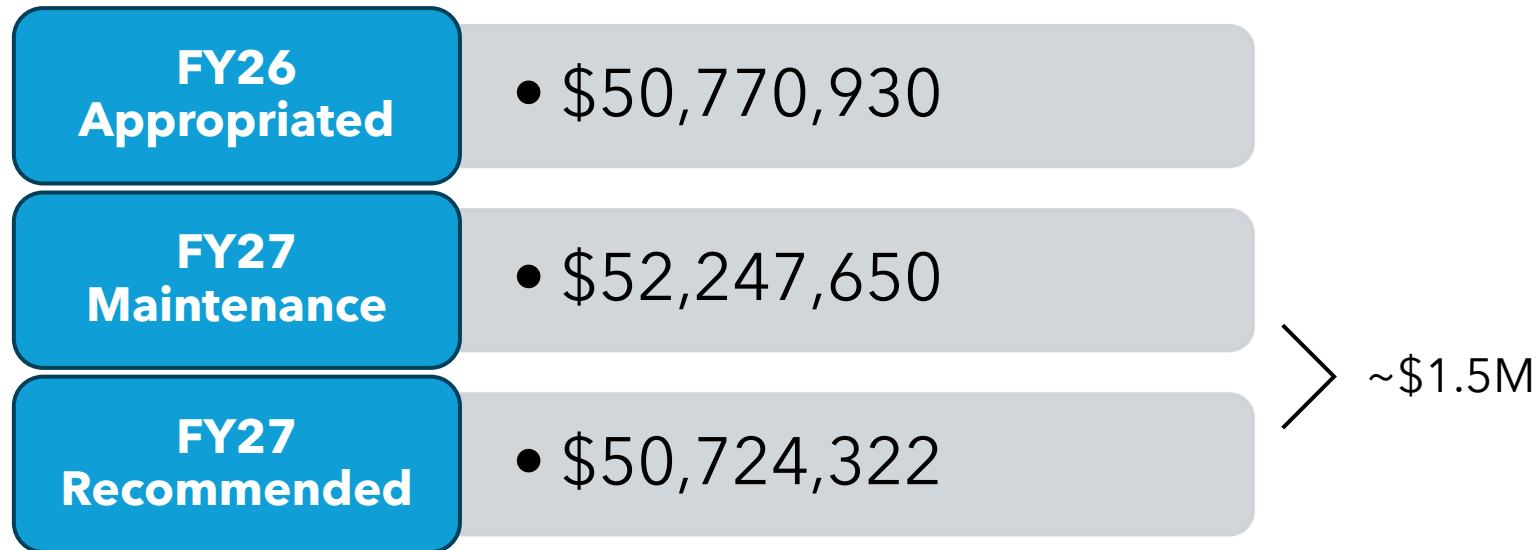


# Mayor's Recommended FY27 Operating Budget

## FY27 Budget Submission

- All City departments to outline a **2% reduction**
- BPL FY27 Maintenance Budget: \$52,247,650
- 2% Reduction Total: \$49,755,511



# Mayor's Recommended FY27 Operating Budget

## Boston Public Library FY27 Budget Development - Status as of 4/8/26

FY26 Approp	\$50,770,930	
FY27 Recommended	<u>\$50,724,322</u>	
Increase/(Decrease) from FY26 Approp	<u>-\$46,608</u>	-0.1%

	<u>FY26 Adopted</u>	<u>FY27 Recom</u>
Operating Headcount	493.6	487.6

	<u>Amount</u>	<u>Head Count</u>
<b><u>Reductions in FY27 Recommended</u></b>		
Additional Salary Savings reflective of vacancies	-\$511,000	
Pausing hiring for 10 non-critical vacancies	-\$503,000	
Position Eliminations (6 are long term vacants)	-\$319,000	-6.0
Timing Shift of Lease Purchase Financing	-\$106,794	
Removed FY26 Core Collection City Council Amendment	-\$100,000	
Reduction to BTU Homework Help Program	-\$25,000	
	<u>-\$1,564,794</u>	<u>-6.0</u>

\*Reflects City Operating Headcount Only

# Mayor's Recommended FY27 Operating Budget

Description	FY25 Actual	FY26 Appropriated	FY27 Recommended	Change	% Change	Explanation
Permanent Employees	33,897,852	36,450,798	35,950,272	(500,526)	-1.4%	General wage increases & budget saving efforts
Utilities	3,751,362	3,877,712	4,081,102	203,390	5%	Fluctuation of City rates
Repairs Buildings & Structures	2,979,192	2,923,685	3,472,523	548,838	18.7%	Response to new building contract costs
Contracted Services	3,067,798	2,532,305	2,507,305	(25,000)	-0.1%	Removal of BTU funding
Misc Supplies & Materials	4,134,983	3,689,846	3,589,846	(100,000)	-2.7%	Removal of FY26 City Council Amendment
Lease Purchase	461,782	661,175	526,307	(134,868)	-20%	Decrease in expenses
<b>TOTAL</b>	<b>48,923,925</b>	<b>50,770,930</b>	<b>50,724,322</b>	<b>(46,608)</b>	<b>-0.1%</b>	

*BPL's suggested budget reductions are rolled into this total*

- o (Removal of long-term vacants, temporary vacancy holds, etc.)*

# Mayor's Recommended FY27-FY31 Capital Budget

Project	
Brighton Library Roof	\$1,200,000
Central Library: Roof & HVAC	\$6,000,000
Central Library: McKim Master Plan	\$50,000,000
Chinatown Branch Library	\$32,000,000
Connolly Branch Library	\$575,000
Egleston Square Branch Library	\$31,510,000
Fields Corner Branch Library	\$30,900,000

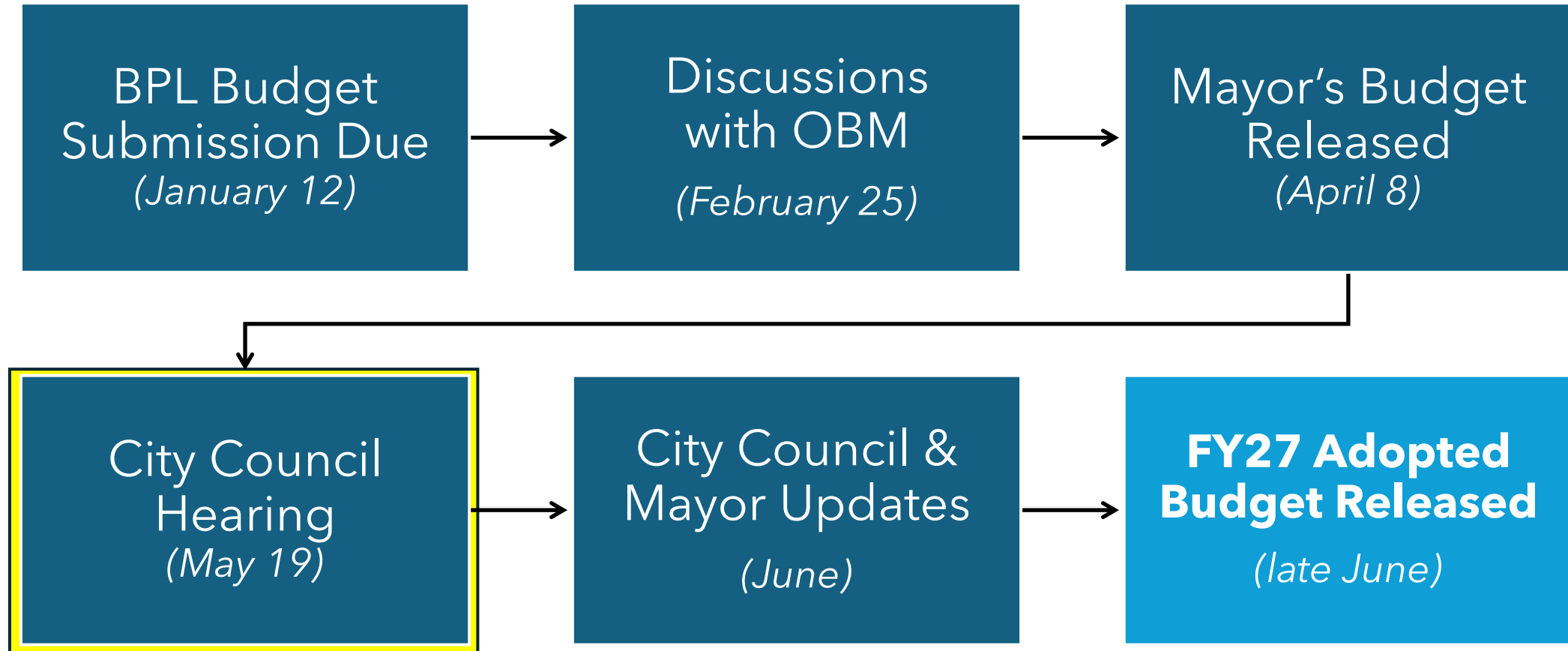
Hyde Park Branch Library	\$500,000
North End Branch Library	\$1,475,000
South Boston Branch Library Study	\$250,000
South End Branch Library	\$32,650,000
Uphams Corner Branch Library	\$32,000,000
West End Branch Library	\$32,000,000

