ITEM III.

PROPOSED AGENDA
LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT
Board of Trustees' Meeting
Thursday, December 17, 2020

DATE: Thursday, December 17, 2020

TIME: 4:30 p.m.

PLACE: Pursuant to the Governor's Emergency Directive on Public Meetings, http://gov.nv.gov/News/Emergency_Orders/2020/2020-03-22_-_COVID-19_Declaration_of_Emergency_Directive_006/ this meeting will take place online via Webex ONLY. Connection information is listed on page 4.

The Agenda and Board meeting documents can be found at https://lvccld.org/board/board-of-trustees-meetings/

I. Roll Call and Pledge of Allegiance

II. Public Comment

Topics raised under this item must be limited to matters on today's Agenda. If you wish to comment on an item appearing on this agenda, you may send an email to boardcomments@lvccld.org. Please identify on which agenda item you are commenting. Any comments not so identified will be read at the end of this meeting.

The public comment period at library district board meetings shall be limited to a maximum of forty-five (45) minutes for both periods of public comment. Remarks by speakers during the public comment period shall be limited to three (3) minutes, each. A speaker may not transfer time to another speaker; although, the chair has the authority to grant additional time to a speaker. When more than fifteen (15) people wish to comment, the chair shall proportionately reduce the time allotted to the forty-five minute maximum.

III. Board Action to accept Proposed Agenda (For possible action)

IV. Approval of Proposed Minutes (For possible action)

A. Finance and Audit Committee Meeting, November 12, 2020

V. Chair's Report

A. Possible Board discussion regarding the Chair's report.

VI. New Business

A. Discussion and possible Board action to ratify the Acting Executive Director's decision to close the Las Vegas-Clark County Library District.

B. Discussion and possible Board action to interview candidates Kelvin Watson and Patrick "Tod" Colegrove for the position of Executive Director.

C. Discussion and possible Board action regarding selection of the Executive Director.

D. Discussion and possible Board action regarding the recommendation to joinder onto the National Association of State Procurement Officials (NASPO) ValuePoint agreements for the purchasing of wireless services and additionally onto future agreements negotiated by NASPO for wireless services.

VII. Announcements

The next Board Meeting will be held Thursday, January 21, at 6:00 p.m. via Webex and in a location to be determined.

VIII. Public Comment

Topics raised under this item cannot be acted upon until the notice provisions of the open meeting law have been met. If you wish to make public comment on this item, you may send an email to boardcomments@lvccld.org. Please identify this agenda item in your email.

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IX. Executive Session regarding litigation, budget, and labor issues. If necessary, this will be a closed session estimated to require up to 45 minutes.

X. Adjournment

NOTE: AT ANY TIME, ANY ITEM ON THIS AGENDA MAY BE TAKEN OUT OF ORDER, COMBINED WITH ONE OR MORE OTHER ITEMS ON THE

AGENDA OR REMOVED FROM THE AGENDA, EITHER AT THE DISCRETION OF THE CHAIR OR BY VOTE OF THE BOARD.

NOTE: REASONABLE EFFORTS WILL BE MADE TO ASSIST AND ACCOMMODATE PERSONS WITH PHYSICAL DISABILITIES DESIRING TO ATTEND THE MEETING VIA WEBEX. PLEASE CALL ALLISON BOYER AT (702) 507-6186 SO THAT ARRANGEMENTS FOR ATTENDANCE MAY BE MADE NO LATER THAN 48 HOURS PRIOR TO THE MEETING.

NOTE: PLEASE CONTACT ALLISON BOYER AT (702) 507-6186 OR boyera@lvccld.org TO REQUEST THE SUPPORTING MATERIAL FOR THIS MEETING. SUPPORTING MATERIAL CAN BE FOUND AT https://lvccld.org/board/board-of-trustees-meetings/.

Pursuant to NRS 241.020, this item has been properly noticed and posted online at the Las Vegas-Clark County Library District website, www.lvccld.org and at Nevada Public Notice at https://notice.nv.gov. Written notice of the meeting of the Las Vegas-Clark County Library District Board of Trustees was given on Friday, December 11, 2021, i.e., given at least three (3) working days before the meeting, including in the notice the time, way to access the meeting, and agenda of the meeting:

A. By delivering a copy of the notice to each Library Trustee;

B. By posting a copy of the notice at the principal office of the Library Trustees, or if there is no principal office, at the building in which the meeting is to be held, and at least three other separate, prominent places within the jurisdiction of the Trustees, to wit:

1. Clark County Library
   1401 E. Flamingo Road
   Las Vegas, NV 89119

2. East Las Vegas Library
   2851 E Bonanza Road
   Las Vegas, NV 89101

3. Sunrise Library
   5400 Harris Avenue
   Las Vegas, NV 89110

4. West Charleston Library
   6301 W. Charleston Boulevard
   Las Vegas, NV 89146

5. West Las Vegas Library
   951 W. Lake Mead Boulevard
   Las Vegas, NV 89106

6. Windmill Library
   7060 W. Windmill Lane
   Las Vegas, NV 89113

7. Las Vegas-Clark County Library District website
   www.lvccld.org

C. By mailing a copy of the notice to each person, if any, who has requested notice of the meetings of the Las Vegas-Clark County Library Board of Trustees in the same manner in which notice is requested to be mailed to a member of the Library Board of Trustees.

D. Webex Connection information:
https://lvccld.webex.com
Event number (access code): 146 361 7638
Password: 121720RBM
Join by phone: +1 (408) 418-9388
Use same meeting number
Join from a video system or application:
Dial 1463617638@lvccld.webex.com
You can also dial 173.243.2.68 and enter your meeting number.

ITEM IV.A.

PROPOSED MINUTES
LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT
BOARD OF TRUSTEES' FINANCE AND AUDIT COMMITTEE MEETING
LAS VEGAS, NEVADA
NOVEMBER 12, 2020

The Board of Trustees' Finance and Audit Committee of the Las Vegas-Clark County Library District met in regular session in the Summerlin Library, Las Vegas, Nevada, and via Webex at 4:30 p.m., Thursday, November 12, 2020.

Present:	Committee:	B. Wilson, Chair K. Benavidez, via Webex S. Bilbray-Axelrod, via Webex	K. Rogers, via Webex R. Wadley-Munier F. Ortiz, ex-officio
	Board:	E. Foyt M. Francis Drake S. Ramaker	
	Counsel:	G. Welt, via Webex	
	Absent:	None	
	Staff:	Fred James, Acting Executive Director Floresto Cabias, Acting Financial Services Director/CFO Jonna Arqueros, Senior Accountant Numerous Staff	
	Guests:	Martha Ford, BDO USA	

B. Wilson, Chair, called the meeting to order at 4:34 p.m.

Roll Call	All members listed above represent a quorum.
Public Comment (Item II.)	None.
Agenda (Item III.)	Trustee Wadley-Munier moved to approve the Agenda as proposed. There was no opposition and the motion carried.
Discussion and possible Committee action regarding a recommendation to accept the Fiscal Year 2019-2020 Audit Report and recommend approval of the Fiscal Year 2019-2020 Audit at the Board of Trustees' meeting on November 12, 2020. (Item IV.A.)	At the March 12, 2020 meeting, the Board authorized staff to appoint Piercy Bowler Taylor & Kern (PBTK) for auditing services for the fiscal year ending June 30, 2020. Effective July 1, 2020, PBTK was acquired by BDO USA. Acting Financial Services Director/Chief Financial Officer (CFO) Floresto Cabias stated BDO USA is the domestic arm of a large international professional services firm. He introduced Martha Ford, a director with BDO, and said Ms. Ford was a principal with PBTK. Ms. Ford has worked on many District audits and is very familiar with the District's financial operations. Mr. Cabias said having Ms. Ford oversee the audit again was important to the continuity of the audit during these challenging times. He thanked Ms. Ford and her team for all their efforts completing the audit under very difficult circumstances of both the merger and the restrictions of the pandemic. Mr. Cabias also thanked his Financial Services team for the smooth completion of the audit, and said he takes responsibility for any errors.

Ms. Ford congratulated Acting Executive Director Fred James on his short-term promotion and his upcoming retirement.

She stated the audit report would be on BDO letterhead, signed by BDO. The Committee had received the audit wrap-up letter and the draft financial reports. She pointed out they are presented as drafts, as they had been in the past, because the audit reports cannot be finalized until the Library District Foundation audit is completed. Should there be any significant changes to the documents, they will be brought back to the Board at the December meeting. She stated the audit is substantially completed and the firm would be issuing an unmodified, clean audit opinion on the District's financial statements, assuming there are no significant problems with the Foundation audit.

Ms. Ford explained the objective of any audit is to obtain reasonable, but not absolute assurance, as stated in the audit opinion letter. There were no significant changes to practices or policies, which are substantially as required under auditing and accounting standards as well as general industry practices. There are significant estimates contained in the financial statements. There were no misstatements in the audits except for one proposed adjustment to the estimated compensated absences estimate, which was accepted and corrected by District management. The firm did not consider the adjustment highly significant, but it was also not clearly trivial, therefore it is required to be reported to the Board.

