

Central Arkansas Library System
Board of Directors Meeting
April 22, 2021
Zoom Video Call

Board members in attendance were Nancy Rousseau, Brandon Grice, Bob Brown, Audrey Evans, Marian Berry, John Bush, Andre Guerrero, Marilynn Porter, Stacey McAdoo, and Mandy Gill. Stephanie Gibson-Branton, Kelly Moss and Karama Neal were absent.

Staff members in attendance were Nate Coulter, Lisa Donovan, Lance Ivy, Jo Spencer, Tameka Lee, Carol Coffey, Kate Mathews, Joe Hudak, Ellen Samples, Pam Rudkin, Mark Christ, Kay Kay DeRossette, Eliza Borné, Polly Deems, David Stricklin, and Heather Zbinden.

Also in attendance was Joe Flaherty, reporter for the Arkansas Democrat-Gazette.

Action Items

1. Approval of March Minutes

Rousseau asked the Board to approve the March Minutes as written.

Evans moved to approve the Minutes as written. McAdoo seconded the motion, and it was approved unanimously.

2. March Financials

Grice reported that as of March 31, 2021, CALS assets totaled \$103,005,618 with net losses of \$2,091,041. The net losses can be attributed to the timing of our receipt of property taxes. He noted that parking income is up for the month of March compared to previous months. He expects that trend to continue in coming months. Ad Valorem Tax is also up 7 percent over last year.

Brown asked what defined retained earnings. He noted that the Financials report equity is shown as \$42,700,000 but is called the retained earnings for CALS. Grice said that retained assets are your combined assets and liabilities; net losses and net income are added into that number for each month. Year over year it adds to the net income and loss that add to the retained earnings balance for the year. Spencer said it's the balance sheet for the net income and loss for the number of years that it has been accumulating.

On behalf of the Finance Committee, Grice moved that the March Financials be filed for audit. It was approved unanimously.

3. Approval of Trustees for CALS Retirement Plans

Spencer said that CALS is updating all of the library's plan documents because they have not been updated in many years. CALS has three different retirement plans, and they all came into existence at different times. She said she and admin staff are trying to streamline the documents and ensure that they are all still accurate. Coulter and Spencer are the trustees at CALS third party custodian, John Hancock, where CALS keeps all of its plan assets. Spencer said that the each of the following plan documents need to reflect this:

- *CALS Pension Plan* – the plan where CALS makes the contribution for the employee.
- *CALS 457 Plan* – the plan where employees are can make tax deferred contributions up to the IRS limits.
- *CALS Matching Plan* – the plans where CALS will match up to 2 percent of employee contributions to CALS 457 Plan.

Spencer asked the Board to approve the resolution submitted to them ahead of the meeting that updates the plan documents to show that Spencer and Coulter are listed as the trustees.

Berry moved to approve the trustees for CALS Retirement Plans. Bush seconded the motion, and it was approved unanimously.

4. Approval of CALS Rock It! Lab MOU

Coulter said that the MOU has been reviewed by attorney Bill Spivey from the Wright, Lindsey, and Jennings Firm, who handles this type of matter for the library. The MOU is the document that outlines the legal and financial relationship between CALS and the nonprofit ABE in connection with their joint sponsorship of the Rock It! Lab. Coulter said that CALS needs the Board's approval to authorize him to sign this MOU on behalf of the library.

Brown said he believes the agreement needs to specify what the entity, ABE is. He added that he is also concerned about insurance, and what CALS would be liable for. He also needs some edification on the retail market open to the public; he asked if food products going to be sold or just food concepts. Coulter said that all of those concerns came up in their discussions with the attorneys and Spencer had CALS insurance agents at Meadors, Adams, and Lee review it in light of the library's liability policy issued through that agency. CALS received a certificate of insurance coverage that satisfied the attorneys' and CALS insurer's concerns about any potential liability exposure that might arise out of the activities of the RIL in the Cox Building. Some of the exact nature of those activities is still being planned and worked out by the parties. Essentially it will provide space for small businesses to sell their wares over a short time with minimal risks while gathering feedback from shoppers. Coulter said that we believe the language in the MOU does make clear that CALS would not be underwriting or otherwise responsible for any of the wares, including food products, that might be offered for sale in that space. He noted it is always possible that CALS might face a lawsuit despite the best drawn language protecting against liability and obligating ABE to provide coverage protecting CALS.

