

**BOULDER PUBLIC LIBRARY DISTRICT**  
 -SPECIAL MEETING-  
 Tuesday, October 3, 2023  
 Boulder Public Library, Canyon Meeting Room  
 1001 Arapahoe Avenue, Boulder CO  
 and  
 Via Zoom  
 6:00 p.m.  
 Join Zoom Meeting  
<https://tinyurl.com/yckjjw7v>

<u>Board of Trustees</u>	<u>Term Expiration</u>
Benita Duran	2028
Jennifer Yee	2028
Sylvia Wirba	2027
Doug Hamilton	2027
Cara O'Brien	2026
Sam Fuqua	2025
Joni Teter	2024

**AGENDA**

1. Call to Order
2. Declaration of Quorum
3. Public Comment
4. Consider Approval of Minutes of September 26, 2023
5. 2024 Budget Preview (including employment and benefits)
6. Consider FAMLI Coverage Options
  - a. Public Hearing on FAMLI
  - b. Consider alternative Resolution No. 2023-10-01
    - i. Opt-Out version
    - ii. Opt-Out with employee payment assistance
7. Review RFP for Auditors
8. Library District Director Updates (David Farnan)
9. Subcommittee Updates
10. Trustee Matters
11. Legal Counsel Status Report including IGA update (Legal Counsel)
12. Possible Executive Session:  
*Upon Motion Made and carried by a 2/3 vote the Board may enter executive session as allowed by Section 24-6-402 (4), CRS for a conference with the attorney on specific legal matters and to determine matters that are subject to negotiations concerning the Intergovernmental Agreement with the City and County as allowed by subsections (4) (b) and (e).*

13. Adjournment

**NEXT SPECIAL MEETING: Tuesday, October 10, 2023 at 6:00 p.m.  
Boulder Public Library, Canyon Meeting Room, 1001 Arapahoe Avenue**

**REQUEST FOR PROPOSALS**  
**FOR**  
**PROFESSIONAL AUDITING SERVICES**

;

**Boulder Public Library District**  
**1001 Arapahoe Avenue**  
**Boulder, CO 80302**

**REQUEST FOR PROPOSAL DATE: October 4, 2023**

**PROPOSALS DUE no later than 3pm: October 20, 2023**

## TABLE OF CONTENTS

### I. INTRODUCTION

- A. General Information
- B. Term of Engagement
- C. Expenses
- D. Non-Discrimination
- E. Governing Law
- F. Confidentiality
- G. Termination of Contract
- H. Non-Appropriation

### II. DESCRIPTION OF THE GOVERNMENT

- A. Principle Contact
- B. Background Information
- C. Fund Structure
- D. Budgetary Basis of Accounting
- E. Pension Plans
- F. Component Units
- G. Magnitude of Finance Operations
- H. Electronic Resources
- I. Availability of Prior Reports and Working Papers

### III. SCOPE OF WORK

- A. Auditing Standards to be Followed
- B. Reports to be Issued
- C. IRS Form 990
- D. Working Paper Retention and Access to Working Papers

### IV. TIME REQUIREMENTS

- A. Proposal Calendar
- B. Schedule for the 2023 Fiscal Year Audit
  - 1. Detailed Audit Plan & List of Schedules Required
  - 2. Fieldwork
  - 3. Draft Report(s)
  - 4. Final Report

### V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

- A. Finance Department and Clerical Assistance
- B. Work Area, Telephone, Photocopying and FAX Machines
- C. Report Preparation

### VI. PROPOSAL REQUIREMENTS

pu

{00690514}

2

- A. General Requirements
  - 1. Inquiries
  - 2. Submission of Proposal
  
- B. Technical Proposal
  - 1. General Requirements
  - 2. Independence
  - 3. License to Practice in Colorado
  - 4. Firm Qualifications and Experience
  - 5. Partner, Supervisory and Staff Qualifications and Experience
  - 6. Prior Engagements with BPLD
  - 7. Similar Engagements with Other Government Entities
  - 8. Specific Audit Approach
  - 9. Identification of Anticipated Potential Audit Problems
  - 10. Report Format
  - 11. Dollar Cost Bid
    - a) Total All-Inclusive Maximum Price
    - b) Rates by Partner, Specialist, Supervisory and Staff Level Personnel  
Times Hours Anticipated for Each
    - c) Out-of-pocket Expenses in the Total All-inclusive Maximum Price  
and Reimbursement Rates
    - d) Rates for Additional Professional Services
    - e) Manner of Payment

VII. SELECTION

- A. Review of Proposals
- B. Right to Reject Proposals

I. INTRODUCTION

A. General Information

The Boulder Public Library District [BPLD] is a new entity established by the voters in November 2022. BPLD is in the process of setting up processes and procedures and infrastructure for fully operating the library district by January 2024. BPLD is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending December 31, 2023, with the option of renewing the engagement for the audit for each of the two subsequent fiscal years. The firm will perform these audits in accordance with generally accepted auditing standards.

BPLD further requests advice in developing the chart of accounts and financial reporting in our new financial accounting software [Sage Intacct SaaS Cloud-based solution] to ensure future auditing and statutory reporting will be performed efficiently.

There is no expressed or implied obligation for BPLD to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

**To be considered, you must meet the qualifications and scheduled dates as outlined in this RFP. Please email your Proposal and dollar cost bid No Later Than 3:00 p.m. on Friday, October 20th, 2023 to:**

**David Farnan, Library Director, [farnand@boulderlibrary.org](mailto:farnand@boulderlibrary.org)  
Celia Seaton, Executive Assistant, [seatonc@boulderlibrary.org](mailto:seatonc@boulderlibrary.org)**

**Late or incomplete proposals will not be considered. BPLD reserves the right to reject any or all proposals and to select the firm that, at the sole discretion of BPLD, best satisfies its overall needs.**

B. Term of Engagement

A three-year contract is contemplated, subject to the annual review and recommendation of the Library Director, the satisfactory negotiation of terms (including a price acceptable to both BPLD and the selected firm), the concurrence of the Board of Trustees and the annual availability of an appropriation.

C. Expenses

BPLD assumes no liability for payment of expenses incurred by vendors in the preparation and submission of proposals in response to this invitation.

D. Non-Discrimination

The vendor agrees not to refuse to hire, discharge, promote, or demote, or to discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, gender, age, military status, sexual orientation, marital status, or physical or mental disability.

E. Governing Law

The laws of the State of Colorado shall govern any contract executed between the successful vendor and BPLD. Further, the place of performance and transaction of business shall be deemed to be in the County of Boulder, State of Colorado, and in the event of litigation, the exclusive venue and place of jurisdiction shall be Boulder County in the State of Colorado.

F. Confidentiality

Proposal submitted to BPLD for consideration shall be subject to Colorado Open Record Law, Section 24-72-201, et seq., C.R.S., after award is made.

G. Termination of Contract

BPLD may, by written notice to the successful vendor, terminate the contract if the vendor has failed to perform its service in a manner satisfactory to BPLD per specifications defined in the contract and/or RFP. The date of termination shall be stated in the notice. BPLD may cancel the contract upon thirty days written notice for any reason other than cause. This may include, but is not limited to BPLD's inability to continue with the contract due to the elimination or reduction in funding.