Ms. Ford went on to state there were no material weaknesses found related to internal controls and no significant risks were found; there were no significant delays, difficulties, or contentious matters, although performing the audit remotely and other pandemic restrictions caused the audit to take a bit longer, as expected. There were no matters of significant oversight. District management would be asked to sign a representation letter at the conclusion of the audit.

Ms. Ford pointed out that BDO is independent of the District, as required. This concluded her report, and she asked if there were any questions about anything discussed so far, or the opinion letter.

Trustee Benavidez asked for clarification about why the District audit is in draft status due to the Foundation audit not being completed. The Foundation Board met earlier in the day, and had accepted the Foundation audit. Mr. James explained the District audit had to be submitted to the Board prior to this meeting, and at the time, the Foundation Board hadn't accepted its audit yet, as their Board meeting was held earlier today. Now that the Foundation audit is complete, their auditors need to send some numbers to BDO for incorporation into the District's audit.

Ms. Ford stated it could take three to five business days for the Foundation's auditors to complete their audit report and send requested documents to BDO. It would then take BDO three to five business days to examine the information, and issue the District's final audit report.

As there were no other questions related to the report given up to this point, Chair Wilson asked Ms. Ford to continue.

Ms. Ford said she hadn't prepared anything related to the District's actual numbers, and asked if there were any questions related to the Annual Financial Report. Acting CFO Cabias said he would be presenting the financial position update in the next agenda item, but he and Ms. Ford could address any financial questions now, if needed.

Chair Wilson said he had several questions, but he would hold them until the end. No other committee members had questions. Mr. Wilson then gave the other Board of Trustees members in attendance the opportunity to ask questions.

Trustee Foyt asked about the costs of sanitation related to COVID-19, both overall cleaning and ongoing maintenance from the onset of the pandemic to date. Mr. Cabias referred the question to General Services Director Stephen Rice.

Mr. Rice said there were two aspects to the additional charges: additional cleaning services had been added since March or April, which were written into the janitorial contract with a provision that they could be removed should the additional services cease to be needed at any point; and the additional supplies for cleaning and Plexiglas barriers. He did not have the actual numbers handy, but they were included in his monthly reports, and he would provide them to the Board at the upcoming Board meeting.

Trustee Foyt asked whether the District could apply for financial relief for the additional expenses. Mr. Rice said the District has been applying for those reimbursements from the State, and said Acting Deputy Director Danielle Milam could provide more information.

Ms. Milam said all the invoices related to janitorial, personal protection equipment (PPE), various projects, signage, etc., totaling approximately $275,000, have been submitted to FEMA. After they are processed by FEMA, expenses will be submitted to the State for additional reimbursements. This is an ongoing process.

Chair Wilson expressed concern regarding the fact that the audit reports were in draft status. Even though it was made clear that any significant changes would be brought back to the Board for review, he was uncomfortable with draft versions being presented. He asked if the District's final audit could be presented following the final Foundation audit in future years.

Acting Executive Director James noted there are deadlines to meet with both the State and the Government Finance Officers Association (GFOA). The District has received an award for its financial reporting for the last 20 years. If the District presented the audit reports after the Foundation audit was finalized, there would be a delay of an entire month until the December Board meeting, which would entail requesting extensions.

Chair Wilson said what he was suggesting was for the Foundation audit to be finalized prior to the District's Finance and Audit Committee meeting in November, rather than for the District to present its audit later. Mr. James explained they can request the Foundation audit to be done sooner, but that they also have a great deal of information to audit. He pointed out that the District's operations and finances, and therefore its audit, has become very complicated over the years. Furthermore, we now have to comply with federal regulations related to the New Markets Tax Credits. The multiple audits make it difficult to meet earlier deadlines. He assured Mr. Wilson that in over 20 years, the District has never had any changes requiring the audit to be brought back to the Board after the draft audit was approved. Mr. Wilson said knowing that made him feel better.

Chair Wilson then asked about the $420,000 accrued compensation adjustment noted in the audit report. Although ruled relatively insignificant, he wondered whether it was understated or overstated.

Acting CFO Cabias said the amount was understated. He explained the accrued compensation amount is itself a significant estimate, and it amounts to $7 million. That represents all of the vacation and sick leave accrued by District employees, which would be payable should the District permanently close tomorrow. The estimate was originally recorded in the financials at $6,600,000. The auditors recommended adjusting the number by about $400,000, to $7,000,000. The adjustment was made and the corrected amount is reflected in the audited financials.