## **Total Recommended Capital for FY27-FY31:**

\$251,060,000

# Mayor's Recommended FY27 Operating Budget

## *Anticipated Timeline*





**BOSTON  
PUBLIC  
LIBRARY**

# MARKET AND PORTFOLIO UPDATE

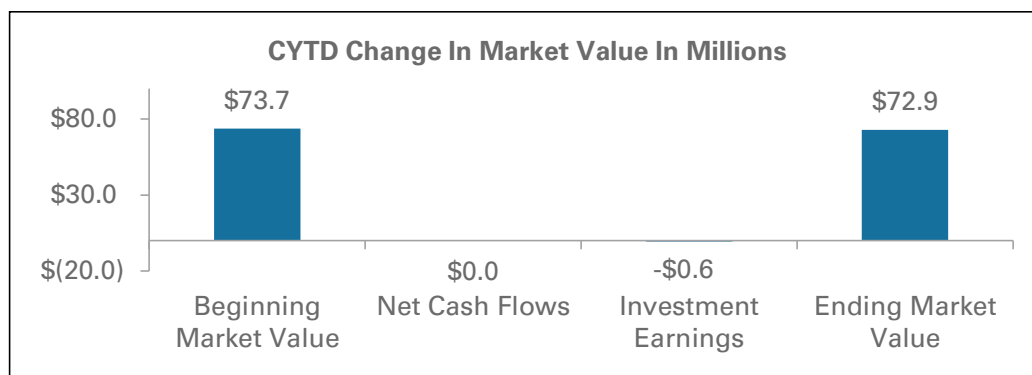
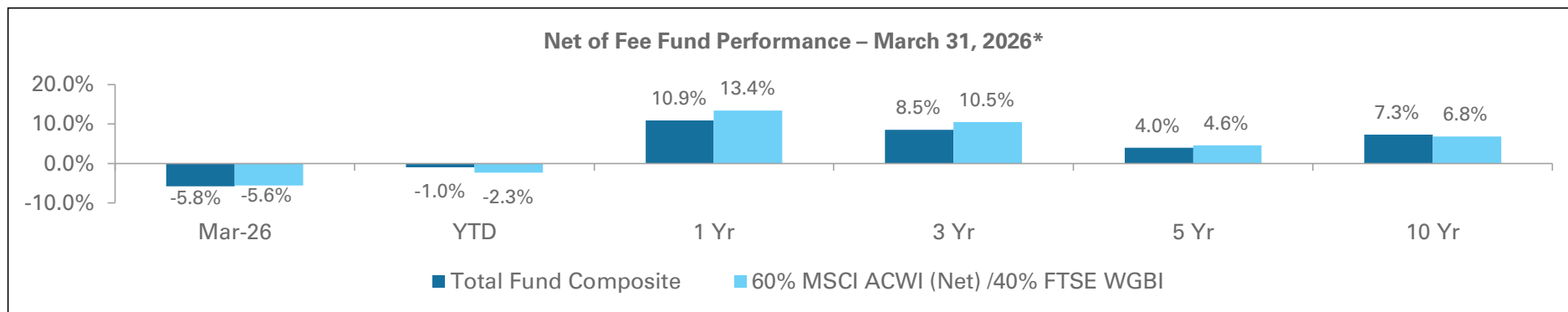
BOSTON PUBLIC LIBRARY

MAY 12, 2026

Sebastian Grzejka, CAIA, Partner  
Jonovan Sackey, Sr. Investment Associate

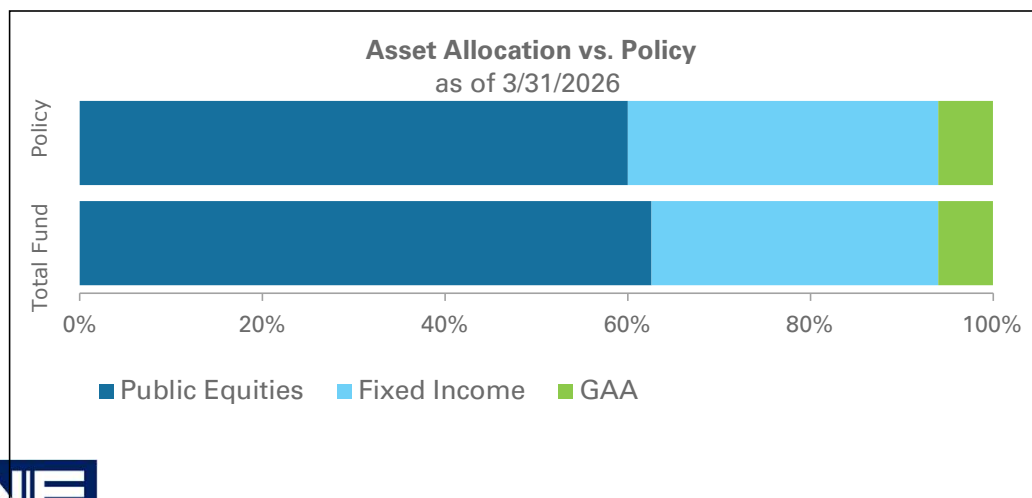


# POOL 4: BOSTON PUBLIC LIBRARY EXECUTIVE SUMMARY



## Overview of recent implementation decisions and priorities:

- **Recommendations**
  - Spending cash raise and corresponding rebalancing recommendation



## YTD Performance Update:

- **Contributors:**
  - Despite a challenging month, the GAA exposure through PIMCO has been one positive so far in 2026, outperforming its benchmark by 370 bps with a return of 3.3%
- **Detractors:**
  - US equity returns have been mixed so far in 2026, with large cap strategies lagging on a relative basis, while the SBH small cap exposure has led the Russell 2000 Index