H. Non-Appropriation

BPLD presently intends to carry out and perform all of the terms and conditions of an awarded contract, and reasonably believes that funds in amounts sufficient to pay all amounts payable hereunder can legally be provided and made available for that purpose, and BPLD shall include in its annual budget request amounts sufficient to pay all sums payable pursuant to an awarded contract. Notwithstanding the foregoing, the parties hereto recognize that it is possible that in any given fiscal year of the BPLD funds might not be available. BPLD shall have the right to cancel any awarded contract at the end of any calendar year during the term hereof that governmental funding from Boulder County, Colorado is not granted for the subsequent calendar year. BPLD shall advise vendor of its intention to cancel the awarded contract due to lack of funds on or before the end of any such calendar year and submit therewith to vendor satisfactory evidence showing BPLD's inability to obtain the required revenues for the coming calendar year. Upon such cancellation BPLD shall be released from all further liability under any awarded contract. The right granted to BPLD by this provision may only be exercised for the express reason stated and for no other reason.

II. DESCRIPTION OF THE GOVERNMENT

A. Principle Contact

David Farnan, Library Director (303.441.3104), or designee, will coordinate the assistance to be provided by BPLD to the auditor.

B. Background Information

BPLD serves the City of Boulder and surrounding unincorporated areas of Boulder County with a population of approximately 130,000. BPLD's fiscal year begins on January 1 and ends on December 31.

BPLD provides public library service, and its operations are governed by the "Colorado Library Law," Article 90 of Title 24, C.R.S.

BPLD has a total budgeted payroll for 2023 of 7.1m covering approximately 80 employees.

BPLD is in the process of formation and anticipates being organized into 4 departments.

The accounting and financial reporting functions of BPLD are centralized. During 2023 the City of Boulder paid all staff salaries and other expenses on behalf of BPLD and BPLD will be required to refund the costs of these back to the City of Boulder in early 2024.

C. Fund Structure

BPLD will use the following fund types and account groups in its financial reporting:

- General Fund
- Capital projects Fund
- Current Assets
- Fixed assets
- Current Liabilities
- Long Term Liabilities and Debt

There are currently no Grants in existence but these may be added in future years.

D. Budgetary Basis of Accounting

BPLD prepares its books and budgets on an Accrual basis consistent with GAAP/GASB.

E. Pension Plans

BPLD is a member of Colorado PERA, the Public Employees Retirement Association.

F. Magnitude of Finance Operations

The finance department is headed by Jennifer Phares, Business and Administration Director. The 2024 plan provides for 2 additional employees. Finance Manager (financial reporting., GL Maintenance., , grants, p-cards, assets) Accounting Specialist (cash and banking , funding receipts accts payable, purchasing, vendor set-up)

Banking Relationship – Chase ( I would mention this).....

G. Electronic Resources

<u>Make</u>	<u>Software Vendor</u>	<u>Major Applications</u>
Sage Intacct		G/L, A/P, Purchasing
Web Pay	Paylocity	HR, Payroll
Web Time	Paylocity	Time & Attendance
Sage Intacct		Fixed Asset system

I. Availability of Prior Audit Reports and Working Papers

BPLD is a newly established entity and no prior audit reports for the BPLD exist. If proposers are interested in examining prior audit reports or other financial records of the City of Boulder Library Department, they will contact City of Boulder Finance Department.



### III. SCOPE OF WORK

BPLD is soliciting the services of qualified firms of certified public accountants to prepare audit its statutory financial statements for the fiscal year ending December 31, 2023 and assist with recommendation for how to set up our new financial accounting software Sage Intacct SaaS Cloud-based solution, with the option to repeat the audit for each of the two subsequent fiscal years.

#### A. Auditing Standards to be Followed

To meet the requirements of this request for proposal, the audit shall be performed in accordance with generally accepting auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards, and the provisions of the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance).

#### B. Reports To Be Issued

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue a report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.

BPLD also desires the auditor to express an opinion on the fair presentation of its combining and individual fund and account group financial statements and schedules in conformity with generally accepted accounting principles. The auditor shall also be responsible for performing certain limited procedures involving supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

The auditor shall communicate in a letter to management any reportable conditions found during the audit. A reportable condition shall be defined as a control deficiency, significant deficiency or material weakness in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Reporting to the audit committee. Auditors shall inform the BPLD audit committee of the following:

1. The auditor's responsibility under generally accepted auditing standards
2. Significant accounting policies
3. Management judgments and accounting estimates
4. Significant audit adjustments
5. Other information in documents containing audited financial statements
6. Disagreements with management
7. Management consultation with other accountants
8. Major issues discussed with management prior to retention
9. Difficulties encountered in performing the audit

D. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of five years, unless the firm is notified in writing by BPLD of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees:

1. BPLD
2. Parties designated by the federal or state governments or by BPLD as part of an audit quality review process
3. Auditors of entities of which BPLD is a sub-recipient of grant funds

E. Nonaudit Services

In addition, and as noted above, the firm shall prepare the financial statements and significant notes, as well as the required supplementary information (RSI), which will include the GASB Statement No 68 pension related calculations for the District, preparation of the GASB Statement No 75 other post-employment benefits related calculations for the District and any other relevant GASB Statement requirements to keep BPLD in good standing with all relevant authorities

IV. TIME REQUIREMENTS

A. Proposal Calendar:

Request for proposal issued	October 4, 2023
Last date to request information	October 16, 2023
Due date for proposals	October 20, 2023
Selected firm notified	November 3, 2023
Anticipated Contract Date	November 7, 2023
Date Audit May Commence	To be set with auditors

B. Schedule for the 2023 Fiscal Year Audit (subject to BPLD business needs; BPLD will develop a similar time schedule for future audits if it exercises its option for additional audits).

The auditor is to complete each of the following no later than the dates indicated.

1. Detailed Audit Plan & List of Required Schedules February 1, 2024
2. Fieldwork Completed By 21, 2024
3. Draft Reports April 15, 2024

The auditor shall have drafts of the audit report[s] and recommendations to management available for review by the Audit Committee and the Chief Financial Officer by April 20. The Chief Financial Officer and the Audit Committee will complete their review of the draft report as expeditiously as possible. During that period, the auditor should be available for any meetings that may be necessary to discuss the audit reports.

4. Final Report on or before May 26 2024

Once all issues for discussion are resolved, the auditors will deliver the final signed report to the Business and Administration Director within five working days. It is anticipated that this process will be completed with the auditor delivering the final report to the library district board of trustees at the regular June board meeting [by May 26 2024 as required (C.R.S. 29-1-606(a)(1))].

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. Finance Department and Clerical Assistance

The finance department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of BPLD.

B. Work Area, Telephones, Photocopying and FAX Machines

BPLD will provide the auditor with reasonable work space. The auditor will also be provided with access to telephones, photocopying facilities and FAX machines.

C. Report Preparation

Report preparation, editing and printing shall be the responsibility of the auditor.

Preparation, editing and printing of the Annual Comprehensive Financial Report shall be the responsibility of BPLD.

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries

Make your Inquiries by October 16, 2023 concerning this request for proposal to:  
David Farnan, Library Director  
Email: farnand@boulderlibrary.org

DURING THE SELECTION PROCESS (UNLESS NOTIFIED OTHERWISE)  
YOU ARE TO LIMIT YOUR CONTACT with David Farnan or Jennifer Phares.  
FAILURE TO DO SO MAY BE GROUNDS FOR YOUR ELIMINATION FROM  
THE SELECTION PROCESS.

