



# Board of Trustees Special Meeting Agenda

Douglas County Libraries  
 Wednesday, November 17, 2021  
 5:00 P.M.  
 Lone Tree Library, Lone Tree, CO

## CALL TO ORDER

Presiding: Ron Cole, President

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

## ATTENDANCE

**GUEST** Tamara Seaver, Icenogle Seaver PoGue, P.C.

## DISTRICT BUSINESS

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

### Personnel Committee (Silverthorn)

- Move into Executive Session re: Executive Library Director's Contract and Annual Evaluation

## EXECUTIVE SESSION

Discussion of personnel matters and legal advice (Silverthorn)

## RETURN TO OPEN MEETING

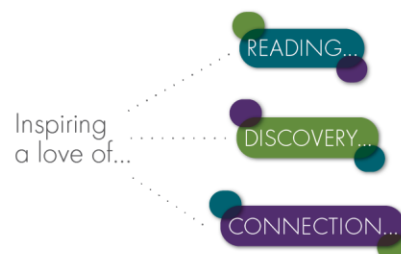
### Personnel Committee (Silverthorn)

- Follow up business from Executive Session re: Executive Library Director's Contract and Annual Evaluation

### Capital Planning Committee (Danser)

- Update on Castle Rock Rebuild Project

Pages 4-5



**Executive Committee (Cole)**

- Review of 2022 Budget from Draft to Proposed Final

Pages 6-15

**TRUSTEE COMMENTS****UPCOMING BOARD MEETINGS**

1. Board Budget Public Hearing and Regular Meeting: December 1, 2021, Castle Rock, Philip S. Miller Library, Event Hall, 7:00 p.m. (Dinner at 6:30 p.m.)
2. Board Study Session: December 1, 2021, Castle Rock, Philip S. Miller Library, Event Hall, 5:00 p.m.
3. Personnel Committee Meeting: November 19, 2021, Castle Pines Library, First Floor Conference Room, 8:00 a.m. (Cole, Burkholder and Silverthorn)
4. Board Informal Breakfast: November 24, 2021, The Exchange, Castle Pines, 8:00 a.m. - 9:00 a.m.

**OTHER BOARD CALENDAR ITEMS**

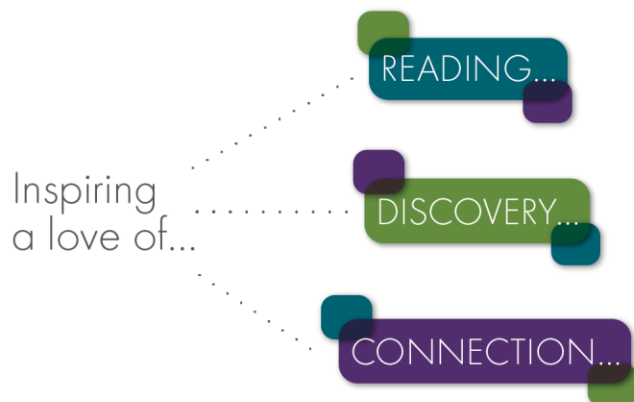
1. Partnership of Douglas County Governments Meeting: November 18, 2021, Highlands Ranch Mansion, 6:00 p.m. – 8:00 p.m.

**ADJOURN**



## Board of Trustees

Special Meeting  
Wednesday, November 17, 2021



**Memo to: Douglas County Libraries Board of Trustees**

**Date: 11/12/2021**

**From: Bob Pasicznyuk, Executive Library Director**

**RE: Castle Rock Library New Build**

The design phase for our new Castle Rock library is about complete with delivery of a full set of construction documents due on or about 11/17/2021. The 25% set that defines key systems and specifications has been in hand for over a month. The Board of Trustees made several decisions earlier this year directing the Library and Fransen Pittman to deliver a new Castle Rock library and service center facility.

January 2021

MOTION 21-01-05SP

Cole moved and as revised, the motion carried six to one to instruct the Executive Library Director to negotiate a design build contract with Fransen Pittman for the construction of a new Philip S. Miller Library coming back to the board for approval of a Guaranteed Maximum Price (GMD).

March 2021

MOTION 21-03-03

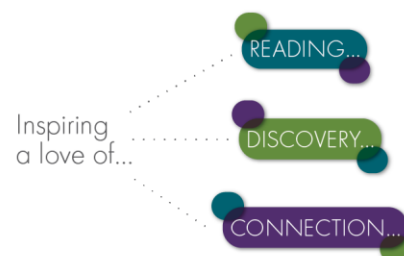
Cole moved and the motion carried unanimously to approve the contract amendment with Fransen Pittman, General Contractors for the design and construction of a Castle Rock library and District-wide support services facility at a Guaranteed Maximum price of \$23,824,443.