\*Periods greater than one year are annualized

# MARCH 31, 2026 PERFORMANCE REPORT

	Allocation			Performance (%)								
	Market Value (\$)	% of Portfolio	Policy (%)	1 Mo (%)	3 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Composite</b>	<b>72,928,569</b>	<b>100.0</b>	<b>100.0</b>	<b>-5.8</b>	<b>-1.0</b>	<b>4.4</b>	<b>10.9</b>	<b>8.5</b>	<b>4.0</b>	<b>7.3</b>	<b>9.0</b>	<b>Jan-81</b>
60% MSCI ACWI (Net) / 40% FTSE WGBI				-5.6	-2.3	4.2	13.4	10.5	4.6	6.8	-	
<b>Total Domestic Equity</b>	<b>22,341,003</b>	<b>30.6</b>	<b>29.0</b>	<b>-5.9</b>	<b>-2.5</b>	<b>3.3</b>	<b>11.1</b>	<b>13.2</b>	<b>7.9</b>	<b>12.1</b>	<b>12.2</b>	<b>Dec-10</b>
SSgA SRI S&P 500	9,562,325	13.1		-4.7	-4.6	4.4	16.8	18.0	11.5	14.1	14.2	Jan-09
S&P 500 Index				-5.0	-4.3	6.2	17.8	18.3	12.1	14.2	14.3	
Diamond Hill Large Cap Class Y Shares	7,512,210	10.3		-6.4	-2.4	-1.1	1.8	9.9	5.4	-	8.7	May-17
Russell 1000 Value Index				-4.8	2.1	11.6	15.9	14.3	9.4	-	9.8	
Segall Bryant & Hamill Small Cap	5,266,468	7.2		-7.3	1.4	8.2	15.4	9.4	5.3	11.0	9.2	Jan-15
Russell 2000 Index				-5.0	0.9	15.9	25.7	13.0	3.8	9.9	8.2	
<b>Total International Equity</b>	<b>8,378,724</b>	<b>11.5</b>	<b>10.0</b>	<b>-8.9</b>	<b>0.8</b>	<b>12.6</b>	<b>26.2</b>	<b>15.5</b>	<b>9.2</b>	<b>10.6</b>	<b>7.7</b>	<b>May-14</b>
Earnest International Equity Investment Trust Fund	8,378,724	11.5		-8.9	0.8	12.6	26.2	15.5	9.2	10.1	7.3	May-14
MSCI AC World ex USA (Net)				-10.8	-0.7	11.5	24.9	14.5	7.0	8.4	5.9	
<b>Total Emerging Markets Equity</b>	<b>4,560,295</b>	<b>6.3</b>	<b>6.0</b>	<b>-14.0</b>	<b>0.3</b>	<b>13.4</b>	<b>20.2</b>	<b>11.6</b>	<b>-0.7</b>	<b>-</b>	<b>4.9</b>	<b>May-19</b>
MSCI Emerging Markets (Net)				-13.1	-0.2	15.7	29.6	14.8	3.7	-	6.3	
Acadian Emerging Markets	4,559,999	6.3		-14.0	0.3	-	-	-	-	-	12.7	Aug-25
MSCI Emerging Markets (Net)				-13.1	-0.2	-	-	-	-	-	13.5	
<b>Total Global Equity</b>	<b>10,339,591</b>	<b>14.2</b>	<b>15.0</b>	<b>-8.1</b>	<b>-3.7</b>	<b>-1.4</b>	<b>9.8</b>	<b>2.2</b>	<b>-0.4</b>	<b>-</b>	<b>10.2</b>	<b>Apr-20</b>
Impax Global Resource Optimization Fund	7,256,940	10.0		-7.8	2.1	2.9	15.0	2.8	0.0	-	10.5	Apr-20
MSCI AC World Index (Net)				-7.2	-3.2	7.6	20.0	16.6	9.5	-	16.0	
Generation IM Global Equity Fund	3,082,652	4.2		-8.6	-15.1	-10.1	-0.8	-	-	-	0.7	Jul-24
MSCI AC World Index (Net)				-7.2	-3.2	7.6	20.0	-	-	-	13.6	
<b>Total Domestic Fixed Income</b>	<b>22,897,856</b>	<b>31.4</b>	<b>34.0</b>	<b>-1.7</b>	<b>0.0</b>	<b>2.7</b>	<b>4.1</b>	<b>3.6</b>	<b>0.8</b>	<b>2.0</b>	<b>2.7</b>	<b>Dec-10</b>
IR&M Core Bond Fund II	6,204,203	8.5		-1.9	-0.1	3.1	4.4	3.6	0.2	1.4	3.2	Mar-07
Bmbg. U.S. Aggregate Index				-1.8	0.0	3.1	4.3	3.6	0.3	1.7	3.1	
SSgA Treasury Inflation Protected Securities	3,063,010	4.2		-1.3	0.4	2.5	3.0	3.1	1.4	-	2.8	Jan-18
Bmbg. U.S. TIPS				-1.3	0.3	2.5	3.0	3.2	1.5	-	2.8	
Manulife Strategic Fixed Income	4,192,587	5.7		-2.4	-0.4	2.6	5.4	4.6	1.6	-	3.3	Feb-18
Bmbg. Global Aggregate				-3.1	-1.1	-0.2	4.3	2.6	-1.5	-	0.1	
State Street U.S. Treasury Index Non-Lending Common Trust Fund	6,205,882	8.5		-1.7	0.0	2.3	3.2	2.6	-	-	-0.4	Jun-21
Bmbg. U.S. Treasury Index				-1.7	0.0	2.4	3.3	2.6	-	-	-0.4	
Vanguard Short-Term Corp Bond	3,232,174	4.4		-0.9	0.1	3.0	4.9	-	-	-	5.9	Jul-23
Bmbg. U.S. Corporate 1-5 Year Index				-0.9	0.1	3.0	4.8	-	-	-	5.9	
<b>Total Balanced - GAA</b>	<b>4,411,101</b>	<b>6.0</b>	<b>6.0</b>	<b>-4.0</b>	<b>3.3</b>	<b>11.0</b>	<b>14.6</b>	<b>9.2</b>	<b>5.3</b>	<b>6.8</b>	<b>5.4</b>	<b>Jul-12</b>
PIMCO All Asset	4,411,101	6.0		-4.0	3.3	11.0	14.6	9.2	5.3	6.8	5.4	Jul-12
PIMCO All Asset Index				-1.8	-0.4	3.6	6.3	6.3	2.7	3.9	3.7	

-PIMCO All Asset Index consists of 40% Bloomberg Aggregate / 30% Bloomberg US TIPS Index/ 10% S&P 500 / 10% HY / 10% JPM EMBI + TR.

-New Policy % targets as of 06/1/2024; Returns are net of fees.

-Fiscal year starts 7/1.



Asset Allocation Rebalance Summary

March 31, 2026

	Market Value	Current Weight in Fund	Target Weight	Over/ Under%	Recommendation	New Market Value	New Weight
<b>Composite</b>	<b>\$75,086,431</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>-\$3,601,456</b>	<b>\$71,484,975</b>	<b>100.0%</b>
<b>Total US Equity</b>	<b>\$24,211,232</b>	<b>32.2%</b>	<b>29.0%</b>	<b>3.2%</b>	<b>-\$1,343,901</b>	<b>\$22,867,331</b>	<b>32.0%</b>
SSgA SRI S&P 500	\$10,591,248	14.1%	11.0%	3.1%	-\$543,901	\$10,047,347	14.1%
Diamond Hill Large Cap	\$7,840,599	10.4%	11.0%	-0.6%	\$0	\$7,840,599	11.0%
Segall Bryant Small Cap	\$5,779,385	7.7%	7.0%	0.7%	-\$800,000	\$4,979,385	7.0%
<b>Total Non US Equity</b>	<b>\$8,379,072</b>	<b>11.2%</b>	<b>10.0%</b>	<b>1.2%</b>	<b>-\$1,000,000</b>	<b>\$7,379,072</b>	<b>10.3%</b>
Earnest International Equity	\$8,378,776	11.2%	10.0%	1.2%	-\$1,000,000	\$7,378,776	10.3%
<b>Total Emerging Markets Equity</b>	<b>\$4,559,999</b>	<b>6.1%</b>	<b>6.0%</b>	<b>0.1%</b>	<b>\$0</b>	<b>\$4,559,999</b>	<b>6.4%</b>
Acadian Emerging Markets	\$4,559,999	6.1%	6.0%	0.1%	\$0	\$4,559,999	6.4%
<b>Total Global Equity</b>	<b>\$10,347,255</b>	<b>13.8%</b>	<b>15.0%</b>	<b>-1.2%</b>	<b>\$0</b>	<b>\$10,347,255</b>	<b>14.5%</b>
Impax	\$7,260,757	9.7%	10.0%	-0.3%	\$0	\$7,260,757	10.2%
Generation IM Global Equity	\$3,086,498	4.1%	5.0%	-0.9%	\$0	\$3,086,498	4.3%
<b>Total Fixed Income</b>	<b>\$22,989,458</b>	<b>30.6%</b>	<b>34.0%</b>	<b>-3.4%</b>	<b>-\$1,257,555</b>	<b>\$21,731,903</b>	<b>30.4%</b>
IRM Core Bond	\$6,204,710	8.3%	10.0%	-1.7%	\$1,000,000	\$7,204,710	10.1%
SSgA TIPS	\$3,098,131	4.1%	5.0%	-0.9%	\$1,000,000	\$4,098,131	5.7%
SSgA Treasury	\$6,200,610	8.3%	6.0%	2.3%	\$0	\$6,200,610	8.7%
Manulife	\$4,228,451	5.6%	8.0%	-2.4%	\$0	\$4,228,451	5.9%
Vanguard Short Corporate (VSTBX)	\$3,257,555	4.3%	5.0%	-0.7%	-\$3,257,555	\$0	0.0%
<b>Total Multi Asset</b>	<b>\$4,599,415</b>	<b>6.1%</b>	<b>6.0%</b>	<b>0.1%</b>	<b>\$0</b>	<b>\$4,599,415</b>	<b>6.4%</b>
PIMCO All Asset	\$4,599,415	6.1%	6.0%	0.1%	\$0	\$4,599,415	6.4%