All questions and requests for clarification received by October 16<sup>th</sup>, 2023. Any responses by BPLD that are considered to be a change in the terms, conditions, and specifications of this RFP will be posted on the website as an addendum. No communications of any kind may be considered a change to the terms, conditions, and specifications in this RFP unless posted as an official addendum on the website. Communication from any other source, other than the above, should be considered as invalid with regard to this RFP.

2. Submission of Proposal

The following material is required from a proposing firm to be considered:

- a. One digital copy of the Technical Proposal to include the following:
  - i. Firm Information  
Indicate the firm's name; the name, address and telephone number of the contact person; and the date of the proposal.
  - iii. Detailed Proposal  
The detailed proposal should follow the order set forth in Section IV B of this request for proposals.
  - iv. Executed Copies of Proposer Guarantees and Warranties, attached to this request for proposal (Appendix A).
  - v. Dollar Cost Bids (Appendices B and C)

## B. Technical Proposal

### 1. General Requirements

The purpose of the Technical Proposal is to demonstrate the qualifications, competence, and capacity of the firms seeking to undertake an independent audit of BPLD in conformity with the requirements of this request for proposal. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposal requirements.

The Technical Proposal should address all the points outlined in the request for proposal. The Proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposal. While additional data may be presented, the following subjects, item Nos. 2 through 11, must be included. They represent the criteria against which the proposal will be evaluated.

### 2. Independence

The firm should provide an affirmative statement that is independent of BPLD as defined by generally accepted auditing standards/the U.S. General Accounting Office's Government Auditing Standards.

The firm also should provide an affirmative statement that it is independent of all of the component units of BPLD as defined by those same standards.

The firm should also list and describe the firm's professional relationships involving BPLD or any of its component units for the past five years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give BPLD written notice of any professional relationships entered into during the period of this agreement.

### 3. License to Practice in Colorado

An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in Colorado.

### 4. Firm Qualifications and Experience

The proposer should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed, and the number and nature of the professional staff to be employed in this engagement on a full-time basis, and the number and nature of the staff to be so employed on a part-time basis.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable.

The firm is also required to submit a copy of the report on its most recent external

quality control review, with a statement whether that quality control review included a review of specific government engagements.

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three years with state regulatory bodies or professional organizations.

5. Partner, Supervisory and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including engagement partners, managers, and other supervisors and specialists, who would be assigned to the engagement. Indicate whether each such person is registered or licensed to practice as a certified public accountant in Colorado. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three years and membership in professional organizations relevant to the performance of this audit.

Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured.

The proposer should identify the extent to which staff to be assigned to the audit reflect BPLD's commitment to Affirmative Action.

Engagement partners, managers, other supervisory staff, and specialists may be changed if those personnel leave the firm, are promoted, or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of BPLD. However, in either case, BPLD retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this request for proposal can only be changed with the express prior written permission of BPLD, which retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

6. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (five maximum) performed in the last five years that are similar to the engagement described in this request for proposal.

These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

7. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposal. In developing the work plan, reference should be made to such sources of information as BPLD's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement
- c. Sample size and the extent to which statistical sampling is to be used in the engagement
- d. Extent of use of ERP software in the engagement
- e. Type and extent of analytical procedures to be used in the engagement
- f. Approach to be taken to gain and document an understanding of BPLD's internal control structure
- g. Approach to be taken in determining laws and regulations that will be subject to audit test work
- h. Approach to be taken in drawing audit samples for purposes of tests of compliance

8. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from BPLD.

9. Report Format

The proposal should include sample formats for required reports.

10. Dollar Cost Bid

a. Total All-Inclusive Maximum Price

The dollar cost bid should contain all pricing information relative to performing the audit engagement as described in this request for proposal. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

BPLD will not be responsible for expenses incurred in preparing and submitting the technical proposal and the dollar cost bid. Such costs should not be included in the proposal.

The dollar cost bid should include the following:

- i. Name of Firm
  - ii. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with BPLD.
  - iii. A Total All-Inclusive Maximum Price for the 2023 engagement including annual pricing for the four subsequent fiscal years in the event the contract is renewed (Appendix B).
  - iv. Commensurate pricing for the Boulder Public Library District audit & IRS Form 990 preparation (Appendix C).
- b. Rates by Partner, Specialist, Supervisory and Staff Level Personnel Times Hours Anticipated for each

The dollar cost bid should include a schedule of professional fees and expenses, presented in the format provided in the attachment (Appendix B), that supports the total all-inclusive maximum price. The cost of tax preparation services described in Section III C for proposal should be disclosed as a separate component of the total all-inclusive maximum price.

- c. Out-of-pocket Expenses Included in the Total All-Inclusive Maximum Price and Reimbursement Rates

Out-of-pocket expenses for firm personnel (e.g., travel, lodging and subsistence) will be reimbursed at the rates used by BPLD for its employees. All estimated out-of-pocket expenses to be reimbursed should be presented in the dollar cost bid in the format provided in the attachment (Appendix B). All expense reimbursements will be charged against the total all-inclusive maximum price submitted by the firm.

In addition, a statement must be included in the dollar cost bid stating the firm will accept reimbursement for travel, lodging and subsistence at the prevailing BPLD rates for its employees.

- d. Rates for Additional Professional Services

If it should become necessary for BPLD to request the auditor to render any additional services to either supplement the services requested in this RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between BPLD and the firm. Any such additional work agreed to between BPLD and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the dollar cost bid.

- e. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's dollar cost bid proposal.



VII. SELECTION

A. Review of Proposals

An audit committee consisting of members of the BPLD Board of Trustees, along with executive leadership and designee(s) will evaluate the proposals. During the evaluation process, the audit committee and BPLD reserve the right, where it may serve BPLD's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. During the evaluation process, the audit committee and BPLD may, at its discretion, request any one or all firms to make oral presentations. Not all firms may be asked to make such oral presentations.

BPLD reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the BPLD and the selected firm.

B. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between BPLD and the firm selected.

BPLD reserves the right without prejudice to reject any or all proposals.

