

## Central Arkansas Library System

### Board of Directors Meeting

December 12, 2024, at noon

### Hybrid Meeting: Williams Library & Zoom Video Call

Board members in attendance were Alexis Sims, Karama Neal, Brandon Grice, Audrey Evans, Madhav Shroff, Luke Underwood, Dustin McDaniel, and Esperanza Massana-Crane. Stacey McAdoo, Ryan Davis, David Finkbeiner, Jennifer Jamison, and Joyce Elliott were absent.

Staff in attendance were Nate Coulter, Tameka Lee, Jo Spencer, Ellen Samples, Kate Matthews Gonzalo Hernandez, Eliza Borné, Hannah Saulters, Nathan Smith, Andre Thornton, Pamela Bandy, Carol Coffey, Joe Hudak, Katie Adams, Elizabeth Clements, Leslie Blanchard, Heather Pressgrove, Sarah Jane Rawlinson, Heather Zbinden, Amanda Orgel, Latina Sheard, Shya Washington-Webb, Tyler Compton, Stu Nichols, Ray Terry, and Glenn Whaley.

Also in attendance were Joe Flaherty with the Arkansas Democrat-Gazette, Matthew Lehner with CDI Contractors, Amanda Sturgell with Polk Stanley Wilcox, and Benito Lubazibwa.

McAdoo and Davis were unable to attend the meeting, so Evans led the proceedings.

#### **Action Items**

##### **1. Approval of Minutes**

Evans asked the Board to approve the October Minutes as presented.

Grice moved to approve the October Minutes as presented. Underwood seconded the motion, and it was approved unanimously.

##### **2. Approval of September and October Financials**

Grice reported that as of October 31, 2024, CALS assets totaled \$105,948,715.20 with a net loss of \$4,465,152.79. As of November 30, 2024, CALS assets totaled \$113,065,171.21 with a net loss of \$2,705,145.93. He added that tax receipts were up 6.3% through November.

Evans filed the October and November Financials for audit.

##### **3. Approval of 2025 Budgets**

Spencer and Coulter met with the Finance Committee earlier in the week to go over the proposed 2025 Budget. Spencer anticipated that CALS would remain on-budget for the rest of 2024 on its line items. For 2025, Spencer said CALS will budget an increase of 2.5% for tax collections. Spencer mentioned that the interest on investment income has been strong but will be less in the budget next year, due to anticipated lower interest rates from the Federal Reserve. Spencer also mentioned that meeting room fees line-item increased to \$75,000, in anticipation of Main's reopening. Spencer noted the loss of

revenue in the pay-to-park areas around Main due to free parking areas, construction around Main, and parking equipment issues. The budgeted total revenue for 2025 is \$28,674,661.

Evans asked how the Used Book Sale factored into the budget and if the revenue was projected to be higher or lower. She also asked about book sellers coming to the Book Sale. Spencer answered that the Book Sale took in more revenue than anticipated. Borné added that CALS budgeted \$51,000 in 2024 and the Sale took in \$76,000. She also added that she was not aware of book sellers attending the Book Sale.

Spencer said the largest line-item expense for the proposed 2025 budget was salaries and benefits. She budgeted a 2.5% increase for raises which is in line with the 2.5% increase in budgeted property tax collections for 2025. She stated that the administration has done an excellent job in the past several years of increasing wages, including getting the minimum wage up to \$15 an hour and working out a lot of the compression issues in the organization. Evans asked about “compression issues” with staff. Spencer stated that it is often difficult to hire new talent and adjust their pay, while reconciling that with staff who have been with the organization for a long time. Spencer also noted the 6% increase in insurance premiums and that we were able to stay with Blue Cross and Blue Shield for a 3<sup>rd</sup> year. CALS absorbed a little more of the premium increase than was asked of the staff. The 2025 Budget allocates \$16,938,756 for salaries and benefits, which is an increase of about \$500,000 over the 2024 Budget. There is a 2.5% increase in salaries for raises and there is an overall 4.2% increase in salaries due to hiring new staff for Main’s reopening. In response to a question from Sims, Spencer stated that CALS would hire 14 new positions for Main’s reopening.

Spencer added that the 2025 Library Material budget increased \$2.8 million dollars over the 2024 budget, due to an increase in demand for e-books. Sims asked about the amount of annual purchase requests from patrons. Blanchard answered that CALS receives approximately five thousand requests annually and fulfills most of those requests. Sims also asked about automatic license renewals for e-books. Blanchard responded that it is determined on a case-by-case basis. Spencer said salaries and benefits were budgeted at \$16.4 in 2024 and the actual was \$16.2. Library materials were right on budget as well.