# SERVICE MODEL COMPARISON



PROPRIETARY & CONFIDENTIAL

# OCIO TEAM – DISCRETIONARY MANAGEMENT



**295**  
investment portfolios



**\$153.5**  
billion in aggregate assets<sup>1</sup>



**36**  
investment, portfolio strategy  
and operational professionals<sup>1</sup>



**DAILY MONITORING**  
of your portfolio



**SIGNIFICANT EXPERIENCE**  
coordinating client  
implementations and manager  
conversions

<sup>1</sup>Client data as of 1/1/2026, employee data as of 1/1/2026

\*Ownership interest in NEPC Partners, LLC and equity interest in Hightower Holdings, LLC. +Principal designation for leadership within the Firm.

## OCIO GOVERNANCE OCIO Committee



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Committee Chair\*

**Steve F. Charlton**, CFA  
Committee Member\*

**Chenae W. Edwards**, CPA  
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**Sebastian Grzejka**, CAIA  
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**Kristi Hanson**, CFA  
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**Tim F. McCusker**, FSA, CFA, CAIA,  
Committee Member\*

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**Scott Perry**, CAIA  
Head of Portfolio Strategy\*

**Brian Donoghue**  
Sr. Director of Portfolio Strategy\*

**Chris Klapinsky**, CFA  
Sr. Director of Portfolio Strategy\*

**James Reichert**, CFA,  
Sr. Director of Portfolio Strategy\*

**Sujatha Bhat**, CFA, CAIA, Sr.  
Investment Director+

**Timothy Wasgatt**, CFA, CAIA, Sr.  
Investment Director

**5 OCIO Portfolio Strategy  
Investment Directors and Analysts**

## OCIO OPERATIONS MANAGEMENT



**Kellie Kane**  
Chief Operating Officer\*

**Brian Parnell**  
Director\*

**Jason Castonguay**  
Director+

**Jacob Barker**  
Sr. Manager, Investment Operations

**Angela Anderson**  
Manager, Investment Operations

**Tim Ray**  
Manager, Investment Operations

**13 Investment Operations, Trade &  
Legal Review/Subscription Analysts**

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**Andrew Hone**  
Chief Counsel+

**Jay Regan**  
Chief Compliance  
Officer+

**Linda Hoffman**  
Senior Counsel+

**Caitlin Hoffman**  
Compliance Manager

**Taylor Callahan**  
Assistant Counsel

**La Shaun Kotaran**  
Sr. Compliance Analyst  
&  
Sr. DEI Specialist



# ADVISORY VS. OCIO

	ADVISORY MODEL	OCIO MODEL	
	Asset Owners <sup>1</sup>	Asset Owners <sup>1</sup>	OCIO Provider
<b>STRATEGY</b>			
Set Objectives/Plan Design	✓	✓	
Create Policies (Governance/IPS/Fees)	✓	✓	
Determine Investments Structure	✓	✓	✓
<b>EXECUTION</b>			
Manager Selection/Removal	✓		✓
Transition Management	✓		✓
Fee/Contract Negotiations	✓		✓
Rebalancing/Cash Flow Management	✓		✓
<b>ONGOING MONITORING</b>			
Performance Evaluation	✓		✓
Manager Monitoring	✓		✓
Guidelines/Compliance Oversight	✓		✓
Vendor Monitoring <sup>2</sup>	✓		✓

<sup>1</sup>Asset Owners = Trustees, fiduciaries, board or directors, plan sponsors, investment committees, etc.

<sup>2</sup>Selective monitoring of recordkeeper, custodian, actuary, managed accounts, etc.

Note: Models displayed are samples. Services can vary by client.



# WHAT COMMITTEES SHOULD EXPECT WITH OCIO

## What stays the same?

- **Periodic review of Investment Policy Statement**
- **Monthly and quarterly performance reporting**
- **Market updates**
- **Manager due diligence updates**
- **Legal & regulatory updates**
- **Industry trends**

## What changes?

- **Strategic focus instead of tactical management helping drive better outcomes**
- **NEPC is the project manager**
- **Inform on investment enhancements**
  - Investment managers
  - Fees
  - Investment vehicles
  - Tactical allocations



# CAPITAL MARKETS OVERVIEW AND OUTLOOK



PROPRIETARY & CONFIDENTIAL

# NEPC MARKET OUTLOOK AS OF APRIL 2026

**Be prepared for equity rebalance opportunities given the potential for capital market volatility stemming from the ongoing Iran conflict**

---

**Look to balance exposure to the earnings power of the largest S&P 500 names with value and quality companies across the globe**

---

**We recommend underweighting the most liquid segments of return-seeking credit given current spread levels and market sentiment**

---

**We encourage investors to focus on liquidity in their portfolio through safe-haven fixed-income exposure for cash flow needs**

---

**Monitor public real asset exposures and rebalance outsized gains as positions are likely near the upper bounds of policy target ranges**

The above is intended for illustrative purposes only. The information should not be relied upon to make any investment decision and does not take into account the investment objectives, financial situation and particular needs of the recipient. Recipients of the information presented herein should neither treat nor rely on such information as advice relating to legal, taxation or investment matters and are advised to consult their own professional advisors. Please see additional disclosures throughout this presentation.



# APRIL 2026 TRAILING ANNUAL INDEX PERFORMANCE

Equity							
	Apr-26	QTD	YTD	1 YR	3 YR	5 YR	10 YR
MSCI ACWI	10.2%	10.2%	6.6%	31.0%	19.8%	10.7%	12.3%
S&P 500	10.5%	10.5%	5.7%	31.1%	21.7%	13.1%	15.3%
Russell 1000	10.1%	10.1%	5.5%	30.4%	21.5%	12.3%	15.0%
Russell 2000	12.2%	12.2%	13.2%	44.4%	18.2%	5.7%	11.0%
Russell 2500	11.2%	11.2%	13.4%	40.1%	17.8%	6.9%	11.6%
MSCI EAFE	7.5%	7.5%	6.1%	24.6%	15.3%	8.8%	8.8%
MSCI EM	14.7%	14.7%	14.5%	46.7%	20.7%	6.1%	9.2%

Credit							
	Apr-26	QTD	YTD	1 YR	3 YR	5 YR	10 YR
BBG Global Agg	1.2%	1.2%	0.2%	2.5%	2.9%	-1.5%	0.6%
BBG US Agg	0.1%	0.1%	0.1%	4.1%	3.5%	0.2%	1.7%
BBG Credit	0.5%	0.5%	0.5%	5.3%	4.5%	0.7%	2.6%
BBG US HY	1.7%	1.7%	1.2%	8.8%	8.9%	4.4%	5.9%
BBG Muni	-0.7%	-0.7%	-1.1%	0.9%	3.3%	0.9%	2.2%
BBG Muni HY	1.4%	1.4%	2.1%	5.6%	5.5%	1.9%	4.2%
BBG TIPS	1.1%	1.1%	1.4%	4.1%	3.5%	1.4%	2.7%
BBG 20+ STRIPS	-1.6%	-1.6%	-2.3%	-2.6%	-7.0%	-10.0%	-2.9%
BBG Long Treasuries	-0.7%	-0.7%	-1.1%	0.9%	-1.9%	-5.1%	-0.8%
BBG Long Credit	1.7%	1.7%	-0.7%	5.8%	3.0%	-1.7%	2.4%
BBG Govt/Credit 1-3 Yr	0.2%	0.2%	0.6%	3.5%	4.4%	2.1%	2.0%
JPM EMBI Glob Div	2.9%	2.9%	1.6%	13.8%	10.3%	2.6%	3.9%
JPM GBI-EM Glob Div	2.8%	2.8%	0.5%	11.3%	7.5%	2.2%	2.6%

