

Central Arkansas Library System

Board of Directors Meeting

December 14, 2023, at 11:00 A.M.

Hybrid Meeting: UALR Downtown & Zoom Video Call

Board members in attendance were Ryan Davis, Bob Brown, Dustin McDaniel, Luke Underwood, Madhav Shroff, Andy Gill, Audrey Evans, Alexis Sims, and Esperanza Massana-Crane. Sybil Jordan-Hampton, Stacey McAdoo, Brandon Grice, and Jennifer Jamison were absent.

Staff in attendance were Nate Coulter, Tameka Lee, Eliza Borné, Jo Spencer, Carol Coffey, Pamela Bandy, Joe Hudak, Kate Matthews, Will Gross, Hannah Saulters, Nathan Smith, Dre Thornton, Ellen Samples, Candace White, Mark Christ, Polly Deems, Amanda Orgel, Heather Zbinden, Brant Collins, Danielle Afsordeh, and Courtney Jones.

Also in attendance was Joe Flaherty with the Arkansas Democrat Gazette.

Action Items

1. Approval of Minutes

Davis asked the Board to approve the October minutes as presented.

Spencer pointed out that the October minutes said that McDaniel filed the September financials, not McAdoo.

McDaniel moved to approve the October minutes with that amendment. Underwood seconded the motion, and it was approved unanimously.

2. Approval of October and November Financials

With Grice absent, Spencer reported the financials in his stead. Spencer reported that as of November 30, 2023, CALS assets totaled \$113,040,907.88 with a net income of \$3,774,645.21 Total assets on October 31, 2023 were \$105,960,052.89 and net loss was (\$3,164,423.01). She said that tax collections for the year were up 9.04% through November.

Davis filed the October and November Financials for audit.

3. Approval of 2024 Budget

Spencer met with the finance committee earlier in the week to go over the budget with them. For the 2024 budget, the system is anticipating revenues to support a budget of \$27,409,553. This includes \$16,444,789 going towards salaries and benefits which are our largest expense, \$2,498,050 for library materials like books and DVDs, \$6,227,374 in

operating expenses, \$382,860 in debt service and \$1,610,000 in total capital and deferred expense projects. The deferred expense projects are ones that Hernandez has been waiting to work on including a new HVAC system at Milam, replacing the roof at Dee Brown and a new HVAC system at McMath.

Coulter then talked about some highlights of the budget as he described them in his budget memo for the year. Coulter began by mentioning that expenses came in \$400,000 under budget this year and credited this to the diligent work of the financial department. He then said there was a \$2 million uptick in revenues over our budget. This was due to increased tax collections, the payoff of capital bonds and related tax collection after that payoff, and the sale of Hillcrest Hall.

The budget for 2024 is under the budget for what was collected in 2023. Tax revenues are expected to increase and state aid is expected to be flat. Grants continued to be a significant way of funding the library. The budget is also supplemented by rent for spaces that we lease, parking fees and library fines. Parking income is expected to decrease with the construction of Main, and library fines are expected to decrease as part of the long-term trend. Total salaries and benefits are about 60% of our expenses, which is relatively low compared to comparable libraries. Library materials were steady at 9% of our budget, though Coulter would like that number to be higher. Total operating expenses are budgeted for nearly the same as was expected for 2023. Debt service goes towards paying for energy efficiency upgrades that were made several years ago.

Gill asked what percentage [of budget that goes towards materials] would be ideal. Coulter suggested a number around 12-13%. Spencer said that we were working on meeting that goal. Coulter then began to talk about a five-year investment the system is making into a full digital archive of the Arkansas Democrat Gazette [and its parent papers] going back to 1922 to help with research throughout the state. Matthews and Spencer were very impressed with the quality of the archive. Spencer wanted to credit head of information services Sarah Mallory for her hard work putting it together. Mallory is also looking to add several other newspaper's online services to expand our offerings. Coulter talked about how the new archive will allow patrons to access it outside the library, unlike our current archive.

After a story about the importance of the archives from Coulter, Underwood asked the group if there were any more questions about the budget before a motion was put forward to approve it.

Brown moved to approve the 2024 General Fund Budget as presented.

Underwood seconded the motion, and it was approved unanimously.

Spencer noted that the board still needed to approve the smaller budgets as well. This includes the Ron Robinson Theater which had a great year according to Spencer. The Emmett Morris Fund which makes interest and is used to fund employee celebrations and has a budget of \$19,381. The budget for the Butler Center and The Encyclopedia of Arkansas which has much of its revenue from grants and donations to the CALS

Foundation, their total income budgeted is \$150,479. The Six Bridges Book Festival is budgeted for \$118,900 and includes a carry forward budget of \$56,000. The last fund is a new fund, the CALS Used Book Sale Fund (CUBS), made up from the money earned from the book sale which was formerly run by the Friends of CALS who voted to dissolve themselves.

Underwood moved to approve all of the ancillary budgets for 2024. Davis seconded the motion and it was unanimously approved.

Evans thanked Coulter for writing out the budget memo to help make it easier to process the information within the budget.