# Library District Transition Update

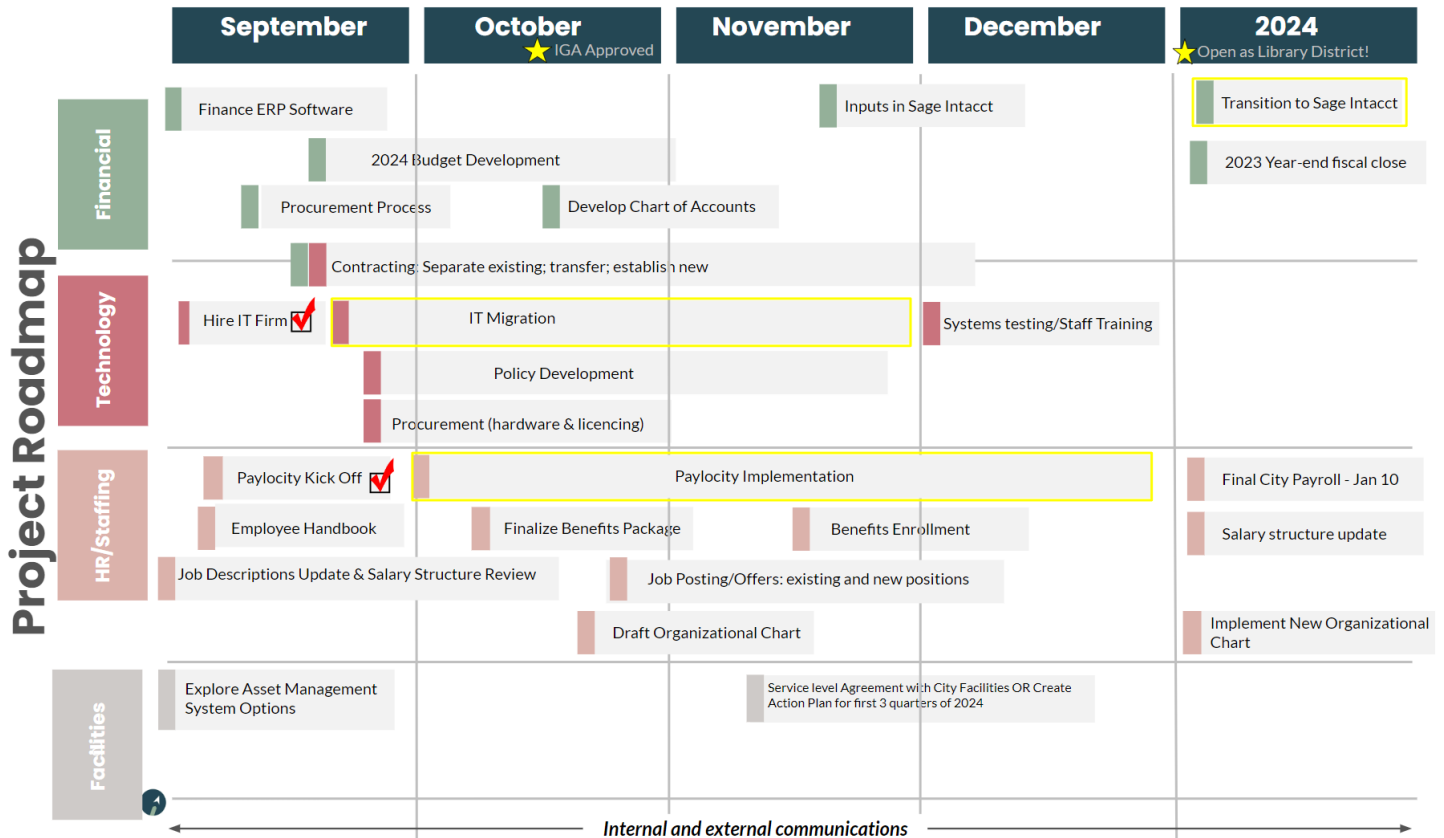
Prepared on September 28 for the October 3 Board Meeting

## Overall Update:

All transition projects are on track and no major risks have been identified.

## Key Highlights:

- HR & Payroll System:** Paylocity implementation has begun and will continue for the next 12 weeks. Regular meetings are scheduled for the next two months between the Library and Paylocity teams. The current priority is transferring current employee data into the Paylocity system so profiles can be built. Select Library staff are starting to go through online Paylocity training to learn it's functionality.
- IT Decoupling:** Work with FocusConnect is underway. The current focus is on hardware procurement and setting up meetings with City IT and NIMBUS, current internet management software. Upcoming work will focus on coordinating with existing vendors and contractors to plan for the transition.
- Employee Handbook:** The handbook has been finalized and will be available to staff in Paylocity during the hiring process. Staff were updated in the 9/28 internal newsletter.
- Communication Plan:** The Library's Communications specialist is developing a strategy to keep library employees informed about the upcoming transitions. Staff will be asked to start engaging with Paylocity and Employee Navigator (benefits system) towards the end of October. The communications plan will include recommendations for Board of Trustees newsletters. More details will be shared in the coming weeks.



September 29, 2023

**To:** Boulder Public Library Board of Trustees

**From:** David Farnan, Library Director

**Subject:** Preview of Proposed 2024 Boulder Public Library District Budget

I.

*These shabby shoes I'm wearing all the time  
Is full of holes and nails  
And brother if I stepped upon a worn-out dime,  
I bet a nickel I could tell if it was heads or tails.*  
- Hank Williams

This is the moment we have been working toward. I am so pleased to begin the discussion of the inaugural budget for the new Boulder Public Library District. For decades the library has operated in an environment of 'scarcity' and compromise. I do not regret one moment of it. I do not believe I have ever worked in a library where we thought that the money didn't matter. Quite the opposite. In reality, it is a heady and heavy responsibility to steward a public asset. Each and every day we make decisions that will impact our community. And if we are doing it correctly, we are doing this work fully cognizant at every moment that we are spending public dollars to deliver a service. We need to be thoughtful. We need to be efficient and effective. And we should be exemplary in our willingness to be held accountable for the decisions we make.

The budget is among the biggest and most important decisions the Board of Trustees will make every year. It is incumbent upon the staff to provide the board the tools and information they need to make an informed decision. Library law is quite clear that the board approves of the budget and then entrusts the responsibility of implementing the programs and services associated with the budget to the library director and staff. My promise, our promise to the trustees and to the community is that we will be accountable for operational efficiency in delivering all of the programs and services outlined in the budget. This does not mean that we will not take risks. It also does not mean that every program and service will succeed.

Through years of operating with little flexibility in the budget, many years where there were zero dollars available to increase funding, and even a couple of years where there was a marked reduction in funding, the staff and I have learned the value of a dollar and we have learned how to stretch a dime. We have practiced innovation. We have adapted. We have exhibited flexibility. What we have never been is complacent or defeated. When money was tight, we scrambled. We resorted to building better relationships with our friends and partners – primary among them - the Boulder Library Foundation. For nearly 50 years the Foundation has funded library programs. We have looked to them for seed money, or in some cases asked them to fully fund ideas and programs to help us redefine what the public library can be. We have called it support. We have called it 'risk money.' But in reality, when an idea or pilot the Foundation has funded has been successful, it has become a regular program. If the program has continued success what started as 'risk money' becomes operational support.

The Foundation started BoulderReads – and then funded the program for decades until the city was able to pick up parts of the operational expense. The Foundation kept Carnegie Library for Local History afloat

through gifts and grants and bequests from Maria Rogers and others by funding archivists and oral historians up through this budget year. The Foundation funded the entire start-up and operational costs for BLDG61 for several years and has continued to fund some of the positions and materials through 2023. The Foundation funded in its entirety the startup of the library's wireless hotspot program that began during the pandemic and later attracted additional grant support.

The library will continue to need partnerships like the one with the Foundation to thrive. We will continue to pursue additional partnerships with likeminded, mission-aligned organizations that believe, as we do in building a place where the entire community can come together. As you will see from this inaugural budget of the Boulder Public Library District, I believe it is incumbent upon the library to fund its own operational needs.

The inaugural budget of the Boulder Public Library District is an increase above what we have ever seen in our entire 116-year history. For the very first time ever we will be able to pay our full operational budget without assistance from the Foundation, or the largesse of individual donors. Our budget will not be subject to the vicissitudes of Council appropriations, or the often times labyrinthine details of "internal cost allocations" which the city uses to fund building maintenance, technology support, human resource support, communications and finance. All of those costs will be clearly in front of the Board of Trustees and the public to see.

I feel extraordinarily honored and privileged to put before the board a budget which is designed to redefine the scope and role of our library within the community. I feel a lot of us have waited a long time for this moment. With that in mind, I hope that you will indulge me by allowing me to relate a story or two.