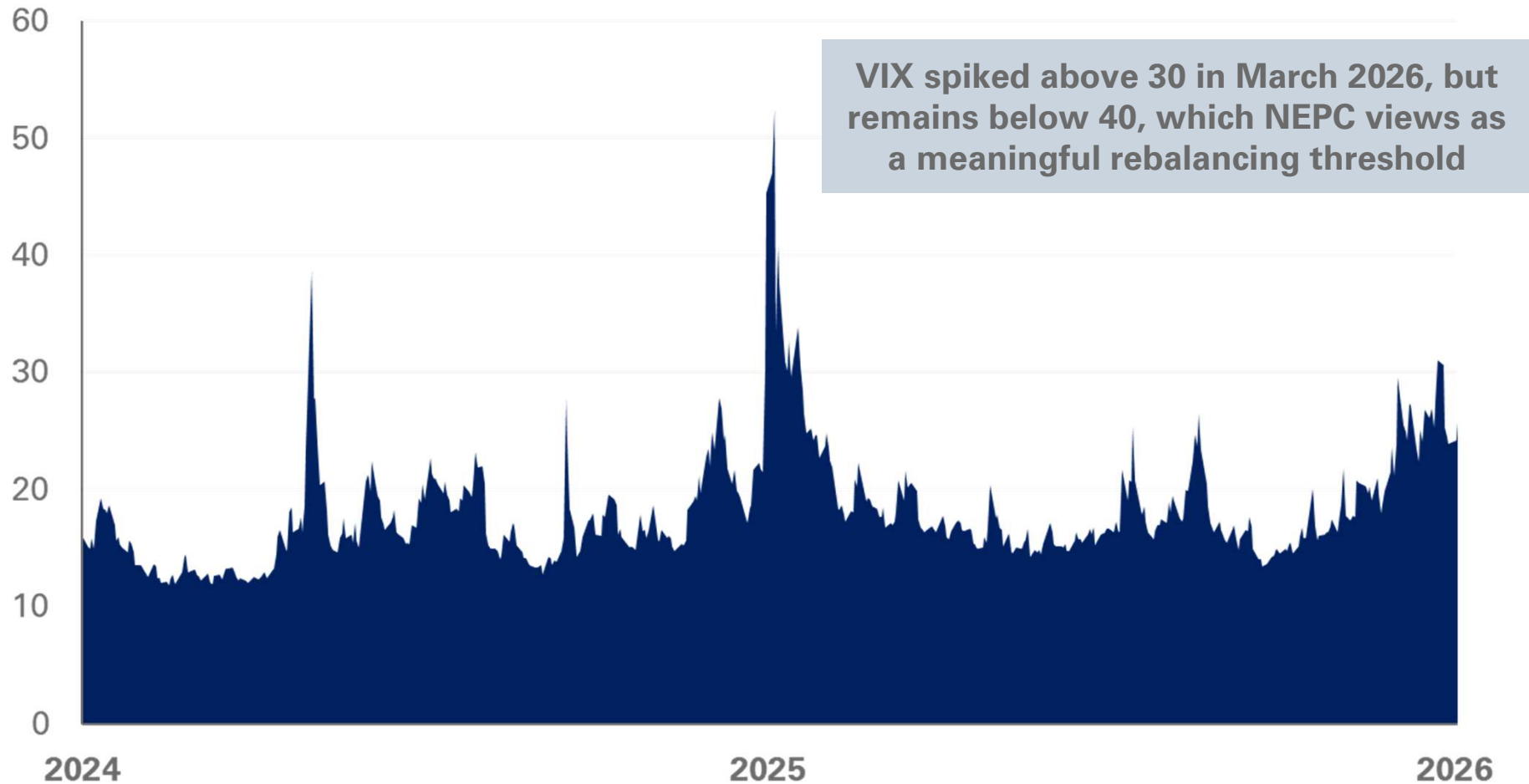
Real Assets							
	Apr-26	QTD	YTD	1 YR	3 YR	5 YR	10 YR
BBG Commodity	4.2%	4.2%	29.6%	44.8%	15.7%	13.2%	7.6%
Alerian Midstream Index	2.6%	2.6%	26.1%	31.9%	28.3%	23.4%	13.3%
NAREIT Composite Index	9.0%	9.0%	12.8%	15.0%	9.9%	4.0%	6.6%



Source: S&P, MSCI, Russell, Bloomberg, JPM, Alerian, FTSE, FactSet

# MARKET VOL TICKED HIGHER, BUT STILL BELOW 40

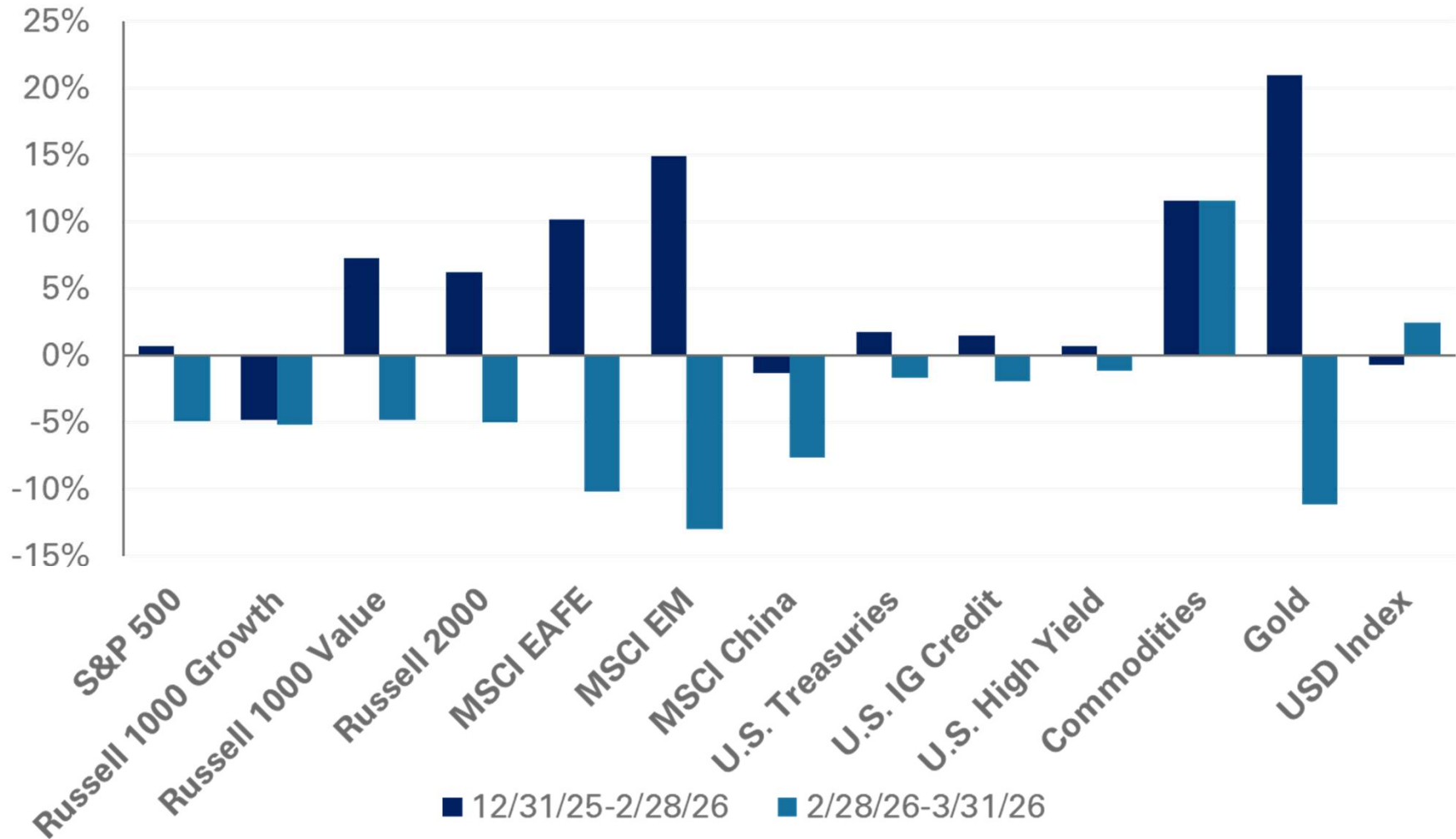
## CBOE VOLATILITY INDEX (VIX)