Chair Wilson pointed out, for public record, that the ending fund balance of $18.7 million was recorded prior to the District committing $4.5 million to the Voluntary Employee Separation Program (VESP). Acting Executive Director James confirmed that was correct.

Chair Wilson asked whether the decrease in expenditures for media materials includes digital and printed materials. Acting CFO Cabias confirmed it includes all media materials. Chair Wilson was pleased, as he expected the District would have spent more on digital materials during the shutdown.

There was a brief discussion as to whether the motion should be made before or after the second agenda item. It was determined the second agenda item was for discussion only, and a motion was needed on the current item.

Trustee Bilbray-Axelrod moved to accept the Fiscal Year 2019-2020 Audit Report and to recommend approval of the Fiscal Year 2019-2020 Audit, as presented by the auditors, at the Board of Trustees' Meeting on November 12, 2020.

There was no opposition and the motion carried.

Update on the District's financials and update of projections. (For discussion only)

Acting Executive Director Fred James explained Trustee Foyt had requested a financial update. The update is for the current fiscal year, moving forward from July, after the audited financial statements, through the end of October. The presentation is attached as Appendix A.

(Item IV.B.)

Acting CFO Floresto Cabias stated the presentation would cover the District's financial status and position since the beginning of the COVID-19 pandemic. There have been severe economic effects, but although the District had closed for three months, all team members were paid, a total of $8.7 million in salaries and benefits. All vendors were also paid, and the District met all of its financial obligations by using the same prudent money management approach that has always served well.

Mr. Cabias displayed a snapshot of the actual audited financial statements for Fiscal Year 2020, compared to the estimated Fiscal Year 2021 Budget numbers. He noted the estimated numbers had already been reduced down significantly from the original Fiscal Year 2021 Budget as a result of the pandemic.

Mr. Cabias stated at the end of Fiscal Year 2020, consolidated sales tax (CTX) revenues were $1.7 million higher than expected. There was also $1.1 million more savings in expenditures than expected. The savings were added to the Ending Fund Balance (EFB). The importance of the EFB includes funding the VESP, which generated even more cost savings.

Mr. Cabias went over a review of the District's revenues. A chart showed assessed valuation going back as far as 2009, the end of the housing "boom" and the downturn in the housing market. At the height of the "boom," assessed valuation was over $80 billion. That number dropped in 2010, a full year after the housing downturn. The District had a full fiscal year to adjust, because property taxes are based on the assessed valuation, which is the District's single largest source of revenues. Even with the steep decline in assessed valuation, Mr. Cabias continued, actual property tax revenues collected were flat between 2009 and 2010 due to tax caps implemented during the housing "boom." Property tax revenue increases were limited to 3% (residential) and 8% (commercial), so the revenues were already lower than the amount that would have been collected at 100%. Therefore, the decline was less steep and property tax recovery was smooth.

As predicted during the Budget hearing, Fiscal Year 2020 revenues came in as expected. Fiscal Year 2021 property tax revenues are expected to come in as budgeted as well. One concern is whether taxpayers will have the ability to pay their property taxes this year and in future years, which is always a risk. The bigger concern is consolidated sales tax (CTX) revenues. It took two years to recover from CTX declines after the housing downturn in 2008. CTX has been rising since then, and the District was on track to collect as much as $25 million, as projected by the State, in Fiscal Year 2021. However, the current estimate for CTX revenues is $17.8 million. This dramatic decline triggered the decisions to implement the VESP and increase the EFB in order to accommodate a potentially steep housing or economic decline.

As per the audited financial statements, Fiscal Year 2020 revenues totaled $70 million – lower than what was budgeted, but higher than expected considering the effects of the pandemic, due to higher than expected CTX revenues. Fiscal Year 2020 expenditures were lower than budgeted, due to intentional reductions in expenditures, and also due to the facility closures, which caused utilities, supplies, and materials expenses to be lower than expected. The combination of higher than expected revenues and lower expenditures added $2.6 million to the EFB. This is important because the EFB is the District's emergency reserve. It allows the District to pay employees during facility closures, pay for the VESP which will lead to additional savings, and withstand any economic downturns. Surplus in the EFB is transferred to the Capital Projects Fund for critical programs. None of those things would be possible without the fund balance.

Mr. Cabias explained the effects of the pandemic on CTX were not fully known, but so far, Federal Stimulus money, unemployment benefits, and other relief money worked to support spending and contribute to higher CTX revenues than expected in July and August. However, that trend could reverse at any time. Because of the decrease in the District's spending in services and supplies, contracted services, and media materials, the District is prepared for that.