Bush moved to approve the CALS Rock It! Lab MOU. Guerrero seconded the motion, and it was approved unanimously.

Information Items

1. Director's Report

Coulter noted that he submitted his report in writing to the Board ahead of the meeting, but did want to share a few highlights:

- *New Director of Resource Development* – Coulter said he wanted to officially introduce and welcome Eliza Borné, who is on the call today. Borné said thank you to Coulter. She said she is happy to be wrapping up her fourth week on the job. She believes by next week she will have visited every branch in the system and met with many people on staff. She has also been meeting with several donors and prospects, including several people on the call. Her goal is to identify funding opportunities across the system and match those with foundations, grants, corporate giving programs, and individuals who might be inclined to support the good work at CALS. She wanted to share two specific projects that have come out of these meetings so far:
 - Williams staff expressed how much they missed their family dinner nights and hoped to return to that programming soon. Borné spoke with Kay Kay DeRossette, Grants Coordinator for CALS, who knew that the Be Mighty Program has some money available to create some take-home meal kits to recreate the program at home.
 - Terry Manager Jennifer Cordell expressed the desire to create literacy kits for patrons to check out and take home if she had enough money for the materials. Borné found out that there is a Dollar General Literacy Grant deadline in the next few weeks that seems well-suited for this project.

She added that they also have a number of grants proposals in progress to support a wide array of support for the Tool Library at Dee Brown, community outreach, visual art programs, and some digital literacy initiatives. CALS is also trying to stay on top of the many opportunities available to libraries through the American Rescue Plan Act. DeRosette and AmeriCorp VISTA Oliva Domba have written and submitted three grants that have been successful; these funds will support almost 300 produce boxes that will be distributed at Dee Brown Library and Millie Brooks Library, another grant to support the community garden at the Millie Brooks MicroLibrary, and a mini-grant to support an artist fee for a Summer Reading Program led by Drama Kids International. April 7th Library Giving Day was a huge success; CALS is still receiving gifts through snail mail. The week (April 19 – April 23) is Volunteer Appreciation Week, and Borné wanted to recognize the hard work of Volunteer Coordinator Polly Deems, who has been finding ways to celebrate the hard work of our CALS volunteers across the system.

- *E-Rate Subsidy Increase* – Coulter said that CALS has recently learned that as a result of some extra funding from the COVID-19 relief funds, the e-rate subsidy that the library uses to help subsidize internet costs for CALS may also offer the library the opportunity to use these funds to pay for the cost of WiFi hotspot data plans. This would increase our ability to help in efforts to support digital equity efforts in the community.
- *Staff Vaccinations* – Coulter said that the Head of HR Candace White, reached out earlier in the week to notify Spencer and Coulter that the Biden Administration announced that employers that were incentivizing staff to get vaccinated will get a payroll tax credit. CALS has been giving all staff members who get fully vaccinated 8 hours of PTO; to date, 183 CALS staff members are fully vaccinated.
- *Possible Funding Opportunity* – Coulter said the federal government gave a large chunk of money, approximately \$200 M, to the Institute of Museum and Library Services (IMLS), the only federal organization involved in regulating and supporting libraries in the U.S. The \$200 M gets divided among the 50 States. In Arkansas, the money (\$2.66 M) distributed by IMLS will be sent to the Arkansas State Library for further distribution across the state. The Director of the Arkansas State Library, Jennifer Chilcoat, is working with libraries across the state to determine how best to have institutions apply for the money.
- *Monthly CALS Statistics* – Coulter noted that the monthly statistics provided by Patron Experience and Library Analytics Coordinator Carol Coffey shows that circulation is up this month. Total circulation is up 26 percent and physical circulation 46 percent. CALS is still lagging in the number of people coming in the building since the library's meeting rooms and study rooms are still closed, and our locations have not yet resumed in-person programming. The Encyclopedia of Arkansas sessions are growing. It is up one third from March of the previous year.
 - Evans said that one reason that may have caused digital circulation to be down is the recent changes to Libby. She said that as a Libby user, she received no warning about the software change, and for less digitally literate users it created a lot of frustration and perhaps barriers to use.
 - Coffey said she had not heard complaints about this issue, but she suspected CALS Information Services staff may have been fielding these requests. She and Coulter both encouraged Evans to tell anyone experiencing issues with Libby to contact their library for help.
- *Report from Managers* – Coulter received a report from one of the Branch Service Coordinators, Pam Rudkin, which included information about curbside services at different locations. He said that of all the curbside service that is still going on 41 percent of it is happening at Fletcher Library. One fourth of the entire circulation at Fletcher is by curbside.
 - Evans asked if it is possible to encourage or promote curbside services at locations where patrons have not been using them as much.
 - Rudkin said that curbside was super robust everywhere 6 months ago. In recent months, CALS has seen a dramatic drop in curbside service everywhere except for Fletcher. Fletcher patrons love curbside.