Sources: CBOE, FactSet, NEPC

# RISK ASSET SENTIMENT DETERIORATED IN MARCH

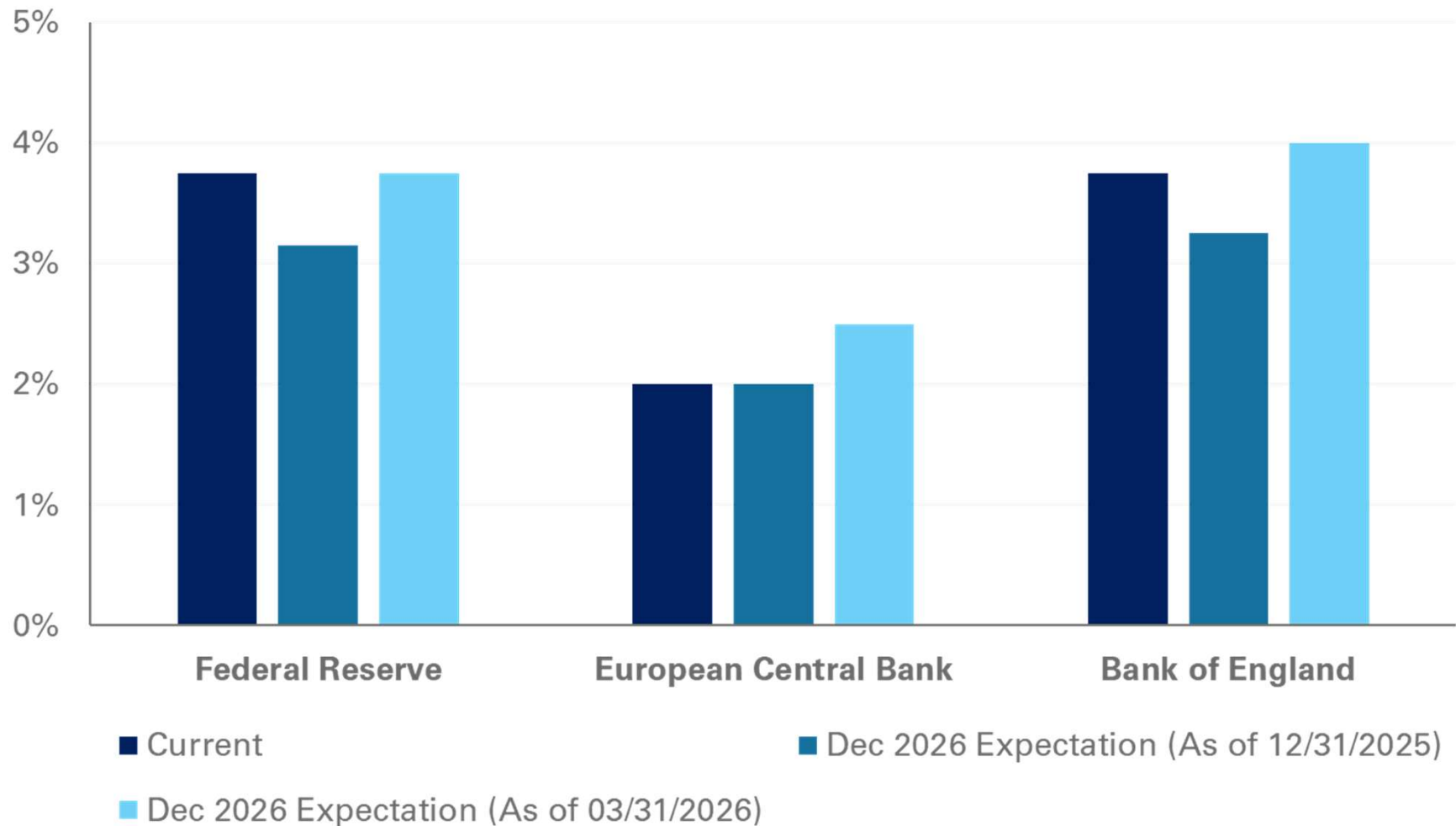
RETURN COMPARISON: 12/31/25-2/28/26 VS. MARCH 2026