MOTION 21-03-04

Cole moved and the motion carried unanimously as amended to delegate spending authority to the Executive Library Director for design and construction expenses for a Castle Rock Library and District-wide support service facility within budget allocations authorized by the Board and in keeping with the authorized contract amendment, and instructing the Executive Library Director to provide a monthly report on spending and construction updates.

MOTION 21-03-05

Silverthorn moved and the motion carried unanimously to amend Motion 21-03-04 by adding a requirement for a monthly report on spending and construction updates.



Our design-build contract allows either party to withdraw from the project following design should the project be in jeopardy due to market conditions or other risks. The **good news** is that with design completion being imminent and contracts with sub-contractors ready to be let, the project is ready to proceed. Fransen Pittman is working quickly to complete contracts with key sub-contractors as a hedge against inflation for the *big-ticket* components of the facility.

<u>Key Systems</u>	<u>Quoted Price</u>	<u>Lead Time or Start Expectation</u>
Foundations	\$730,000	Scheduled start late May 2022
Masonry	\$170,000	20 Weeks
Structural Steel	\$1,900,000	30 Weeks
Exterior Cladding	\$1,050,000	40 Weeks
Window Systems	\$1,150,000	30 Weeks
Door Hardware	\$194,000	20 Weeks
Drywall Systems & Framing	\$1,200,000	20 Weeks
Elevator	\$127,000	30 Weeks
Mechanical Systems	\$1,500,000	25 Weeks
Fire Suppression Systems	\$250,000	Determined by permit process
Electrical Systems	\$2,000,000	25 Weeks

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Total Contracts for Key Systems: \$10,271,000

Included in the Guaranteed Maximum price are 2 contingencies:

- (1) \$448,500: The *Bid Contingency* handles the difference between actual costs and estimates.
- (2) \$672,750: The Construction Contingency handles changes or unforeseen conditions.

The total difference between the aggregate, quoted price for all key systems and FP's estimates is \$30,000. The procurement process is not complete, but the project is trending in the right direction allowing us to use the remainder of the bid contingency to embellish the facility and add key amenities.

Since we are within the GMP, I do not need any Board decision to proceed. Nevertheless, I request that the Board take this moment to ask any question or voice any concern as we head into the next work toward a new Castle Rock library.



	2020	2021		2022		2022
		As of Oct 31	%		%	vs. 2021
	Actual	Forecast	Revenue	Budget	Revenue	Growth
<b>Revenues</b>						
Property Taxes	\$28,971,244	\$29,703,974	90%	\$32,481,287	89%	9.3%
Auto Ownership Taxes	2,529,513	2,516,416	8%	2,894,000	8%	15.0%
Contributions/Grants	340,873	270,737	1%	416,674	1%	53.9%
Charges for Services	410,207	586,035	2%	554,850	2%	-5.3%
Interest Income	195,065	34,719	0%	165,000	0%	375.3%
<b>Total Revenue</b>	<b>\$32,446,902</b>	<b>33,111,882</b>	<b>100%</b>	<b>36,511,810</b>	<b>100%</b>	<b>10.3%</b>
Growth						
<b>Operating Expenditures</b>						
Salaries and Wages	\$12,385,223	\$13,106,786	40%	\$14,115,029	39%	7.7%
Benefits	1,223,776	1,263,695	4%	1,623,145	4%	28.4%
PERA	1,634,580	1,713,413	5%	1,915,463	5%	11.8%
Library Content	3,840,904	3,701,794	11%	4,012,050	11%	8.4%
Facility	1,527,772	1,691,236	5%	1,767,312	5%	4.5%
Technology Equipment & 3rd-Party Services	1,412,851	1,429,396	4%	1,748,848	5%	22.3%
Library Programs & Outreach	503,623	583,063	2%	1,391,258	4%	138.6%
District-Wide Support Costs	664,804	1,225,955	4%	1,253,494	3%	2.2%
Capital Maintenance Projects	447,318	597,086	2%	1,157,500	3%	93.9%
<b>Subtotal Operating Expenditures</b>	<b>\$23,640,850</b>	<b>25,312,424</b>	<b>76%</b>	<b>28,984,097</b>	<b>79%</b>	<b>14.5%</b>
Debt Service	\$2,012,800	\$2,013,425	6%	\$2,012,625	6%	0.0%
County Treasurer Tax Collection Fee	435,167	449,293	1%	487,219	1%	8.4%
<b>Total Operating, Interest &amp; Fee Expenditures</b>	<b>\$26,088,817</b>	<b>27,775,142</b>	<b>84%</b>	<b>31,483,941</b>	<b>86%</b>	<b>13.4%</b>
<b>Revenues Over (Under) Operating Expenditures</b>	<b>\$6,358,085</b>	<b>5,336,740</b>	<b>16%</b>	<b>5,027,870</b>	<b>14%</b>	<b>-5.8%</b>
<b>Non-Operating Revenues (Expenditures)</b>						
Lease Income (Expense), net	\$106,996	\$120,236	0%	\$0	0%	-100.0%
Capital Improvement Projects	(767,009)	(5,367,211)	16%	(18,293,000)	50%	240.8%
<b>Total Non-Operating Revenues (Expenditures)</b>	<b>(\$660,013)</b>	<b>(5,246,975)</b>	<b>16%</b>	<b>(18,293,000)</b>	<b>50%</b>	<b>248.6%</b>
<b>Total Revenues Over (Under) Total Expenditures</b>	<b>\$5,698,072</b>	<b>89,765</b>	<b>0%</b>	<b>(13,265,130)</b>	<b>-36%</b>	<b>-14877.7%</b>
Beginning Fund Balance	18,639,816	24,337,888		24,427,652		
<b>Ending Fund Balance</b>	<b>\$24,337,888</b>	<b>\$24,427,652</b>		<b>\$11,162,522</b>		