The first two years that I was director of the City of Boulder Public library, I did not request a dime in increased funding through the city budget process. In fact, we consolidated positions, re-organized work and distributed tasks differently so that we could expand service hours, begin new programs like BLDG61 and increase the number of staff involved in the direct provision of public service – while at the same time reducing the Full Time Equivalent (FTE) position count. I think the staff and the Library Commission [and maybe the City Manager at the time] thought perhaps I was insane or naïve. And perhaps I was. And perhaps I still am a little of both. But most of all, I felt we all needed to better see how everything worked. I knew data from other libraries. I immediately saw anomalies in our data. I wanted to manage to the efficiencies that I knew were possible.

Buoying that logic was a commitment to proving to the staff, our customers, our investors and shareholders [in this case the general public, but also city government] that we could run a lean organization and better understand what levers in the data drove growth and what levers led to decline in our performance. By year three we saw exponential growth across almost all performance output measures. Boulder Public Library won Colorado "library of the year." There is no mystery about how that came to pass. Staff productivity and enthusiasm and ingenuity created the conditions upon which we were successful. Sure, we used data to show what drove each decision and could demonstrate how further investment would drive further growth. But it was the culture that we were building around innovation, integrity and respect that was in the driver's seat of change.

That third year, the library leadership team and I went to city budget meetings with reams of data and a request for further investment to grow the library further. Take a wild guess how much money we

received? If you guessed \$0, you are correct. By all accounts, it was one of the first times a city department had derived their entire budget request from a data driven matrix. And it was colossal flop. It was 2017. A few weeks after budget review, a sitting council member suggested to me that a public vote on funding was a more direct way of seeking shareholder investment. We were about to embark on an update to our 10-year plan. The 2007 plan clearly outlined that the library would investigate alternative sources and means of funding. And thus began the work of the Library Commission to investigate how to sustainably fund the public library.

Seven years later, the city is a few years into using key performance indicators to help drive budget decisions. And the library is a district with the voters having approved of increased sustainable funding.

II.

*Romance without finance is a nuisance*

- Eddie Jefferson

Like all of you, I am an admirer of libraries. More than an admirer. I believe in their mission. I see and partially understand what they can mean to individual people and to a community. But the public library has never simply been a single thing or simply a place. From the moment the concept took hold in the 1880s during the Progressive Era of American history [where many people in society felt they could fix all the things that were wrong in the world] the public library has been more of “a movement” than it has been a place. Even today, in a world where there is intense pressure for us all to either consume or be consumed, to buy things to make us feel better or slip listlessly through the cracks toward being considered insignificant or a nuisance, the public library persists as an idea of shared common good.

I see how public space and public dialogue and access to the tools and information needed to survive in our current society are eroding and being eroded – and how public libraries are both a respite from all this; a reminder that it doesn’t have to be this way, and also a target of controversy – over who has access to public space and freedom of speech. At worst, libraries have become and/or are portrayed as merely nostalgic. Some quaint idea from the past. At best libraries provide an exemplar persistent example defiant in the face of a strain within our culture that demands of us to consume without care. This is by no means to suggest that there have not been systemic problems in the public library history. Unequal access to resources has existed throughout our history and exists today in Boulder. We outlined a plan to begin the attempt to redress those inequities in our 2007 and 2018 Plans. But neither plan was ever funded.

So, is it perfect? No. But I am nevertheless proud of what we have accomplished and what remains to be done. I am proud of what the library represents. I am equally proud of the work that generations of Boulderites have contributed to the building Boulder Public Library into a community gathering place; first as a loosely affiliated set of groups of female-led ‘reading rooms for betterment,’ to the Progressive Era women and men who lobbied Andrew Carnegie and later the city to invest in a shared public infrastructure. I am proud of what Marcelee Gralapp, who led Boulder Public Library for nearly 40 years was able to accomplish during years of significant growth in Boulder – through sheer force of will and a relentless vision of the library as a community and cultural hub.

It is my sense that over the years library staff and volunteers and committed community supporters have over-achieved as they worked to deliver a public library that strove to deliver everything the community

hoped and dreamed it could become. Ultimately, this library, like all libraries, is not only just “free and open to all,” it is a reflection of our communities’ aspirations for itself and all its residents. It is a kind of inspired, unwieldy, and unfettered platform of learning, for learning, leaning out into a shared sense of hope for what we can become, a shared sense of better understanding what we can accomplish if we pool our resources together. The library remains a “promise.”

III.

As we embark upon a district library that is securely and sustainably funded for future generations some things will change but our principles will remain the same. Boulder library’s guiding mission is to be a *centerpiece of the community, a destination for human connection, life-long learning, civic engagement, and creative exploration*. We demonstrate responsibility and stewardship. While the heady responsibility of managing a community asset remains pre-eminent in our minds, it is our desire to make every dollar count and every dime stretch as far as possible. We remain mindful that we are stewards entrusted with a valuable and significant public asset.

I know that for some of you the question of owning or leasing the library buildings was an excruciating process, filled with unanticipated anger and unnecessary hyperbole. I want for you to know that for me I truly do not believe it makes a difference. I do not believe the district or the city ‘owns’ anything. We are all simply stewards of a community asset. Sure, had we “owned” the buildings our asset portfolio would have appeared ‘richer.’ As a result, we may have been better able to negotiate the terms of a loan to purchase and build new or repair library buildings. But I suspect we will still be able to negotiate fair terms.

Boulder City Council recognized and stated plainly that rights and benefits accrue to ownership. They are after all equally temporary stewards of a set of public assets. If their only reason for maintaining ownership was that they recognized that the assets could be pledged as collateral for leverage to secure better terms on a loan to improve a building or to finance the purchase or construction of new property like the Alpine Balsam then it was reason enough. The precise value is calculable in dollars and cents over time and hence, obvious. Furthermore, if you can not only leverage value for constituents, but also construct a lease [even if there is no remuneration from the new/“same” tenant for a building the community already fully paid for] in such a way that shifts the responsibility of risk [maintenance, improved systems and envelopes to reduce carbon emissions and the wasteful consumption of non-renewable sources of energy, insurance against floods and other catastrophic events, etc.] to another governmental entity then, even with all the political drama aside, in a world of ‘ownership’ the choice is fairly obviously clear.

I understand that some of you may see this result as “a loss.” I want for you to know that for me it does not change a thing. The budget we will review over the next two months and again over the next few years and perhaps longer contains and will contain a portion of the budget for capital maintenance. I recognize this portion is high. It is disproportionate to our peer libraries. It is disproportionate as a percentage of the overall budget to what maintenance costs represent as a percentage of most people’s ordinary household budget. In all likelihood, it is disproportionate to the city budget. Our buildings are old and have only been moderately maintained. Nevertheless, it is my firm belief that we have a responsibility to take care of them. It was stated by the petitioners as a promise in the ballot language. We owe it to the current public and to future residents of our community to demonstrate that we can

and will care for these community assets to the best of our ability. We are not exempt from that responsibility merely because we cannot ‘knock a few points’ off of prospective future loan.

To be clear, I am not casting aspersions. I know for a fact that the city did not and does not have the funds to take care of all their buildings. If it was not obvious to you already, evidenced by the fact that our roofs leak water, basements seep, windows leak hot and cold air depending upon the season, the windows get washed once a year, the carpet is intermittently filthy, and when an old gas furnace breaks, we have simply replace it with a new gas furnace – rather than take into full consideration the total carbon cost, then city staff spelled it out quite clearly in the 2021 Facilities Master Plan that council approved.

Certainly, this board will be faced with decisions where the “price” is more palatable than the actual “cost.” And we will not have the resources to make the right decision every time. But I hope that most of the time we will. And I hope you share in the belief that it is our responsibility and will remain our responsibility even when we do not have the capacity to do the right thing for future generations.