Sources: MSCI, Russell, Bloomberg, S&P, FactSet

# CENTRAL BANK UNCERTAINTY IS ELEVATED

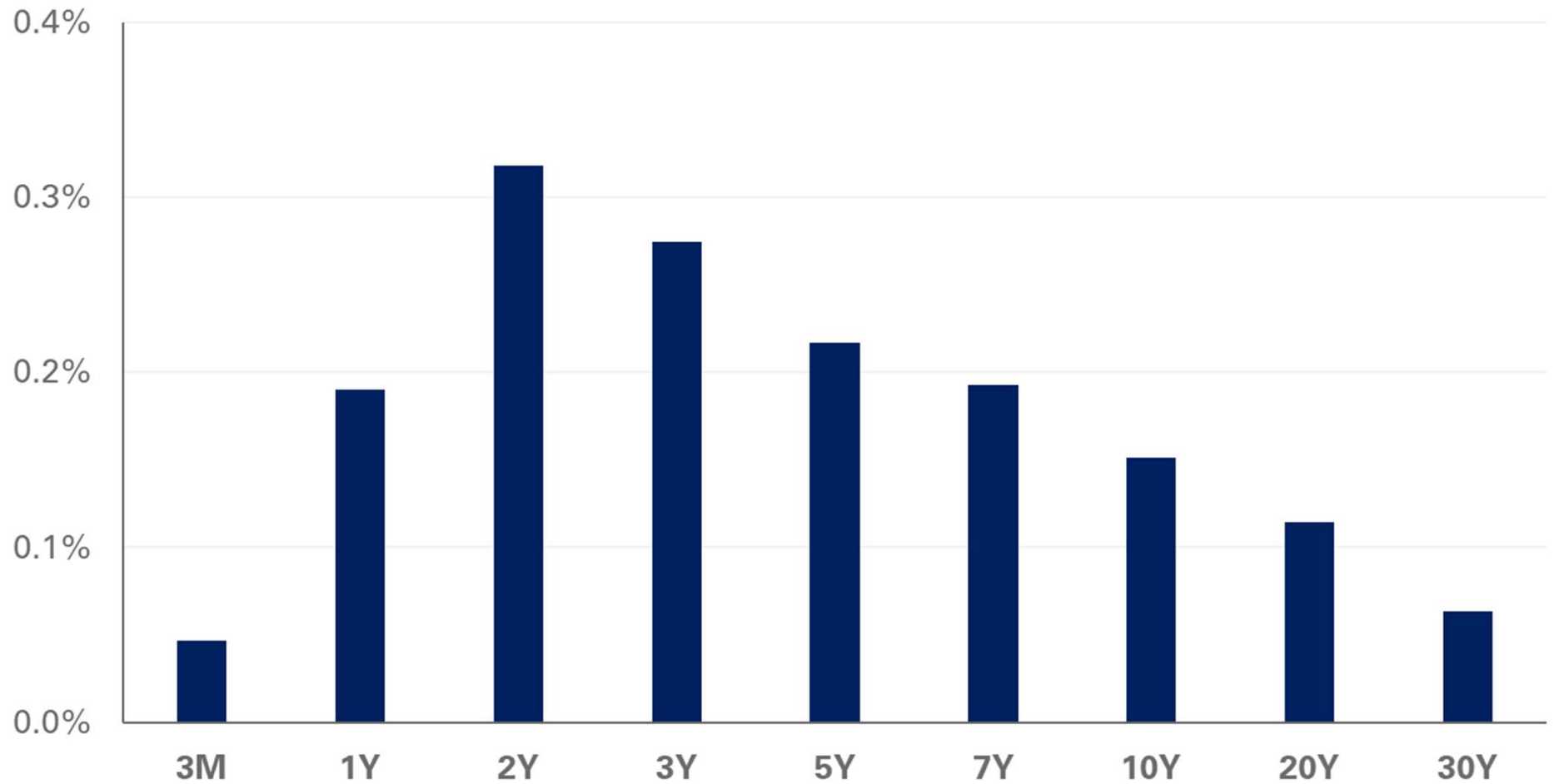
## MARKET EXPECTATIONS FOR CENTRAL BANK POLICY RATES



Sources: FactSet, ECB-Watch, Federal Reserve, Bank of England

# U.S. MARKETS PRICED IN TIGHTER POLICY

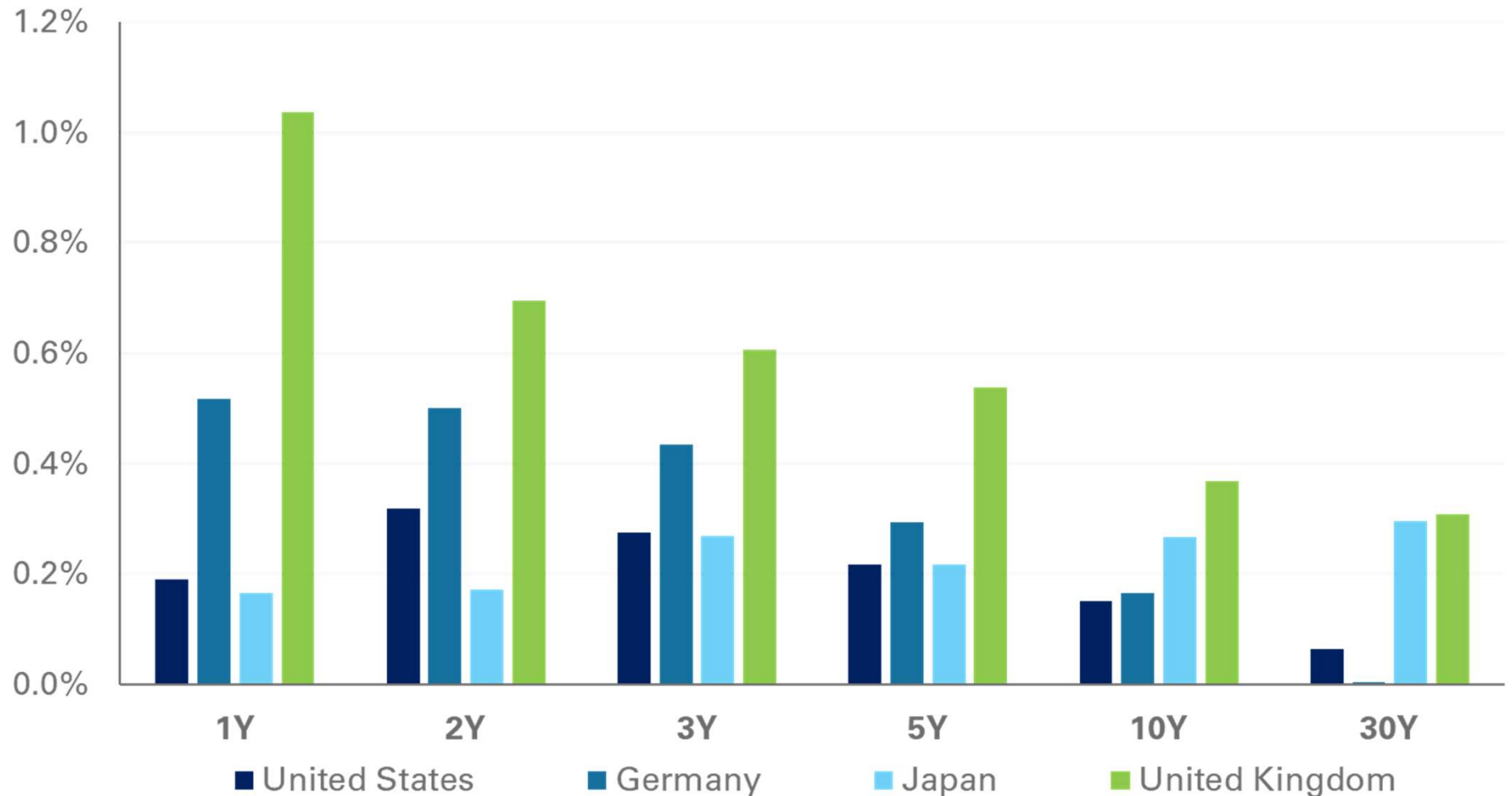
## QUARTERLY CHANGE IN U.S. TREASURY YIELDS



Source: FactSet

# RENEWED INFLATION CONCERNS WEIGHED ON BONDS

## QUARTERLY CHANGE IN YIELDS ACROSS GLOBAL BOND CURVES



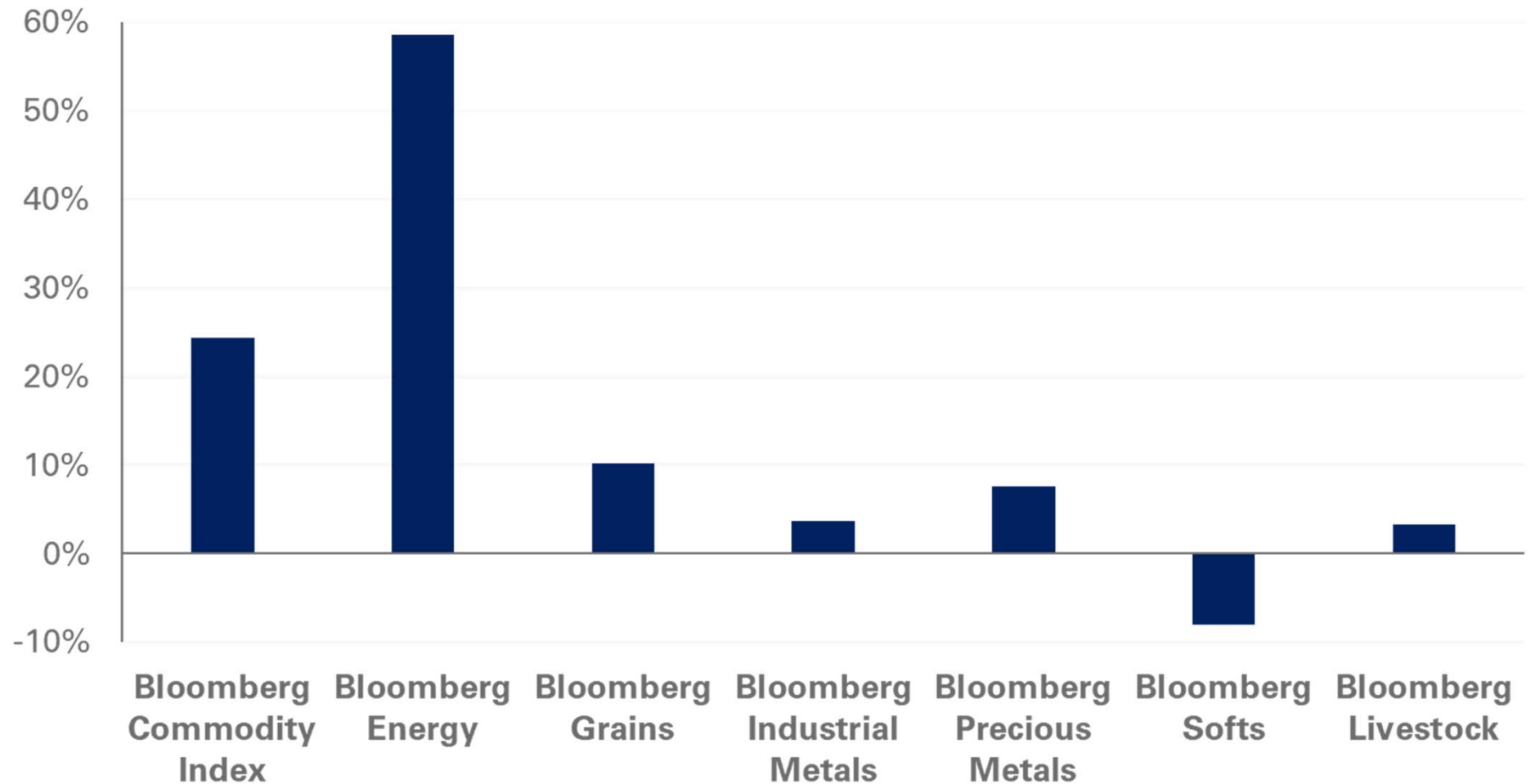
Note: Data reflects change in government bond yields 12/31/2025-03/31/2026