**2022 Budget**  
**Maintenance & Improvement Projects**  
**For Projects over \$5,000 and a life of greater than one year**

	<b>Original Budget</b>
<b><u>Operating Expenditures: Maintenance Projects</u></b>	
<b>District IT: B100</b>	
[M1] PC Replacement	300,000
[M1] District servers replacement	300,000
Wireless Access Points-LT B	40,000
Security camera system	10,000
Internet Firewall upgrade	37,000
Jamex replacements-LT	7,000
Printers	20,000
[M1] AV upgrades	100,000
People Counter Upgrades	20,000
Subtotal	<u>834,000</u>
<b>District-Wide: B100</b>	
[M1] Handi-cap touchless door openers on all remaining restrooms	75,000
Miscellaneous concrete & asphalt repairs	25,000
Replace dead/struggling landscaping	20,000
Story Time Rugs	13,000
Moving Expense for ComRel to Strip Mall	5,000
Subtotal	<u>138,000</u>
<b>Castle Pines: B200</b>	
Front-of-house (patron) furnishings	25,000
Re-Upholstering	5,000
Meeting Room Chairs Maintenance	1,500
Back-of-house (staff) furnishings	5,000
Subtotal	<u>36,500</u>
<b>Castle Rock: B700</b>	
Re-Upholstering	5,000
Subtotal	<u>5,000</u>
<b>Highlands Ranch: B300</b>	
Re-Upholstering	5,000
Meeting Room Chairs Maintenance	2,000
Subtotal	<u>7,000</u>



**2022 Budget**  
**Maintenance & Improvement Projects**  
**For Projects over \$5,000 and a life of greater than one year**

	<u><b>Original Budget</b></u>
<b>Lone Tree: B400</b>	
Front-of-house (patron) furnishings	30,000
Re-Upholstering	15,000
Meeting Room Chairs Maintenance	15,000
Back-of-house (staff) furnishings	15,000
Indoor Playscapes	45,000
Subtotal	<u>120,000</u>
<b>Parker: B600</b>	
Subtotal	<u>0</u>
<b>Roxborough: B800</b>	
Re-Upholstering	2,000
Meeting Room Chairs Maintenance	15,000
Subtotal	<u>17,000</u>
<b>Total Maintenance Projects</b>	<u><b>\$1,157,500</b></u>
<b><u>Notes</u></b>	
[M1] Requires Board motion to approve	
<b><u>Non-Operating Expenditures: Improvement Projects</u></b>	
<b>Parker:</b>	
Front-of-house (patron) furnishings	15,000
Re-Upholstering	10,000
Meeting Room Chairs Maintenance	10,000
Back-of-house (staff) furnishings	3,000
<b>Total Parker</b>	<u><b>\$38,000</b></u>
<b>Other:</b>	
[I1] Transporter bins 11@\$4,400 each	55,000
[I1] Castle Rock PSM Construction (GMP Contract)	18,200,000
Total Other	<u>\$18,255,000</u>
<b>Total Improvement Projects</b>	<u><b>\$18,293,000</b></u>
<b><u>Notes</u></b>	
[I1] Requires Board motion to approve	
<b>Grand Total Maintenance, Improvements, &amp; Capital Campaign</b>	<u><b>\$19,450,500</b></u>