Expenditures for Fiscal Year 2020 were lower as well, partly due to the facility closures. The District was also fortunate to have held personnel costs steady, due to an agreement with Teamsters Local 14, and the implementation of the VESP, which resulted in frozen and eliminated positions that will contribute to future savings. As Trustee Wilson pointed out, the $18 million EFB at the end of Fiscal Year 2020 was already decreased by $4.5 million for the VESP, which itself was possible because of the healthy fund balance. The District has not transferred any money to the Capital Projects Fund for Fiscal Year 2021. To do so in future years requires a healthy fund balance.

Mr. Cabias displayed a chart of the Capital Projects Fund, showing transfers were reduced from $6 million to $3 million in Fiscal Year 2020, and no transfers were planned for Fiscal Year 2021. Therefore, by the end of Fiscal Year 2022, the Capital Projects Fund could run out of funds completely. This reinforces why a healthy fund balance is important. He reiterated it paid for the VESP, which will pay for itself and then lead to savings about 12 months after employees separated.

Mr. Cabias then introduced Acting Executive Director Fred James to continue the discussion.

Mr. James said in the past, he was comfortable presenting revenue projections anywhere from five to 15 years in the future, allowing for the District to plan its expenditures. The current national turmoil could lead to evictions, foreclosures, and homeowners unable to pay property taxes. He referred to the actual audited Fiscal Year 2020 financial statements. He projected the Fiscal Year 2021 revenues at $68.9 million, and expenditures at $70 million, and cautioned there may not be funds available for the Capital Projects Fund because we have to keep the General Fund whole. Mr. James expects the Fiscal Year 2021 EFB will drop to the budgeted amount of $17.5 or $17.6 million.

For Fiscal Year 2022, Mr. James projects $73 million in revenues and $68 million in expenditures. The difference - the ending fund balance - can be used to maintain the District's infrastructure: the Library

Services Platform, which is the system for tracking library materials; Technology Replacements and Upgrades, including computers, hardware, and software; Building Repairs and Maintenance; Vehicle Purchase and Replacements as needed; Library Materials; Financial Services replacements of copy machines District-wide as needed; Community Engagement/Programming and Venues Services theater upgrades and maintenance as needed; and Capital Construction for renovations and new buildings. Prior to the pandemic, the District had planned a $74 million campaign for renovating buildings and possibly build a new library over the course of six or seven years.

Mr. James advised the best course for the future is to keep expenditures relatively stagnant, because we can control expenditures. Revenues may drop, but it is his hope that we could still have perhaps six million per year available for transfer to the Capital Projects Fund. He is not sure that will be possible, but said the District's finances might be relatively stable the next two years due to the savings from the VESP. However, there will also be unforeseen circumstances. If there is a steep decline in CTX, the projections would have to be redone.

There were no questions. Chair Wilson thanked the Mr. James and Mr. Cabias for their presentation and said it was nice to see the current financial position was better than expected. However, he cautioned that the District is not out of the woods yet. The effects of the upcoming convention season are unknown. Additionally, there have been reports that 80% of renters are delinquent and are unlikely to pay their arrears. He recalled that after the 9/11 shutdown in 2001, which he thought lasted about four to six weeks, it took about two years for tourism to return to Las Vegas.

Trustee Foyt stated she had attended a presentation by the Convention Authority, which had been notified that 22,000 conventions of various sizes have been canceled or postponed, which is tragic for the local economy.

Chair Wilson said he's thankful to have joined a Board with a very long history of very responsible trustees who put the District in the position to weather this financial storm.

Public Comment (Item V.)

None.

Adjournment (Item VI.)

Chair Wilson adjourned the meeting at 5:32 p.m.

Respectfully submitted,

Brian Wilson, Committee Chair

FINANCIAL SERVICES UPDATE

Fiscal Year 2020-2021

Presented by:
Fred James, CPA, Acting Executive Director
Floresto Cabias, CPA,
Acting Financial Services Director/CFO

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COVID-19 Pandemic

- The District closed from mid-March to mid-June
  - Paid $8.7M in personnel costs during this facility closure
    - $5.4M in salaries and wages
    - $3.3M in benefits
- Non-essential business operations closed in mid-March
  - Visitor volume decreased 71% in June 2020 from prior year
  - Zero conventions
- Unemployment rates
  - April 2020 34%
  - September 2020 15%
- The future impact is unknown

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Statement of Revenues, Expenditures, and Changes in Fund Balance
Estimated Budget v. Actual – General Fund FY 2020

