66	27,238	27,238	6.30%
2009	237,214	251,220	7.38	27,788	27,788	8.16%
2010	235,511	252,825	7.07	28,503	28,503	9.80%
2011	236,815	254,759	6.93	27,186	27,186	9.10%
2012	236,815	263,691	7.76	25,233	25,233	8.70%
2013	245,989	263,691	8.35	29,986	29,986	6.70%
2014	251,308	269,785	8.35	31,657	31,657	3.90%

Source: Upstate Colorado Economic Development in cooperation with the University of Northern Colorado and the State of Colorado demographic.

Note: Library Research Service State of Colorado for HPLD population
The HPLD population is shown as compared to the Weld County population as the District's service area approximates the boundary of Weld County.

**High Plains Library District
Principal Employers
December 31, 2014**

	2014				2005			
	Employees	Rank	Percentage of Total County Employment		Employees	Rank	Percentage of Total County Employment	
JBS Swift Beef Company	4,654	1	3.64%		2,960	1	2.74%	
State of Colorado (includes UNC)	3,811	2	2.98%		1,988	4	1.84%	
Banner Health: Northern Colorado Medical Center	2,885	3	2.26%		2,200	2	2.04%	
Greeley Evans School District 6	2,400	4	1.88%		2,037	3	1.89%	
Vestas	2,150	5	1.68%					
State Farm Insurance Companies	1,790	6	1.40%		1,513	6	1.40%	
Weld County Government	1,447	7	1.13%		1,388	8	1.29%	
Halliburton Energy Services	1,030	8	0.62%		987	9	0.87%	
City of Greeley	850	9	0.67%		974	10	0.90%	
Select Energy Services	752	10	0.59%					
Aims Community College					1,463	7	1.35%	
Eastman Kodak Company					1,600	5	1.48%	
Total Principal Employers	21,769		17.04%		17,110		15.85%	
Other Employers	105,962		82.96%		90,870		84.15%	
Total County Employment	127,731		100.00%		107,980		100.00%	

Source: Upstate Colorado Economic Development
Total Employment from Colorado Department of Labor

High Plains Library District
Library Materials Purchased and Circulated
Last Ten Fiscal Years

Fiscal Year	Number of Volumes Owned (1)	Number of		Total Items Owned	Number of Items Circulated*
		Audio/Visual Items Owned (2)	Owned		
2005	452,394	49,450	501,844	1,594,539	
2006	469,383	59,197	528,580	1,652,496	
2007	558,157	73,868	632,025	1,713,594	
2008	588,748	90,252	679,000	2,309,741	
2009	612,332	103,306	715,638	2,709,365	
2010	613,815	111,641	725,456	2,774,312	
2011	637,087	111,048	748,135	2,761,638	
2012	652,019	104,427	756,446	2,746,572	
2013	615,874	111,046	726,920	2,879,953	
2014	673,140	128,416	801,556	2,749,021	

Source: High Plains Library District IT department.

Note:

(1) Volumes include books, book club bags, new books, Paperbacks, Large Print, Kits, Inter Library Loan, member books, new periodicals, periodicals, and references, and express books.

(2) Audio/visual items include audio books, MP3, Blu-Ray, cassettes, CD's, DVD's, E-books, equipment, short check out equipment, software, member audio, member video, net library, recordings, and video cassettes.

* The number of items circulated includes the HPLD six branch locations; two Outreach vehicles; Member Libraries - Eaton Public Library, Fort Lupton Public & School Library, Glenn A Jones, M.D. Memorial Library, Hudson Public Library, Northern Plains Public Library, and Platteville Public Library.

**High Plains Library District
Service Locations
December 31, 2014**

Libraries	Address	Square Footage	Number of Employees
Carbon Valley Regional	7 Park Avenue Firestone, CO 80504	34,000	28
Centennial Park Library	2227 23rd Avenue Greeley, CO 80634	29,610	33
District Support Services *	2650 W. 29th Street Greeley, CO 80631	23,903	42
Erie Community	400 Powers Street Erie, CO 80516	20,000	21
Farr Regional Library**	1939 61st Avenue Greeley, CO 80634	38,000	38
Lincoln Park Library	919 7th Street, Suite A Greeley, CO 80631	13,000	26
Kersey Library	413 First Street Kersey, CO 80644	800	2
Outreach Services *	2650 W. 29th Street Greeley, CO 80631	23,903	9
Riverside Library and Cultural Center	3700 Golden Street Evans, CO 80620	13,806	20

* The new Administration and Support Services building houses the District Support Services staff, Collection Resources department and Outreach department.

** The Virtual Library department consisting of 3 employees is located at the Farr Regional Library (FRL) and included in the number of employees listed for the FRL.

This information is presented on an annual year end basis, to highlight the number of employees at each location.

**High Plains Library District
Circulation Summary by Location
Last Ten Fiscal Years**

Fiscal Year	Carbon Valley ¹	Centennial		Erie ²	Farr	Kersey ³	Lincoln Park	Riverside Library and Cultural Center ⁴	Outreach Services	Total
		Park	Park							
2005	119,069	446,642		n/a	448,691		177,979		97,051	1,289,432
2006	135,475	431,071		7,674	492,632		174,455		96,503	1,337,810
2007	142,423	403,580		8,828	569,154		166,030		81,667	1,371,682
2008	328,473	485,661		274,667	551,880		199,280		64,440	1,904,401
2009	431,063	557,161		360,777	613,829		230,495		66,912	2,260,237
2010	460,549	544,937		394,194	633,278		210,738		63,808	2,307,504
2011	447,547	531,887		390,389	584,903		220,894		59,341	2,234,961
2012	442,864	598,032		408,498	556,127		247,896		64,949	2,318,366
2013	416,713	612,407		410,951	568,357	7,537	267,543		62,786	2,346,294
2014	382,228	558,494		394,962	550,391	11,090	234,827	24,519	68,480	2,224,991

Note:

- ¹ The new Carbon Valley Regional Library opened in March 2008.
- ² Erie activity occurred at the Lorraine David Children's Library which ceased its operations with the new Erie Community Library opening on January 12, 2008.
- ³ The Kersey mini-branch opened in January 2013.
- ⁴ The Riverside Library and Cultural Center opened on October 18, 2014.

Source: High Plains Library District IT department.