## 2022 Budget Report Key Assumptions (\$ 000's)

Property Taxes	<p>Growth rate of 9.3%, based on Certification of Valuation by Douglas County Assessor.</p> <p>Property values are reassessed in odd-numbered years (i.e. 2021).</p> <p>DCL realizes the impact of reappraisal in even numbered years as property taxes are paid in arrears.</p>										
Auto ownership taxes	Based on historic growth in receipts; validated against auto industry forecasts which show increasing sales in 2022.										
Contributions & Grants	<p>54% growth vs. 2021 forecast, includes the following:</p> <table> <tr> <td>\$110,742</td><td>American Rescue Plan Act of 2021 (ARPA) grant; this grant is new to DCL in 2022;</td></tr> <tr> <td>\$90,962</td><td>Colorado Department of Education grant;</td></tr> <tr> <td>\$49,970</td><td>e-rate program grant (program thru the FCC based on fees charged to companies providing telecommunications services);</td></tr> <tr> <td>\$25,000</td><td>grants from Douglas County Libraries Foundation;</td></tr> <tr> <td>\$140,000</td><td>unrestricted grant from PSM Endowment.</td></tr> </table>	\$110,742	American Rescue Plan Act of 2021 (ARPA) grant; this grant is new to DCL in 2022;	\$90,962	Colorado Department of Education grant;	\$49,970	e-rate program grant (program thru the FCC based on fees charged to companies providing telecommunications services);	\$25,000	grants from Douglas County Libraries Foundation;	\$140,000	unrestricted grant from PSM Endowment.
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\$25,000	grants from Douglas County Libraries Foundation;										
\$140,000	unrestricted grant from PSM Endowment.										
Charges for Services	-5% decline based primarily on reduced entry fees received from events, offset by increases in book fines, program revenues and room rentals.										
Interest Income	Reflects 0.15% interest rate on ColoTrust liquid investments, plus 1.50% interest rate on ColoTrust Edge 6-month term investments less budgeted expenditure of \$18.2M in 2022 on the PSM build project.										
Employee Benefits	<p>Reflects a 25% increase in overall benefits, driven by an 8% increase in health insurance plus additional costs for DCL to begin participation in the Colorado unemployment insurance pool and increased workmens compensation costs.</p> <p>PERA retirement increase of 15% primarily reflects an 8% increase in salaries &amp; wages, plus a correction to current PERA employer rates.</p>										
Capital Projects	The PSM build project carries an owner contingency of \$1.1M, which is 5% of overall project cost.										
Salaries & Wages:	<p>Annual increase is the greater of 3% or a percentage increase through a compensation market study completed by DCL in Q3 2021.</p> <p>As of August 31, 2021, DCL reported 230 compensated Full Time Equivalent (FTE) employees. The 2022 budget assumes 248 compensated FTE's, which is an 8% increase in FTE's.</p> <p style="text-align: center;">\$50,000    bonus pool</p>										



**2022 Budget Report  
Key Assumptions (\$ 000's)**

Salaries & Wages Cont'd):

2022 Budget	% Budget	
\$ 178,174	0%	Branch Operations
1,600,532	12%	Branch Services
1,882,431	14%	Customer Experience
1,765,133	12%	Materials Handling
1,931,328	14%	Youth & Family Services
<u>\$ 7,357,598</u>	<u>52%</u>	Subtotal Customer Experience
\$ 0	0%	Community Engagement Operations
442,417	3%	Community Services & Partnerships
217,127	2%	Events & Hospitality
456,712	3%	Marketing & Communications
520,535	4%	Special Events
305,841	2%	Visual Design, Arts, & Archives
289,348	2%	Volunteer Services
<u>\$ 2,231,980</u>	<u>16%</u>	Subtotal Community Engagement
\$ 854,730	6%	Executive
\$ 0	0%	Finance Operations
319,176	2%	Accounting Operations
91,780	1%	Procurement
103,007	1%	Budgeting
<u>\$ 513,963</u>	<u>4%</u>	Subtotal Finance
\$ 67,373	0%	Infrastructure Services Operations
1,176,828	8%	Collection Services
457,695	3%	Facilities
316,775	2%	Human Resources
585,621	4%	Information Technology
352,464	2%	Learning & Development
<u>\$ 2,956,757</u>	<u>21%</u>	Subtotal Infrastructure Services
\$ 150,000	1%	PTO Payout, On Call/ Standby, Call Back, Retroactive, Severance
50,000	0%	Bonus
<u><u>\$ 14,115,029</u></u>	<u><u>100%</u></u>	Total DCL