IV.

And now, we begin something new.

I look forward to hearing your thoughts in the coming weeks on our inaugural budget and to hear more broadly from the community where they believe the dollars should be spent. The budget you will see next week will fund the majority of the items outlined in the 2007 and 2018 Plans. It will attempt to begin to fund each element of the promises made in the ballot language from 2022. This preview is intended to highlight those items, approximate their cost and describe a direction that we will discuss in terms of the priorities of this Board of Trustees. What follows are highlights of we can expect to see in the 2024 Boulder Public Library District Budget.

### **Boulder Public Library District Proposed 2024 Budget Highlights**

**The Library is proposing the following increases to the 2024 budget as compared to 2023.**

- \$4 to \$4.5 million for personnel expenses
- \$2 to \$2.5 million non-personnel expenses
- \$1 to \$1.5 million for one-time technology infrastructure and office reconfigurations expenses
- \$2.5 to \$4 million in capital investment for a new library facility in Gunbarrel

Sections V. through XI. have high-level details and cost breakdowns.

#### **V. WAGE INCREASES**

The library proposes two wage increases for staff in 2024.

##### **Pay Leveling**

The Library made a policy decision to suspend performance evaluations and merit increases for 2023. In 2024, a new performance evaluation process will be developed which will not be tied to pay increases. To replace the 2023 merit increases, the library proposes offering current standard staff who accept

positions with the District, a “pay-leveling” increase. The goal of “pay leveling” is to increase the average annual salary to \$65,000 by offering the same dollar amount to every person. Reaching this goal may require another adjustment in 2025. Employees will receive the increase in the job offers made by the District, effective Jan. 1, 2024.

\$400,000 is proposed in the 2024 budget for pay leveling. Approximately, 95 staff members will receive this increase pending Board approval.

**Minimum Wage Increase**

To align with the City of Boulder’s 2024 Budget proposal to increase the City’s minimum wage to \$22.44. The Library is proposing raising its minimum wage to \$22.45. After the pay leveling increase is applied to standard staff wages, those staff members whose wage is less than \$22.45 will be increased to this new BPLD minimum wage. Approximately, 17 standard staff members will receive this increase. The estimated annual cost for these 17 staff members is \$40,000.

Substitute staff whose wage is below this minimum will also receive an increase. Approximately, 34 substitute staff members will receive an increase to their wage. The substitute worker pool is increasing from 27 to 34 staff members in October 2023 to ensure service coverage during the upcoming holiday season. The library proposes an increase to the substitute budget of 57% which is approximately \$253,000 to accommodate the addition of new substitute jobs in programs and events and literacy and outreach and to support increased public hours at the Reynolds Branch Library, the Carnegie Library for Local History and the North Boulder Branch Library.

**VI. NEW OPERATING INFRASTRUCTURE**

In 2024, the Library will hire new staff positions for facilities, human resources, finance, IT and communications. Non-personnel costs are estimated to increase for technology and software, asset and liability insurance, legal consulting, and facilities maintenance.

**Estimated New Personnel Wages**

	<b>Personnel</b>	<b>Base Wages</b>
Facilities	6	\$374,000
Human Resources	3	\$286,000
Finance	1	\$57,000
Communications	3	\$257,000
IT	5	\$430,000
<b>TOTAL</b>	<b>18</b>	<b>\$1.4 Million</b>



**Estimated Non-Personnel Costs for New Functions**

	<b>One-Time</b>	<b>Ongoing</b>
Finance and Human Resources Information Systems	\$70,000	\$96,000
Facilities Maintenance	\$0	\$1.4 million
Reconfiguration of office spaces to accommodate new staff	\$500,000	\$0
IT infrastructure	\$875,000	\$465,000
Legal	\$0	\$40,000
Insurance	\$0	TBD
<b>TOTAL</b>	<b>\$1.45 million</b>	<b>\$2.0 million</b>

**VII. NORTH BOULDER LIBRARY OPERATING**

The North Boulder Library is slated to open in late spring 2024. Currently, there are three staff members who operating the NoBo Corner Library. The following new staff will be hired to operate the branch library.

	<b>Personnel</b>	<b>Base Wages</b>
Public Services	7	\$398,000
IT	1	\$83,000
Programs and Events	2	\$150,000
<b>TOTAL</b>	<b>10</b>	<b>\$631,000</b>

Non-personnel budget for operating this library are included under administration, facilities, programs and events, and the collection services budgets.

**VIII. LITERACY AND OUTREACH STRATEGIC PLAN IMPLEMENTATION**

The Literacy and outreach Strategic Plan is scheduled to be complete in December 2023. In anticipation of expanding the literacy and outreach team, the Library proposes hiring two more personnel with estimated base wages of \$175,000.

## IX. RESTORATION AND EXPANSION OF SERVICES

Additional personnel are proposed to restore service levels in several areas.

	Personnel	Base Wages	Purpose
Branch Services	5	\$344,000	Restore public hours on Mondays at Reynolds Library. Increase Librarian and manager support.
Youth Services	1	\$150,000	Increase Librarian support. Add youth internship program.
Public Services	3	\$202,000	Public desk coverage. Training coordination.
Programs and Events	5	\$373,000	Increase program coordination. Restore makerspace program and add manager support.
Carnegie Library for Local History	2	\$174,000	Increase Archivist and management support. Resume public hours.
<b>Total</b>	<b>16</b>	<b>\$1.24 million</b>	

### Collection Services

The Library is proposing a 34% increase in the materials acquisitions budget to approximately \$1.6 million and two new staff be hired with estimated base wages of \$158,000.

### Main Library Café

After a nine-month trial period the owner of Tonantzin Casa de Café requested termination of the café lease effective Sept. 27, 2023. In 2024, the Library will consider new options for café service. A proposed budget of \$125,000 will be included in the proposed budget for personnel and non-personnel costs.

## X. MAIN LIBRARY CANYON THEATER PILOT

The Library proposes to pilot community activation of the Canyon Theater to support offering the theater for community groups to use free of charge two new staff positions will be hired with estimated base wages of \$113,000.

## XI. GUNBARREL LIBRARY FACILITY

A capital appropriation between \$2.5 and \$4 million will be included in the proposed budget for the purchase of a library facility in the Gunbarrel

---

## MEMORANDUM

TO: Boulder Public Library District

FROM: Seter & Vander Wall, P.C.; Kim J. Seter, Esq.

DATE: October 1, 2023

RE: Legal Status Report for October 3, 2023

---

This is our legal status report for the October 3, 2023 Board of Trustees meeting.

### Minutes-Action Item

**Task:** Prepare meeting minutes.

**Status:** The September 26 minutes are ready for approval.

**Action:** Consider approval of the minutes attached.

---

### Family And Medical Leave Insurance Program Opt Out-Action Item

**Task:** Consider FAMLI participation.

**Status:** A public hearing on whether to opt out of FAMLI coverage, opt out and aid employees to make payments to FAMLI for individual coverage; or, to opt out without aiding employees is to be held today.