- Guerrero said this his perception is that the Fletcher Library parking lot is not very large. It may be easier for logistical reasons to do curbside at Fletcher. He also asked if Borné has reviewed the strategic plan and used it as guiding document to develop resources for programs and services that benefit branches equally across the system.
 - Borné said the limiting factor for this strategy is staff time and human resources. There are so many grants that CALS could apply for and asks the library could put out there, but it is not possible to pursue them all. Using the Strategic Plan as a guiding document is important, but not the only document that provides insight on how to better allocate resources and services across the system. She recently spoke with the Outreach Team at CALS and they indicated the need to create a culture of welcome. That resonated with Borné. In terms of the curbside issue, CALS could make signage more welcoming to invite use of the service.
- *CALS Millage Increase* – Coulter reported that the library needs about \$2 M in operational funds to continue to provide the level of service CALS currently does. This will require CALS at some point in the next year or so to ask tax-payers to approve an increase in the operational millage. To reduce the impact to tax-payers, CALS may also ask for a decrease in the capital millage, which pays for the debt that funds new construction projects and renovations. Coulter said that lawyers he has consulted told him that each of these actions requires separate votes on the ballot so it might be wise to pursue them serially. If CALS pursues a special election in 2021, it will be competing with the Little Rock School District and the City of Little Rock who both have their own issues to bring to tax-payers this year. In order for CALS to be on the ballot in the fall in 2021, the library will need to decide within 90 days of the election date, which in this case would be June or July if CALS wants the special election to happen in September or October.
 - Guerrero asked if there were any trends that showed that special elections tend to pull pro voters as opposed to the against voters. Coulter said that he thinks there is a conventional wisdom that special elections are a low threshold for school districts, libraries, government entities, etc. to ask for an increase in taxes. But Coulter said the library has a strong case no matter the composition of the electorate or turnout. The AR Legislature has finally adopted this year limitations on special elections that will take effect in 2022. Presumably this was enacted because a number of legislators think special elections enable tax increases and these legislators wanted to limit the ability to enact tax increases.
 - Brown said he worries about a situation where the school board, the library and the mayor are all trying to get an increase in something that there will be an “aginner” sentiment that will encourage voters to oppose all increases. He cautioned that timing may create that issue. Coulter said that he shares these concerns with Brown, and he believes this is where the library would need to defer to experts. Guerrero expressed a similar concern, saying there could be a “constellation” of tax proposals that could hinder the library.

2. Vote on Summer Meeting Dates

Coulter said that library staff noticed two years ago that the CALS Board consistently had problems making quorum in June, so the bylaws were amended so that only two summer meeting dates were required, and the Board would vote to decide when these two meetings would be held. Rousseau asked the Board to vote on which month they would prefer not to meet this year. After some conversation amongst the Board members, Rousseau suggested that the Board consider meeting in June and August and not meet in July.

Berry moved that the Board meet in June and August, and not meet in July. Grice seconded the motion, and it was approved unanimously.

3. Other

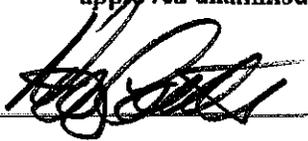
Rousseau wanted to let the Board know that the Little Rock School District received \$28 M to offset loss of learning. This has allowed kids to re-take courses, form mental health groups, attend Saturday school, and have cookouts on the weekends. It has had a really positive effect on the kids.

Rousseau asked if it was possible to meet in-person next month. Coulter said that it was up the Board members to decide if they wanted to meet in-person. He suggested that in favor of those who still want to be cautious CALS could facilitate a hybrid meeting.

Porter moved to hold a hybrid in-person/virtual meeting in May. Grice seconded the motion, and it was approved unanimously.

Rousseau asked for a motion that the meeting be adjourned at 1:16 p.m.

Evans moved to adjourn the meeting. Berry seconded the motion, and it was approved unanimously.



President



Secretary