## 2022 Compensation Budget

The 2022 compensation budget was primarily determined by the District's compensation strategy, which was developed by the Senior Leadership Team in 2021. The Senior Leadership Team determined that DCL compensation should:

- Be competitive with the Denver area market, which takes into consideration the high cost of living in Douglas County.
- Match the market, vs. leading or lagging the market.
- Consider retention and turnover of staff, and may need to adjust how competitive we are in order to attract and retain talent.
- Take into consideration hard-to-fill or niche positions.

To meet these objectives, Senior Leadership elected to conduct a market analysis in 2021. DCL utilized Payfactors, a subscription-based service that provides software and data that enabled DCL to benchmark DCL job descriptions with aggregated market data. This market analysis was based on the following parameters:

- Location: Denver Metropolitan Area
- Industry: Government Entities
- Employee Count: 200-500 employees

The process for conducting this market analysis included the following:

- DCL job descriptions were updated to ensure consistency in experience and requirements.
- Employers Council was engaged to perform a pay equity analysis to identify any pay disparities between similar job duties, taking race and gender into account. By doing this, DCL met the safe harbor requirements of the Equal Pay for Equal Work Act, which was effective as of January 1, 2021.
- Payfactors was used to match DCL jobs to the market using platform data sets, including crowdsourced data, peer data, and third-party survey data.
- Pay equity analysis groupings for similar job duties were utilized to compare jobs.
- DCL's internal hierarchy was applied to ensure that similar titles were in similar pay groupings.
- Final pay grade was determined for each DCL job title.

The outcomes of the Market Analysis were as follows:

- Material Handlers were moved up a pay grade to ensure we are competitive with Colorado and Denver minimum wage increase.
- Customer Experience Associates will be divided into 2 levels at 2 different pay grades in 2022, based upon essential duties and experience.
- Professional/technical District support positions were adjusted in Community Engagement, Infrastructure Services, and Finance.

The 2022 compensation budget was then compiled as follows:

- Managers (17), and their Directors (4), validated a list provided to them by Finance of district employees by job title, and added positions in 2022 for any known new hires.
- Human Resources supplied a list of market study-based wage and salary adjustments by employee to Finance.
- Finance constructed a model to apply the following compensation rules on a by employee, by position basis:
  - Each employee is only eligible for a compensation increase if, as of January 1, 2022, they have been both employed by the District and in their current position for at least 6 months.
  - Each employee qualified for a compensation increase receives the greater of the District's cost of living adjustment (COLA) of 3%, or 100% of their market study-based adjustment.
- The results of applying these compensation increase rules to the 2022 compensation budget are as follows:

2022 Compensation Increase					Summary of Market Adjustments		
Division	No COLA	MKT	COLA [1]	Total	Adj Rate Rounded	Annual Count	Annual Increase
Customer Experience	35	67	116	218	3%	2	\$2,689
Community Engagement	7	14	19	40	4%	4	\$3,515
Executive	0	2	4	6	5%	6	\$25,293
Finance	1	2	3	6	6%	3	\$4,087
Infrastructure Services	3	9	35	47	7%	2	\$9,922
Total					8%	5	\$26,640
	46	94	177	317	9%	2	\$5,424
	15%	30%	56%	100%	10%	8	\$34,201
					11%	57	\$101,603 [2]
					12%	1	\$6,261
Notes					15%	1	\$9,131
[1]	19 employees received a COLA adjustment because their market adjustment was less than 3%.				16%	1	\$6,760
					17%	1	\$12,875
[2]	All are "Material Handler"				20%	1	\$11,336



### Revenues

Property Taxes	\$32,481,287	(0)	\$32,481,287
Auto Ownership Taxes	2,894,000	0	2,894,000
Contributions/Grants	416,673	1	416,674
Charges for Services	554,850	0	554,850
Interest Income	75,000	90,000	165,000

