

Central Arkansas Library System
Board of Trustees Meeting
July 26, 2018
Main Library – 3rd Floor Board Room

Board members in attendance were Nancy Rousseau, Annette Herrington, Andre Guerrero, Stephanie Gibson-Branton, John Bush, Sheila Wright, Sophia Said, Bob Brown, and Kelly Moss. Marian Berry, Sarah French, Marilynn Porter, and Mike Berg were absent.

Staff members in attendance were Nate Coulter, Jackie Patel, David Stricklin, Carol Coffey, Adam Bearden, Nathan James, Jo Spencer, Lisa Donovan, Joe Hudak, Cathy Sanders, Tameka Lee, Rosslyn Elliott, Madelyn Ganos, Linda Ellis, and Elizabeth Newbern.

Also in attendance were Kyle Elmore and David Pollard.

Action Items

1. Auditors Presentation

Spencer introduced Kyle Elmore and David Pollard. Elmore is a Senior Manager and Pollard is a Senior Associate at the accounting firm BKD which conducted the 2017 Audit for CALS. Elmore noted that the Board packet contained a draft of the Auditor's report and a draft of the Manager's Letter. They expect both documents will be issued shortly after edits are made based on the Finance Committee's notes. Elmore noted that in future reports BKD hopes to include a 2016/2017 comparison. Based on their 2017/2018 comparison there was a net increase of \$350,000 of accrual. He noted that while this report and previous reports do not include numbers for FOCAL, its increase of income was substantial enough over the last year to prompt considering it as an asset worth including in future reports.

Spencer and Patel thanked the auditors for their presentation and for their diligent on-site work, which took over two weeks in the spring.

On behalf of the finance committee, Herrington moved to accept the 2017 audit. The move was approved unanimously.

2. Resolution to Change Authority Over Vanguard Accounts

Patel noted that authority over CALS's Vanguard accounts be transferred from Bobby Roberts, since he retired as the Director almost two years ago, and Jackie Patel, since she will be retiring at the end of the month. CALS needs authority over these accounts to reside with current employees. Patel proposed that authority be transferred to Jo Spencer and Nate Coulter and asked the Board to approve this change.

Bush moved to approve the resolution. Wright seconded the motion, and the resolution was approved unanimously.

3. Approval of Minutes

Rousseau, presiding in Berry's absence, asked the Board to consider the May and June Minutes for Approval.

Bush moved to approve the May Minutes. Herrington seconded the motion, and the May Minutes were approved without correction.

Herrington moved to approve the June Minutes. Wright seconded the motion, and the June Minutes were approved without correction.

4. Financial Report

Herrington reported total assets as of May 31, 2018 are \$116,979,733 with year to date income of \$1,078,920. She reported that there was \$43,000 in grant income and the salary figure for May was below budget.

On behalf of the Finance Committee, Herrington moved to accept the financial report and file it for audit, and the motion was approved unanimously.

Herrington reported total assets of June 30, 2018 are \$115,810,206 with net operating losses of \$274,778. She said that tax collection was up 2.7% from the last year. She added that the salary figure for June was again below budget for this point in the year. Brown noted that CALS seems to be holding onto a great deal of cash and asked if there were plans to move it into investments. Spencer said that she was working on opening a brokerage account for some of this amount and had plans to pursue other low risk investments.

On behalf of the Finance Committee, Herrington moved to accept the financial report and file it for audit, and the motion was approved unanimously.

5. Changes to Board Policy 400 Revisited

Donovan said that the changes to Board Policy 400 are still up to date based on last month's conversations. Hudak noted that the only substantial change was to introduce the section that noted that children need supervision in the Library.

Brown moved to approve the changes to Policy 400. Bush seconded the motion, and the changes were approved unanimously.