Source: FactSet



# ENERGY OUTPERFORMED AMONG COMMODITIES

## QUARTERLY TOTAL RETURNS



Sources: Bloomberg, FactSet



# APPENDIX



# INFORMATION DISCLAIMER

Past performance is no guarantee of future results.

The goal of this report is to provide a basis for substantiating asset allocation recommendations. The opinions presented herein represent the good faith views of NEPC as of the date of this report and are subject to change at any time.

Information on market indices was provided by sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.

All investments carry some level of risk. Diversification and other asset allocation techniques do not ensure profit or protect against losses.

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# TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON

## Meeting of the Trustees Finance and Audit Committee Tuesday, December 16, 2025 at 8:30 a.m. Held via Zoom

### MINUTES

A meeting of the Boston Public Library Trustees Finance and Audit Committee was held virtually on Tuesday, March 10, 2026, via Zoom at 8:30 a.m.

Present at the meeting including Committee Chair Evelyn Arana and Committee members: Jeff Hawkins, Senator Mike Rush, and President David Leonard. John Hailer was absent.

Also present were Chief Financial Officer Emily Tokarczyk, Clerk of the Board Pamela Carver, BPL staff, and members of the public.

Ms. Arana presided and called the Meeting of the Trustees Finance and Audit Committee (“Committee”) to order at 8:30 a.m. She read the welcoming EDI statement. The clerk took roll call and determined there was a quorum. The Clerk noted that the meeting was being recorded for administrative purposes and provided instructions for public comment participation.

The first matter of business was the approval of the meeting minutes from December 16, 2025 with no comments or edits, the minutes were approved.

Chair Arana invited Chief Financial Officer Emily Tokarczyk to provide an update on the Fiscal Year 2027 budget.

Ms. Tokarczyk outlined the City’s budget guidance, noting that the Library was tasked with reducing approximately \$2 million from a total budget target of approximately \$52 million. The submitted budget reflects level funding consistent with the prior year’s actual budget.

She explained that potential areas of investment include facilities, materials, IT, and staffing; however, final impacts remain uncertain pending the City’s review process. The budget was submitted on January 12, followed by discussions with the Office of Budget Management (OBM) in February. The Mayor’s proposed budget is expected to be released on April 8, with City Council hearings to follow in April and May. Final adoption is anticipated in late June.

Ms. Tokarczyk emphasized that no changes can be made to the submitted budget at this time.

In response to questions from the Committee, she noted that while the Library proposed potential reductions of approximately 2%, final decisions are determined at the City level and may not align with those suggestions. The City allocates funding by line item, and adjustments may require internal trade-offs depending on final decisions.

Committee members noted that the April proposal represents an interim stage and not a final determination.

Keith Gillette presented an overview of updates to the Library's network infrastructure under the eRate program. The proposed improvements include expanding bandwidth to 10 Gb/s, which will enhance system performance, connectivity, and the quality of video and audio services.

Chair Arana inquired about impacts on hotspot services.

A motion was made, seconded and voted to approve both eRate contracts as a slate.

**VOTED: “that, the Board of Trustees of the Public Library of the City of Boston approve the selected vendor as presented and discussed (Vendor name and exact contract amount is to be determined after deadline of March 5, 2026).”**

**VOTED: “that, the Trustees Finance and Audit Committee of the Public Library of the City of Boston recommend approval of a one-time contract not to exceed Sixty-Four Thousand Forty-Three Dollars and Forty Cents (\$64,043.40) with ePlus Technology, Inc. of 13593 Dulles Technology Drive, Herndon, VA 20171 to provide 60 of Cisco C9300-NM-8X Network modules as specified with the BPL.”**

Michael Colford provided an update on Bibliocommons and related initiatives. He discussed ongoing efforts to support the platform through a combination of private fundraising and public funding via the Library for the Commonwealth.

The Committee discussed the potential long-term implications for e-book platforms, noting that while future changes are possible, no immediate changes are planned.

A motion was duly made, seconded and voted to approve the Bibliocommons In-App Reader Development.

**VOTED: “that, the Trustees Finance and Audit Committee of the Public Library of the City of Boston recommend the Board of Trustees approve the contract with Bibliocommons Corp of 119 Spadina Ave, Suite 1000, Toronto, ON M5V2L1 Canada in the amount not to exceed One Hundred Thousand Dollars and Zero Cents (\$100,000) for development work on an in-app eBook, e-Audio reader.”**

Mr. Colford also introduced a proposed artificial intelligence pilot project within the Bibliocommons platform. The tool would operate within a closed library network and would not search the broader internet. Library staff have been evaluating the project and providing input.

Jessica Chapel clarified that the system is being developed by a company focused on library-specific content and does not rely on external web scraping. The tool uses controlled data and user-based algorithms to enhance search functionality.

A motion was duly made, seconded and voted to approve the AI pilot project.

**VOTED: “that, the Trustees Finance and Audit Committee of the Public Library of the City of Boston recommend the Board of Trustees approve the contract with Bibliocommons Corp of 119 Spadina Ave, Suite 1000, Toronto, ON M5V2L1 Canada not to exceed Fifty Thousand Dollars and**

**Zero Cents) \$50,000 for development work on an AI pilot around reader's advisory. This will introduce patron assistance in the catalog for finding books to read by working.”**

Chair Arana asked for New Business.

Jessica Chapel presented an update on a previously discussed initiative and a recommendation to accept a \$100,000 gift from OpenAI to support a pilot project.

The project focuses on digitization and improving access to Library materials through enhanced metadata creation. The pilot includes scanning materials and developing a processing pipeline, followed by an evaluation phase before any full production rollout.

Ms. Chapel noted that all scanned materials are from controlled, cataloged collections, allowing for quality assurance and parallel testing. She also highlighted the opportunity to address uncatalogued government documents, which represent a significant portion of the Library’s holdings.

The Committee discussed the role of artificial intelligence in extracting metadata and improving discoverability. It was clarified that:

- The Library would not grant exclusive access to its collections
- OpenAI would access materials only through standard public APIs
- Public domain materials would remain unrestricted
- Materials with copyright restrictions would require additional permissions, with access limited to metadata

The Committee agreed to defer the matter to the full Board of Trustees pending completion of legal documentation.

Ms. Tokarczyk informed the Committee that the current auditor contract is expiring and that a Request for Proposals (RFP) process will be initiated.

Ms. Arana asked for public comment.

Michael Colford, Director of Library Services, noted the opening of a Company One Theatre production in Rabb Hall, running through the end of March.

There being no further business, the meeting was adjourned at 9:14 a.m.

Respectfully Submitted,

*Pamela R. Carver*

Pamela Carver, Clerk of the Board