	Budget			Variance to
	Original	Estimated	Actual	Estimated Budget
Revenues				
Property taxes	$ 44,855,000	$ 46,610,528	$ 46,269,508	$ (341,020)
Intergovernmental revenues,				
consolidated taxes	24,185,000	20,742,890	22,414,958	1,672,068
Charges for services	1,570,000	1,041,708	1,035,009	(6,699)
Interest	15,000	98,412	87,176	(11,236)
Contributions	-	98,745	211,346	112,601
Miscellaneous	765,000	745,000	778,527	33,527
Total revenues	71,390,000	69,337,283	70,796,524	1,459,241
Expenditures				
Culture and recreation:				
Salaries and wages	32,366,060	29,932,511	30,101,581	(169,070)
Employee benefits	13,394,128	12,402,714	12,266,495	136,219
Supplies and services	16,203,089	12,917,207	12,024,376	892,831
Capital outlay	10,831,667	9,457,237	9,207,087	250,150
Total expenditures	72,794,944	64,709,669	63,599,539	1,110,130
Excess (deficiency) of revenues				
over expenditures	(1,404,944)	4,627,614	7,196,985	2,569,371
Other financing uses				
Transfers out	(6,000,000)	(3,000,000)	(3,000,000)	-
Net change in fund balance	(7,404,944)	1,627,614	4,196,985	2,569,371
Fund balance, beginning of year	14,758,056	14,576,974	14,576,974	-
Fund balance, end of year	$ 7,353,112	$ 16,204,588	$ 18,773,959	$ 2,569,371

- **Actual CTX $1.7M higher than expected**
- **Supplies and Services and Capital Outlay/Library Media Materials: $1.1M additional expenditure savings, partly due to facility closure**
- **Ending Fund Balance $2.6M higher than Estimated**

3

Overview of Revenues

4

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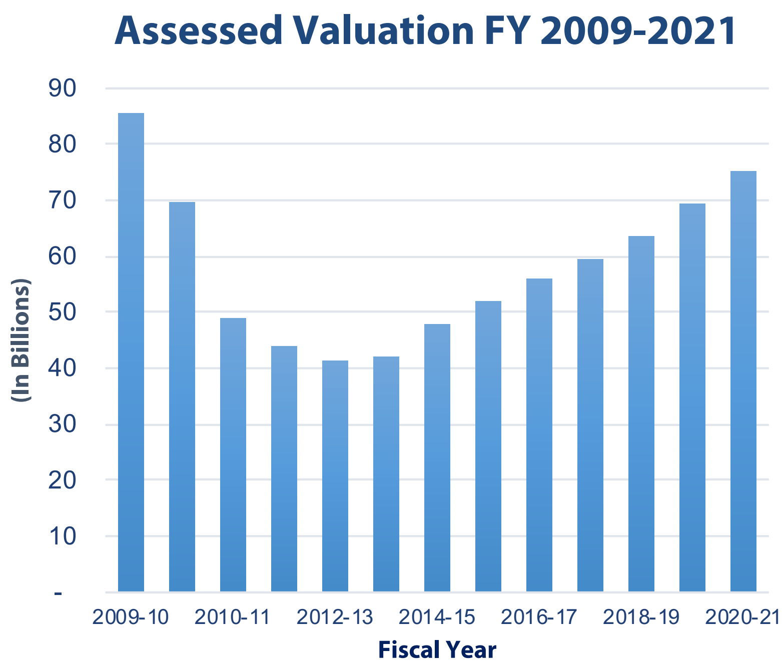
Assessed Value



- **Property tax is based on Assessed Valuation (AV) of property**
- **AV continues its upward trend**
- **Any decline will take a fiscal year to become effective**

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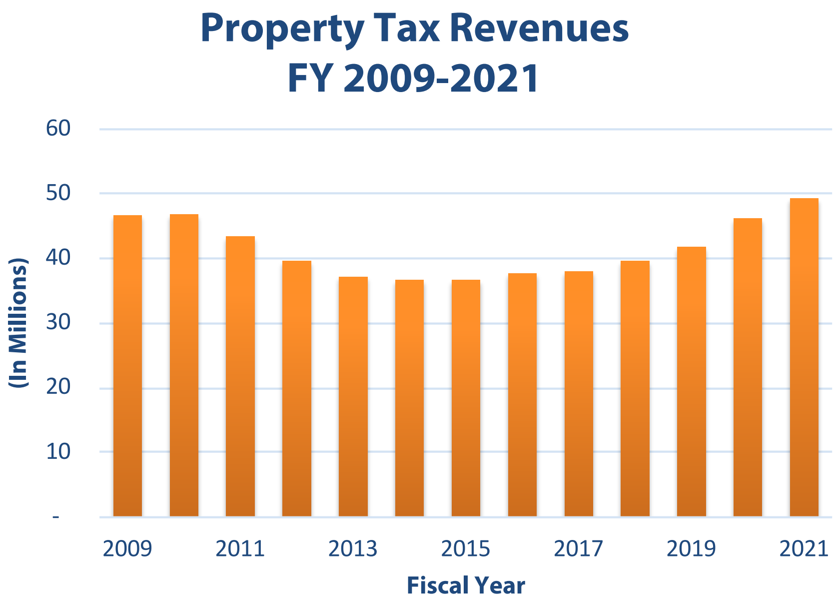
Property Tax Revenues