6. Gifts from Susan Gracey & Linda Riggs

Coulter stated that CALS has received two bequests through the wills of Susan Gracey and Linda Riggs (approximately \$75,000 and \$100,000, respectively) over the past two years. Riggs's bequest specified it was to be used for acquiring books, printed and digital, with a special interest for Fletcher's collection. Gracey's bequest was unrestricted. Both gifts came to the library, not the Foundation. Coulter proposed that these two bequests be moved to the Foundation, and subject to the Foundation accepting these on the

condition that the library use them as directed. Guerrero asked if these funds were intended to be self-perpetuating or if they were designed to be spent. Coulter said that the plan was to create a self-perpetuating fund from the Riggs funds, while the Gracey money, which does not have that restriction, could be spent.

Brown moved to approve the proposal to move these funds to the Foundation. Bush seconded the motion, and the proposal was approved unanimously.

Information Items

1. Marketing & Resource Development Report

Sanders reported that Summer Reading Club had more than 10,000 participants for the seven-week program. She said the last big celebration would be on Saturday, July 28, 2018.

She also noted that Rousseau had reminded her to create a photo list of all the staff who attend the Board meetings, so the Board would be more familiar with the staff and their titles. She assured the Board members that this would be done in advance of the August meeting.

Sanders announced that CALS staff decided to rebrand the Main Library Campus as "Library Square" so it is clearer that all our services and buildings are connected under the same umbrella. This means that River Market Books and Gifts will now be called the Bookstore at Library Square, and the Bobby Roberts Library will have "at Library Square" appended to it in event announcements, as will the Ron Robinson Theater. In addition, she said she was working with the city to determine the feasibility of changing the name of Rock Street to Library Square and renumbering the Library's buildings.

She also asked the Board members if they might be interviewed about their work with CALS and allow their stories to be used in promotional materials. Sanders added that she would be passing around stickers to promote the library's new branding efforts at the end of the meeting.

2. Butler Center Report

Stricklin reported that the Butler Center hosted more than 275 people at the Arkansas Sounds KAAAY retrospective event on June 29, one of whom was our new MRD staff member Rosslyn Elliott, CALS Creative Writer. He added that there were about the same number of people at the screening of *Relocation, Arkansas*, a film about the Japanese-American internment camps during World War II. This number included former president Bill Clinton, Elizabeth Eckford of the Little Rock Nine, Alice Takemoto, who was sent to the Rohwer internment camp, and her son Paul Takemoto. Stricklin said that there were 651 people in attendance for the gallery opening of the latest exhibition about the camp at Rohwer and the new exhibition on three generations of artists from the Brewer family. He added that there were around 280 people attended the Butler Center's annual genealogy workshop on July 21.

He said that tomorrow night's July Arkansas Sounds concert will be a tribute to Arkansas blues legend Michael Burks. The event will take place at 7:00 p.m. in the Ron Robinson Theater.

Coming up next month, Stricklin said that August Legacies & Lunch will feature Donald Higgins, presenting on rock art at Petit Jean Mountain. The event will be at noon on Wednesday, August 1, in the

Darragh Center. He also noted that the next event for Arkansas Sounds will be on Friday, August 10, and will feature an all-star acoustic band doing a show called the Roots of American Music at 7:00 p.m. in the Ron Robinson Theater. Stricklin finished by noting that a Sounds in the Stacks concert will take place at Fletcher Library at 6:30 p.m. on Tuesday, August 14, with guitarist Brian Nahlen.

3. Building Report

Bearden reported that the parking deck space for the UA Little Rock was officially under construction. He said that the space for Nexus Coffee on the first floor of the Main Library was also in the works; he's just waiting for the lease agreement.

He also reported that the geothermal fields underneath the Dee Brown Library were leaking, which is leaving the location's air conditioning working at 50 percent capacity. Due to the difficulty of getting access to the fields, Bearden and his team were not going to repair the geothermal field. Instead, Dee Brown will be receiving a traditional AC unit that will be easier to repair down the line.