Spencer budgeted \$6.2 million for Operating Costs for 2024 and increased that amount to \$6.7 million for 2025. Spencer explained that there was not one thing to point to for the increase but noted that property insurance premiums contributed to the increase. Premiums have continued to go up with the insurance industry paying large claims in general. CALS had 3 large claims in 2024. On the last page of the budget, there is debt service- 2 revenue bonds that CALS is making payments on. Also on the last page are capital expenses for 2025. Spencer stated that we are increasing our deferred maintenance budget. The increase includes budgeted amounts to deal with pigeons at Roberts Library, refurbishing the elevators at the Main Library and replacing a roof and HVAC unit at various branches. The other item on the budget is \$3.8 million from the 2015-2017 capital bond funds that will be allocated to the Main Library remodel project that has been in the reserves since collecting the excess taxes after those bonds were paid off by the taxpayers.



Spencer acknowledged that two motions would need to be made to approve all budgets; one for the General Fund and another for the smaller, individual budgets, which include: the Butler Center, Encyclopedia of Arkansas, the Ron Robinson Theater, the Morris Fund, the Six Bridges Festival, and the CALS Used Book Sale.

Evans asked for motions to approve the 2025 General Fund Budget. On behalf of the Finance Committee, Grice made the motion, which was seconded by Underwood and passed unanimously. On behalf of the Finance Committee, Grice made a second motion to approve the 2025 Ancillary Fund Budgets. The motion was seconded by Shroff and passed unanimously.

#### **4. Adoption of Strategic Plan Mission, Vision, and Values Statement**

Coffey updated the board on the ongoing strategic planning process and introduced the updated Mission, Vision, and Values Statements. She mentioned that “superior” was replaced by “exceptional” in the Values Statement, per the board’s recommendation. Coffey shared the proposed Vision Statement: “A community where people feel heard, supported, and connected,” along with the proposed Mission Statement: “We connect people. We nurture potential. We grow community.” She confirmed that the phrase “We are CALS” could be added to this phrase for marketing purposes. Coffey also shared the proposed and revised Core Values statements: “We provide access to all. We believe in the freedom to know. We respect diverse perspectives. We cultivate collaboration and innovation. We provide open and respectful spaces. We carefully steward shared resources. We offer exceptional service.”

Evans expressed her pride and gratitude for those who worked on this ongoing project and accepted motions to adopt the Strategic Plan’s Mission, Vision, and Values Statements. Grice moved to adopt. Sims seconded the motion, and it was approved unanimously. Neal thanked the committee for adopting those items and welcomed the next phase of the Strategic Planning process.

### **Information Items**

#### **1. Director’s Report**

Coulter updated the board on the Williams Library’s remodeling efforts after April’s fire. He thanked Hernandez and the CALS maintenance staff for their hard work.

Coulter addressed a possible need to increase the cost of a library card for non-residents. He noted some of the locations where nonresident cardholders live in surrounding states and abroad. He added that this topic could be revisited in the future once the staff had made a determination of whether any adjustment should be made to the current \$54 charge for nonresident cards.

Coulter also recognized new and current CALS employees. Those new employees included: Ray Terry (Executive Assistant to the Executive Director) and Stu Nichols (Library Safety Manager). Coulter also recognized Heather Zbinden for her promotion to Head of Adult Programming.

Coulter highlighted a few items from his written report:

- **Update on Homelessness Task Force:** Coulter mentioned the ongoing efforts by the City of Little Rock to address homelessness. Those efforts include hiring more employees who would work in homelessness service and applying for funding from the Department of Housing and Urban Development.
- **Updates on Main Remodel:** Lehner and Sturgell updated the board on the recent construction work at Main. Lehner stated that work on the foundation and the structural reinforcement for the roof was complete and would support the future rooftop patio. He added that roofing was currently underway and work on the new stair tower was slated to begin the following week. Sturgell mentioned that a lot of the large structural projects would begin shortly. Coulter asked about the benefits of beginning Phase Two early, if funding could be secured. Lehner acknowledged that starting Phase Two earlier would save money and would allow the work to overlap with current construction and would not extend the completion date. He said that Phase Two includes work on a Children's Teaching Kitchen, a Children's Programming room, and refurbishing the ceiling and hallways in that area. Coulter asked how much completing Phase Two would cost. Spencer estimated \$375,000 with an additional \$25,000 for furnishings. Coulter asked if CALS had spent any of the Hillcrest Hall money. Spencer said that the money was in reserves and when we placed it there the board stated they would direct its use later. Sims asked about the amount of money made in the Hillcrest Hall sale. Spencer answered that CALS made a \$542,000 profit on the sale- and estimated that about 2 years of interest will have accrued on that amount by the time we would need to utilize it.
- Sims made a motion for a proposal in January, to consider funding Phase Two of the Main Renovation with money from the Hillcrest Hall sale. The motion was seconded by Neal, and it was approved unanimously.
- Coulter announced that Grice was retiring from the CALS board at the end of 2024 after six years of service. Coulter thanked Grice for his service and presented him with two books. Spencer also presented Grice with a gift card from Cheers and a print from CALS employee Adaja Cooper. On behalf of the board, Evans thanked Grice for all his work for the CALS board.

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**2. Move to Adjourn**

Evans called the meeting adjourned at 1:10 p.m.

  
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President  
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Secretary