Property taxes

FY 2021 – $49.3M Budgeted
FY 2020 – $46.2M Actual
FY 2019 – $43.0M Actual
FY 2018 – $40.6M Actual
FY 2017 – $38.6M Actual
FY 2016 – $37.9M Actual
FY 2015 – $36.7M Actual
FY 2014 – $36.7M Actual
FY 2013 – $36.2M Actual
FY 2012 – $39.6M Actual
FY 2011 – $43.4M Actual
FY 2010 – $46.8M Actual
FY 2009 – $46.7M Actual

- **All FY 2020 revenues collected as expected**
- **We expect to collect FY 2021 revenues**
- **Possible increase in delinquent revenues**

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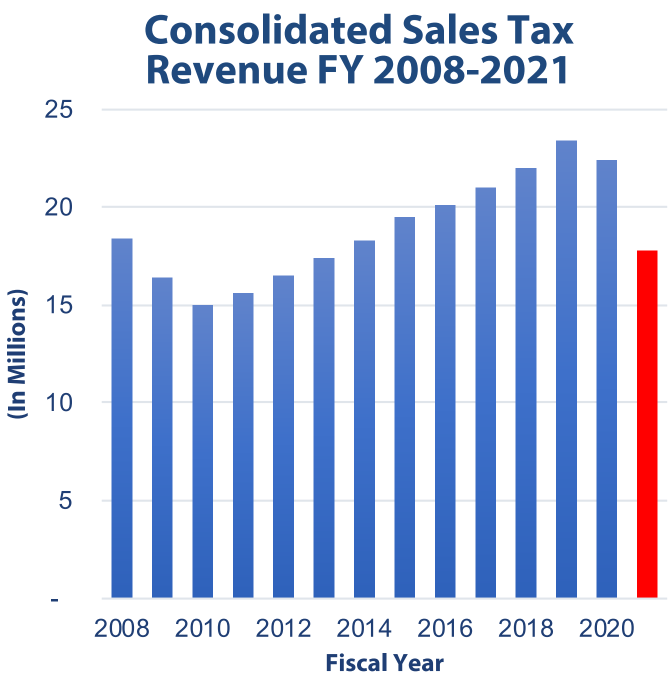
Consolidated Sales Tax Revenue (CTX)



FY 2021 – $17.8M Budgeted
FY 2020 – $22.4M Actual
FY 2019 – $23.4M Actual
FY 2018 – $22.0M Actual
FY 2017 – $21.0M Actual
FY 2016 – $20.1M Actual
FY 2015 – $19.5M Actual
FY 2014 – $18.3M Actual
FY 2013 – $17.4M Actual
FY 2012 – $16.5M Actual
FY 2011 – $15.6M Actual
FY 2010 – $15.0M Actual
FY 2009 – $16.4M Actual
FY 2008 – $18.4M Actual

- **CTX revenue is volatile**
- **FY21 CTX Budget based on FY20 estimate**
- **FY20 Actual CTX $1.7M higher than estimated**
- **July and August CTX collections higher than estimated**