Information Items

1. Director's Report

Coulter highlighted a few items from his written report:

- *Construction Updates for Main and Williams:* According to Coulter, like a large ship the construction of Main is now “underway”. Contractors have begun removing all books from the library, and design changes are being made. The Williams library is getting worked on actively and is on track for an April re-opening.
- *Act 372 Litigation Update:* Coulter began giving an update on the ongoing litigation. The case now has a final hearing in October. This means the injunction will remain in effect until the second half of 2024. The defendants did not take the chance to appeal the injunction and their deadline to do so has now passed. This means that they cannot appeal the case until a final ruling by Judge Brooks. The earliest that a decision could be made is after May 15, 2024.
- *CALS Tech Cards and Act 372:* While the injunction is in place, we are still seeing the consequences of it. Coulter mentioned how when he was at a Coffee with Nate at Sanders, he was asked about the system’s tech cards not being distributed to Pulaski County Special School District students. PCSSD in fear of the effects of Act 372 stopped providing their 50,000 students with these cards. Coulter explained that the advantage of these cards was that it allowed students to access library resources without needing to add in extra steps. Typically, CALS would send a letter to parents explaining to them the card and would then distribute them to students. There are landing pages for each age group to allow kids to find appropriate content, and the letter explains how parents can monitor their children’s consumption of content through CALS. Coulter then goes on to say that thankfully, the policy was rescinded after the media caught wind of it. Lee then explains that the policy is now opt-out as opposed to the opt-in system they moved to. Now parents will receive a digital permission slip that they fill out if they’d like a card and gives the parents a chance to opt-out, if a permission slip isn’t signed, then a child will still receive a card. So far only 1 parent has opted out.
- *Introduction of Kate Matthews:* Coulter took a moment to recognize and introduce Kate Matthews, the new Director of Public Service. Coulter talked on the skill and expertise that Matthews and her counterpart Samples will offer and gave them his vote of confidence. Coulter then asked Samples to talk about the Count-Up Program.

- Count-Up*: Samples said the Count-Up math tutoring program has grown since the last time it was discussed before the board with 107 students being served in weekly tutoring sessions. The waitlist has also grown to exceed the size of the population served. Due to the program growing past the current administrative capacity, they have temporarily closed applications to ensure that the service being offered is of a high quality to existing participants. So far, the program has glowing reviews and continues to maintain the high level of support it had since the beginning. Samples was particularly proud of the quality of volunteers the program has received and the relationship with the community it has fostered. Evans asked if it would be possible for Borné and the development team to help with program financing to help it expand beyond its current capacity. Samples said there was already work being done applying for grants from the city to help expand the program's capacity. Samples said that future funding would be sought out to allow for more back-end capacity to allow the program to expand. Coulter then went on to talk about how the system had received letters from parents and children who were not able to make it into the program, and how he sees this as a way to help grant the program credibility when searching for future funding sources. Evans mentioned she was optimistic about the future of the program, despite the growing pains. Borné then said the program was grant funded from day 1, started with money from the Walton Personal Philanthropy Group and sustained with federal education grants. Davis then said that he had seen the program's successes through his own son's participation. Underwood then asked if it was an all-ages program. Samples said it was K through 12, and the largest portion of participants are 3rd and 4th graders, though there is a large population of high schoolers who participate. Coulter mentioned that the Walton foundation found that there was nowhere in town doing Math tutoring in Little Rock, which motivated the formation of the program. Coulter then went on to highlight Samples' ability to train others in techniques to administer programs successfully and credited her input as a part of the Count Up's success. Borné then said that they were trying to recruit an AmeriCorps VISTA to support the program but were having trouble filling that position and encouraged participants to encourage the young people they know to apply.
- Coulter then went on to praise the work of the Communications Department and brought up the awards they have earned. He thanked them for the hard work they have done and the help they offered the staff.
- Coulter then went on to recognize and thank the Board Members for which this is their last meeting. He thanked Brown and gave him a copy of the book Romney: A Reckoning by McKay Coppins. Brown then went on to tell a story of his first board meeting and how he had surprised Spencer, then Coulter went on to talk about how Brown was always willing to ask good questions and make good suggestions. Brown then went on to thank the Board and the staff of CALS for all their work during his tenure. Coulter then went on to thank Gill and gave him a copy of the book How to Know a Person by David Brooks. Gill said that in the time he was on the board, he felt he got more from the meetings than the meetings got from him. He said he plans on being involved with the library long after his time on the board is over. Coulter then thanked Hampton, who was unable to be at the meeting that day. He brought a recent memoir as a gift for Hampton. Coulter then noted that she was stepping away from the board to work on her own memoir. Afterwards, Lee pulled out several framed prints of a painting that hangs at the Williams branch to give as

gifts to the departing board members. Davis took a moment to speak on the first time he had met Hampton, who instilled in him the importance of his position on the board. Many others including Evans and Coulter took a brief second to reinforce these kind words.

2. Other

Davis took a moment to compliment Collin's son's musical ability, which he witnessed at a concert at their children's school.

3. Move to Adjourn

Gill moved to adjourn the meeting. Davis called the meeting adjourned at 1:03 p.m.

President

Secretary