### Total Revenue

<b>36,421,810</b>	<b>90,000</b>	<b>36,511,810</b>
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Growth

### Operating Expenditures

Salaries and Wages	\$14,260,559	(145,530)	\$14,115,029
Benefits	1,625,710	Driven by S&W (2,566)	1,623,145
PERA	1,936,584	Driven by S&W (21,121)	1,915,463
Library Content	4,011,819	231	4,012,050
Facility	1,972,616	(205,304)	1,767,312
Technology Equipment & 3rd-Party Services	1,746,593	2,255	1,748,848
Library Programs & Outreach	1,747,858	(356,600)	1,391,258
District-Wide Support Costs	1,313,229	(59,735)	1,253,494
Capital Maintenance Projects	957,500	200,000	1,157,500

### Subtotal Operating Expenditures

<b>29,572,468</b>	<b>(588,371)</b>	<b>28,984,097</b>
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Debt Service	\$2,012,625	0	\$2,012,625
County Treasurer Tax Collection Fee	487,219	0	487,219

### Total Operating, Interest & Fee Expenditures

<b>32,072,312</b>	<b>(588,371)</b>	<b>31,483,941</b>
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### Revenues Over (Under) Operating Expenditures

<b>4,349,498</b>	<b>678,372</b>	<b>5,027,870</b>
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### Non-Operating Revenues (Expenditures)

Lease Income (Expense), net	\$0	0	\$0
Capital Improvement Projects	(18,293,000)	0	(18,293,000)

### Total Non-Operating Revenues (Expenditures)

<b>(18,293,000)</b>	<b>0</b>	<b>(18,293,000)</b>
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### Total Revenues Over (Under) Total Expenditures

<b>(13,943,502)</b>	<b>678,372</b>	<b>(13,265,130)</b>
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## 2022 Budget - Analysis of Changes in Operating Expenses

### Facilities

#### 5020 Facilities

700000	Electricity	(138,988)	
700100	Gas	(3,517)	
700200	Water and Sewer	7,117	
700300	Trash Removal	3,098	
720000	General Housekeeping	(37,001)	
720100	Building Repairs	(8,823)	
720200	Janitorial Supplies	(3,983)	
720300	General Maintenance Supplies	273	
720400	Vehicle Repairs, Gas and Maintenance	300	
720500	Sorter Maintenance	1,560	
720600	Floor Care	0	
721000	Window Cleaning	(4,000)	
721100	Landscaping	10,272	
721200	HVAC Service Contracts	3,581	
721300	Elevator Maintenance	0	
721400	Snow Removal	(38,693)	
Total Facilities			(208,805)

### Technology, Equipment & 3rd-Party Services

Acctg Opns appl - Tallie	810800	Department Applications	10,000	
Acctg Opns - other	810800	Department Applications	17,000	
Total Technology, Equipment & 3rd-Party Services				27,000

### Library Programs & Outreach

2010	Community Services	910400	Training Conferences 3rd-Party	500	
2020	Events & Hospitality	various	Staff Day	32,000	
2040	Special Events	various	Staff Day	(32,000)	
	travelling exhibit	850300	Program Supplies/Prizes	(388,600)	
	travelling exhibit	920600	Other Contracted Services	(52,000)	
			Subtotal travelling exhibit	(440,600)	
	all other changes	various		61,750	
2050	Visual Design, Arts & Archives			(378,850)	
Total Library Programs & Outreach					(378,350)



## 2022 Budget - Analysis of Changes in Operating Expenses

### District-Wide Support Costs

5030	Human Resources		
	SLT Staff Thank you + HR Retr	910500 Employee Relations	11,000
	executive search costs elimin	910600 Recruitment	(25,000)
	projection revised	910900 Educational Assistance	(45,000)
Total District-Wide Support Costs			(59,000)

### Capital Maintenance Projects

5040	IT	2022 lease cost, estimated	225,000	
		installation assistance, estimated	50,000	
		shipping, estimated	25,000	
		District Servers existing budget	(50,000)	
		District Servers		250,000
		District IT-PC Replacement	(50,000)	
Total Capital Maintenance Projects				200,000

Subtotal non-compensation expenses			(419,155)
Salaries & Wages			(145,530)
Benefits & PERA			(23,687)
Total Operating Expenses			<u>(588,372)</u>