**Action:** Consider recommendations from personnel committee. There are 3 choices.

1. **Participate in FAMLI.** No action is required to remain in FAMLI. The District will have to pay and/or withhold funds from employees for premiums and pay its employer portion.
2. **Opt Out of FAMLI Participation.** The District would not participate but would advise employees that they have the right to participate directly with FAMLI. **Resolution Attached.**

{00690641}

3. **Opt Out but assist any employee who desires to participate by withholding premiums and paying them to FAMILI. Resolution Attached.**
- 

**FocusConnect IT Support Contract-(Completed)**

**Task:** Negotiate final FC Contract.

**Status:** Completed. This matter will be removed from the next report.

**Action:** None Required.

---

**2022 Audit Exemption Request-(Report/No Change)**

**Task:** Address State Auditor’s Notice of Failure to File a 2022 audit.

**Status:** Resolution 2023-09-01 was approved and forwarded to the State Auditor’s office. We may or may not receive notice of the waiver; but, will follow up as necessary.

**Action:** None Required.

---

**Negotiation of Intergovernmental Agreements-(Report/New Information)**

**Task:** Draft, negotiate and finalize Intergovernmental Agreement among the City, County and Library District required by § 24-90-107(2)(e), C.R.S.

**Status:** The City forwarded its mark up late last week. Our next draft will be circulated shortly.

**Action:** No action necessary.

---

**District Bank Account-Report (New Change)**

**Task:** Assist in opening District bank account.

**Status:** Checks have been received from the County Treasurer for deposit.

**Action:** None required.

---

**2024 Budget, Mill Levy and Certification-Report (New Informtion)**

- Task:** Prepare, review, hold a public hearing and adopt 2024 District Budget. Discussions will include consideration of Proposition HH and Related District Revenue Reduction Legislation SB 23-303 and SB 23-108.
- Status:** The budget preview will be provided tonight.
- Public hearings on the budget are being scheduled and noticed for October 10 and 24.
- Action:** None.
- 

**Notice of Violation of 5.5 % Limitation-Report/No Change**

- Task:** The Colorado Division of Local Governments in the Department of Local Affairs notified the County of its belief the District has violated the limitation of 5.5% property tax revenue increases and must refund its tax receipts.
- Status:** The Division often makes these errors. I do not believe the County did anything wrong in the election that approved the tax revenue in the first instance. We are addressing this matter with the Division.
- Action:** None required.
- 

**Additional Projects Underway (Report)**

- a. Draft BVSD IGA regarding Student 1 - Student ID for Library Access. (completed)
- b. Lyngsoe Contract Amendment and Assignment to District.
- c. Marmot Contract Amendment and Assignment to District.
- d. 3M System Procurement Agreement.

**Additional Projects Outstanding**

- a. Research City and District requirements regarding employment benefits. Completed
- b. Resolution regarding state Family and Medical Leave Insurance Program opt-in or opt-out. Completed
- c. Insurance matters including director errors and omissions, public officials' liability coverage, trustee bonds, and workers compensation.
- d. Colorado Open Records Act Resolution (CORA).
- e. Colorado State Archives Records Retention Schedule and Resolution.

- f. Resolution regarding disposal of data containing personally identifying information.
- g. IGA Sub-Projects Underway
  - 1. Obtain and review title work on all properties to be conveyed in fee. (moot)
  - 2. Review library property leases regarding assignability and allowed uses etc. (completed)
  - 3. Obtain list of operations contracts and copies for review for assignability and conditions.
  - 4. Obtain list of BPL Library personnel positions. (completed)
  - 5. Follow up on NOBO subdivision. (Possibly moot)
  - 6. Prepare analysis regarding transition of employee sick and vacation leave. (Completed)
  - 7. Draft proposed Civic Center License Agreement. (1<sup>st</sup> Draft Completed)

# RECORD OF PROCEEDINGS

---

## MINUTES OF THE SPECIAL MEETING OF THE BOARD OF TRUSTEES

OF THE

BOULDER PUBLIC LIBRARY DISTRICT

Held: Tuesday, September 26, 2023, at 6:00 p.m. at Boulder Public Library, 1001 Arapahoe Avenue, Boulder, Colorado.

Attendance

The special meeting of the Board of Trustees of the Boulder Public Library District was called and held as shown above in accordance with the statutes of the State of Colorado. The following Trustees, having confirmed their qualifications to serve on the Board, were in attendance:

Katharine (Joni) Teter  
Benita Duran  
Sam Fuqua  
Doug Hamilton  
Sylvia Wirba (via Zoom)  
Cara O'Brien

Trustees Absent: Jennifer Yee.

Also present were Kim J. Seter, Esq, Seter & Vander Wall, P.C.; David Farnan, Director of the Boulder Public Library; Jennifer Phares, Deputy Director of the Boulder Public Library; Kelly Hansen, Legal Assistant at Seter & Vander Wall, P.C.; Chris Barge of the Boulder Library Foundation; and, David Cox, financial consultant to the Library District.

Call to Order

Trustee Teter called the meeting to order at 6:00 p.m. noting that a sufficient number of appointed trustees were present to create a quorum authorized to act on behalf of the District.

Public Comment

None.

Consider Approval of Minutes of September 19, 2023

Following discussion of Trustee Wirba's proposed changes, and upon motion by Trustee Fuqua and seconded by Trustee Wirba, the September 19, 2023 minutes were approved as amended.

Financial Consultant: Review of Budget Model

Likening the District to a start-up, Mr. Cox constructed a very prudent budget model. The model assumes a modest 15%

{00689828 2}

## RECORD OF PROCEEDINGS

---

growth in revenue between 2024 and 2030, based on an assessed value rate of 3.5%. The model also anticipates an increase of 46 new employees, the acquisition of two new buildings, and aggressive capital improvements over the same six-year period.

Given current high commercial mortgage rates, Mr. Cox recommends reevaluating the purchase, or long-term lease, of a Gunbarrel branch in mid-2024 when rates are expected to drop.

Regarding the \$13,000,000 debt owed to the City, Mr. Cox anticipates making a payment of \$10,000,000 this January, with another payment of \$3,000,000 to follow in April, leaving the District with a closing cash balance of approximately \$417,000 for 2024.

The Library District currently has about \$500,000 to be transferred into Chase money market accounts that will provide low-risk, modest investment gains of around 4%. Once the debt to the City has been paid off, the District will reevaluate approaches to investing to maximize Library funding. Trustee Teter suggested the Board craft a strategic financial plan for Library funds available for investing after 2024 budget discussions and hearings are finished. Trustee Duran recommended the Board research other library districts' financial policies and Trustee Hamilton expressed support for that idea.

Trustee Hamilton expressed concern for hiring so many new staff and recommended proceeding with caution, particularly considering the potential impact of Proposition HH. Mr. Farnan remarked that while the County Auditor expects a 30% increase in assessed values, the City has been assuming a 25% increase *if* Proposition HH passes. The Library District's budget model presumes a 15% increase in assessed values and is thus very conservative, but still allows for the needed increase in staffing.

In response to Trustee Fuqua's inquiry regarding borrowing funds to purchase a building in Gunbarrel, Mr. Cox asserted that borrowing makes the most sense given the lack of cash flow, low borrowing costs, and the availability of tax relief on interest. Currently, 30-year commercial mortgage rates are very high, hovering around 6.5-7%. As such, Mr. Cox advised against saddling the District with debt and recommended returning to the question in mid-2024.