4. Statistical Report

Coffey reported that total circulation for June was down 4%, at 230,950. However, she noted that the total number of downloads was up 12% to 50,555 over last June. That is the second highest monthly total ever, coming right after May. She said that if June had 31 days, the total would most likely have surpassed May, since the daily average number of downloads was 1,685.17. That average is the highest daily average since CALS began offering digital downloads. Coffey said daily digital downloads number is expected to grow, as CALS has just added streaming capabilities to the Freegal music service.

She stated that the number of groups using our meeting rooms was up 29% to 606, with attendance up 24% to 12,083 over the previous year. She added that study carrel use was up 18% to 6,083, and the total number of programs was up 22% to 822, with program attendance up 2% to 22,063.

Coffey said that website visits were down 7% over 2017 but page views were up 22%. That can probably be attributed to users clicking around to check out the new website.

5. Committee Report

There were no Committee Reports presented at this meeting.

6. Director's Report (submitted in writing)

Coulter noted that he had submitted his report to the Board in writing (attached) to ensure enough time remained for the Board to go into executive session; however, he had a few additional notes:

He noted that Central High School, a Civil Rights site, is under review to be considered a World Heritage site, along with several other Civil Rights sites across the country. Currently, there are only 23 World Heritage sites in the United States. Rousseau, who is the principal of Central High School, said that the selection process will take place through the University of Georgia and will take two or three years to complete the process, but everyone was optimistic that it should go through without problems.

Coulter also noted that the City of Little Rock has been awarded a grant through the National League of Cities for a little less than \$140,000 to be used to enhance afterschool and summer nutrition programs in the city. CALS and the Arkansas Hunger Relief Alliance helped apply for the grant, and they intend to hire a manager for the program to be paid with the grant money.

He said that CALS was still in conversations with Library Strategies, an affiliate of the Friends of the St. Paul Library, to lead CALS in creating a strategic plan. The organization will help CALS find ways to raise money, market the Library more effectively, and confirm the need for an election to seek more operational funds at some point in the near future.

Coulter added that CALS was still working with Entegrity, the ESCO firm that did an energy audit for the system, to discuss what investment was feasible for reducing operational costs.

Coulter also noted that CALS was hosting a retirement party for Jackie Patel that evening to thank her for her many years of service. All Board members were invited to attend. He also added that the Operations Manager, Adam Bearden, would be leaving CALS in mid-August to open his own construction consulting company.

7. Other

Nathan James said that Kivu, the cyber security firm, would be sending the final report on the Ransomware attack soon. He noted that CALS did call the FBI and submit an incident report; however, the FBI indicated that it would not be high on their priority list to investigate the claim. Brown asked if there were an Executive Committee on the Board that could help make quick decisions on behalf of the Board for cases like this. James said that when minutes count, as was the case with the Ransomware attack, having a plan of action and people prepared to handle the situation is essential. CALS truly came out of this well. Coulter noted that another delay associated with consulting the Board on emergency events like this would be that CALS is required to notify the press at least two hours in advance of any meeting.

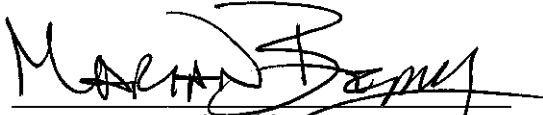
Coffey noted that there will be a Blood Drive at the Main Library this coming week (July 30 – Aug 3).

Spencer and Coulter noted that at the August meeting they will be proposing an Amendment to the Bylaws to decrease the number of annual meetings from 11 to 10. The Amendment will propose that meetings for June, July, and August be combined into two agreed upon meetings in addition to the combined meeting for November and December.


Rousseau moved to go into executive session; all staff members dispersed.

The board returned from executive session and announced the following action:

After review of the director's evaluation and meeting with him, the Board approved a 2.5% raise for the director and a \$6,000 bonus to be paid in December.



President



Secretary