# RECORD OF PROCEEDINGS

---

Review of Staff Feedback on Employment and Benefits Package

Trustee Fuqua reported that staff feedback on the employment and benefits package is generally positive, although sick leave remains an area of concern. As such, the Staffing Subcommittee and Mr. Farnan recommend increasing sick leave time from 60 to 80 hours. Mr. Farnan acknowledged that while doing so may incentivize employees to take more sick leave, he does not believe use will change significantly. Once he has more data on staff use of sick leave, he can report back those statistics and the Board can reassess the policy. Trustee Fuqua emphasized the exploratory nature of the increase in sick leave and the need for transparency in communicating this to staff, noting that the Trustees may reevaluate the policy once more data as its use becomes available. The Board expressed support for the increase and the possibility of reevaluation as well.

Preview of Health Benefits Package

The health benefits package provided by Cigna is nearly identical to the City's in its offerings, with some improvements in deductibles. The total cost of coverage for current employees, including vision, dental, and the free clinic, is approximately \$850,000 a year. Additionally, Mr. Farnan seeks to increase employer contributions from the 80% currently offered by the City to 82%, and health savings account ("HSA") contributions from \$500 for union and hourly employees and \$1,000 for management employees to \$1,000 for all staff. The Library District aims to cover 75% of an employee's wage while on short-term disability and 60% while on long-term disability and located an insurer willing to provide a hybrid fully-funded/self-insured plan to do so.

Mr. Farnan plans to send communications to staff instructing them to ignore the City's open enrollment period occurring in late October as the District's open enrollment period is slated for mid-November, after approval of the budget.

Mr. Farnan intends to implement a wellness program for all employees that would provide them with a stipend for eligible expenses, such as gym memberships. The Library District will also offer a number of voluntary benefits, such as supplemental life insurance.

After some discussion, the Board agreed to host an in-depth presentation on the health benefits package on October 17.

# RECORD OF PROCEEDINGS

---

## Director Updates

- Presentation re Financial Software Selection

Ms. Phares provided a presentation on the District's finance enterprise resource planning ("ERP") system selection, Sage Intacct. While the District initially sought to use QuickBooks, the software is presenting many challenges, including not allowing for true fund accounting and its lack of fixed asset management and loan origination capability. QuickBooks is also largely a manual entry system which lends to more frequent accounting errors.

In searching for a new ERP system, the District sought a software capable of providing true fund accounting; data visibility through user dashboards and customized, scheduled reports; automated accounting processes; integration with Paylocity, Sierra, and a future Point of Sale system; integration with JP Morgan Chase online banking and purchasing card platforms; and, fixed asset management and collaborative budget planning/forecasting modules.

From July through September, the Library District evaluated two vendors, conducted several demos, and completed a minimum of three reference interviews before choosing Sage Intacct. Sage Intacct met every one of the Library District's requirements and was designed specifically for the non-profit sector; they also have the highest ratings for customer support and are endorsed by the American Institute of Certified Public Accountants. Additionally, Douglas County Libraries is a client of Sage Intacct.

Wipfli, a partner of Sage Intacct, will assist with implementation efforts for a one-time charge of \$58,000, while ongoing subscription charges will be \$34,680. Sage Intacct will commit to a 5-year price lock, even though subscription contracts only cover one year at a time, and will provide a tracking module for free if the Board signs by the end of the week.

Adriana Boniakowski, accounting specialist for the Library, and Ms. Phares will be the project managers overseeing Sage Intacct's implementation, which is expected to take anywhere from 12-16 weeks to complete. The project kick-off and design phase will occur in October, the build phase in October through November, and the testing phase from December through January 2024. Sage Intacct is expected to go live on February 1, 2024.

Ms. Phares clarified that the software is enterprise-based (rather

# RECORD OF PROCEEDINGS

---

than user-based) and lives in the cloud. The lag between Paylocity and Sage Intacct's respective implementations will also not lead to a loss of any necessary financial data.

Upon motion by Trustee Teter, and seconded by Trustee Hamilton, the Board approved Sage Intacct as the District's finance enterprise resource planning system and Wipfli as its partner for the implementation process.

## Subcommittee Updates

- Communications Subcommittee

Trustee O'Brien advised the Board to look out for a draft article from her regarding the status of the District's transition and banned books that will be included in the Library's upcoming newsletter.

## Trustee Matters

- Approval of Special Meetings on October 3, October 10, and October 24

Upon motion by Trustee Hamilton, and seconded by Trustee O'Brien, the Board approved special meetings for October 3, October 10, and October 24, 2023.

Trustee Teter reminded the Board of CALCON in two weeks and urged the Trustees to consider carpooling to the event.

Trustee Teter proposed adding a provision to the IGA regarding use of, and revenues collected from, the parking lot outside of the Main Library, citing equity issues posed by major events such as the Jaipur Literature Festival and the City's Boulder Creek Festival.

## Legal Counsel Status Report

Mr. Seter reported that he had received an updated IGA from the City earlier that afternoon and was working to implement minimal proposed changes.

## Adjournment

There being no further business to come before the Board, and upon motion duly made, seconded and unanimously carried, the meeting was adjourned at approximately 7:57 p.m.

---

Secretary for the Meeting

**RESOLUTION OF THE BOARD OF TRUSTEES  
OF THE  
BOULDER PUBLIC LIBRARY DISTRICT**

**DECLINING PARTICIPATION IN THE COLORADO PAID FAMILY AND MEDICAL  
LEAVE INSURANCE PROGRAM**

Recitals

Colorado voters approved Proposition 118, in November 2020 which was codified in §§ 8-13.3-501, *et seq.*, C.R.S., establishing the Family and Medical Leave Insurance Program (“FAMLI”) to provide Colorado workers paid leave for qualifying family and medical circumstances.

FAMLI is funded by premiums paid by Colorado employers, employees, and, independent contractors that elect to participate in the program with premium collection commencing January 1, 2023, and benefits beginning January 1, 2024.

FAMLI provides that any “local government” “employer,” as defined by §§ 8-13.3-503(14), 29-1-304.5(3)(b), C.R.S. and § 8-13.3-502(8), C.R.S., that fails to register will be deemed a participate in the program.

FAMLI provides in § 8-13.3-522, C.R.S., that a local government employer may decline participation in the program upon a majority vote of its governing body, provided the governing body first holds a public hearing on the matter with prior written notice to employees.

FAMLI also provides that, to avoid being subject to premium collection commencing, a local government employer must register with the program and provide notice of a decision to decline participation.

Any local government employee whose employer declines participation may elect to participate in the FAMLI program as an individual and, a local government employer declining participation may elect to facilitate its employees’ participation by collecting and remitting the employee premiums.

The Board of Trustees of the Boulder Public Library District (“District”) held a public hearing at a public meeting held October 3, 2023 at its regular meeting location, and District employees were provided written notice of the public hearing and opportunity to comment on the District’s participation in the program.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE DISTRICT AS FOLLOWS:

1. The Board of Trustees, acting for and on behalf of the District, declines participation in the FAMLI program.
2. The District  *will*,  *will not* facilitate premium collection and remittance for employees that elect to participate in the FAMLI program on an individual basis.
3. District management will implement this Resolution consistent with FAMLI and the rules and regulations adopted by the Colorado Department of Labor and Employment.
4. Provided the Board does not subsequently elect to participate in the FAMLI program, the District's declination is effective for eight years from the date of this Resolution, and the Board will determine whether to continue declining participation in the FAMLI program prior to expiration of the eight-year period.

APPROVED AND ADOPTED this 3rd day of October, 2023, by the Board of Trustees.

**BOULDER PUBLIC LIBRARY DISTRICT**

\_\_\_\_\_  
By: Joni Teter, President

Attest:

\_\_\_\_\_  
Secretary/Assistant Secretary