FY 2020 Audited Financials

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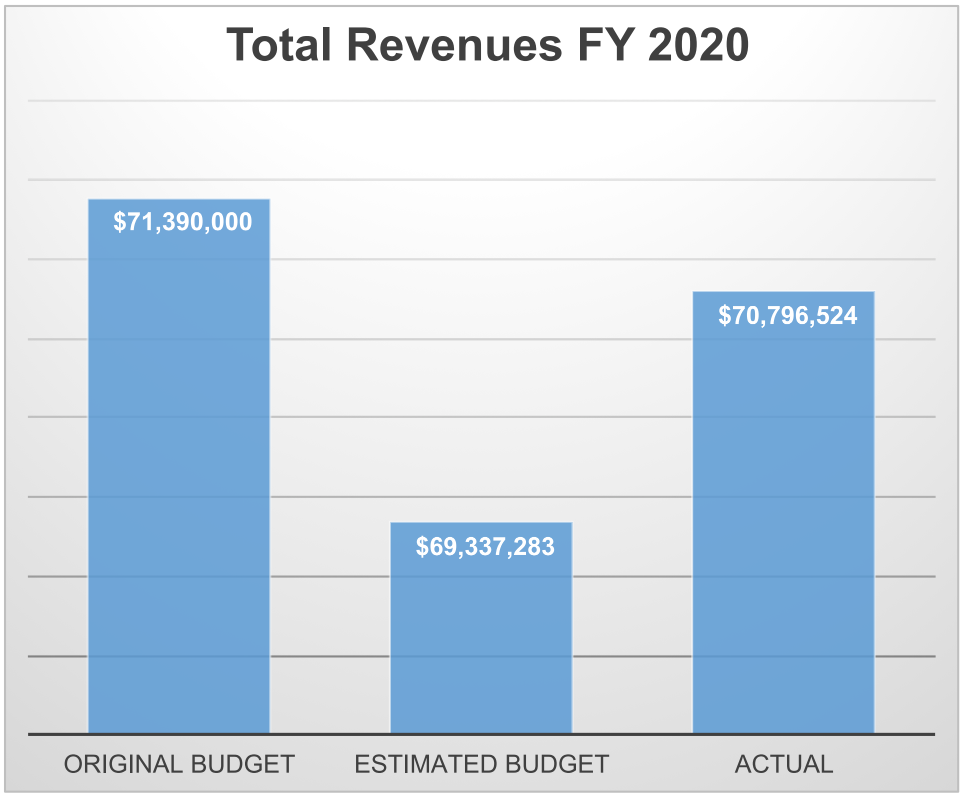
Budget v. Actual Revenues FY 2020



- **Actual CTX $1.7M higher than Estimated**
- **Estimated CTX $2.1M lower than Original Budget**

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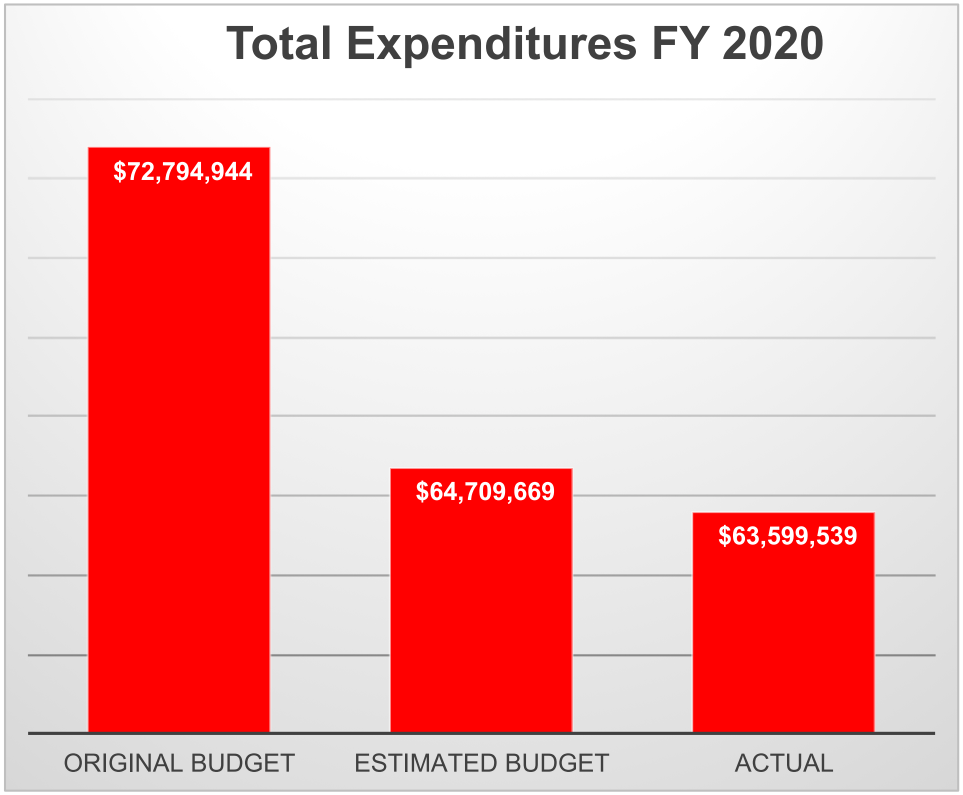
Budget v. Actual Expenditures FY 2020



- **Actual Expenditures $1.1M lower than Estimated**
- **Services and Supplies $893K lower than Estimated**
- **Library Media Materials $250K lower than Estimated**
- **Primarily due to facility closures**

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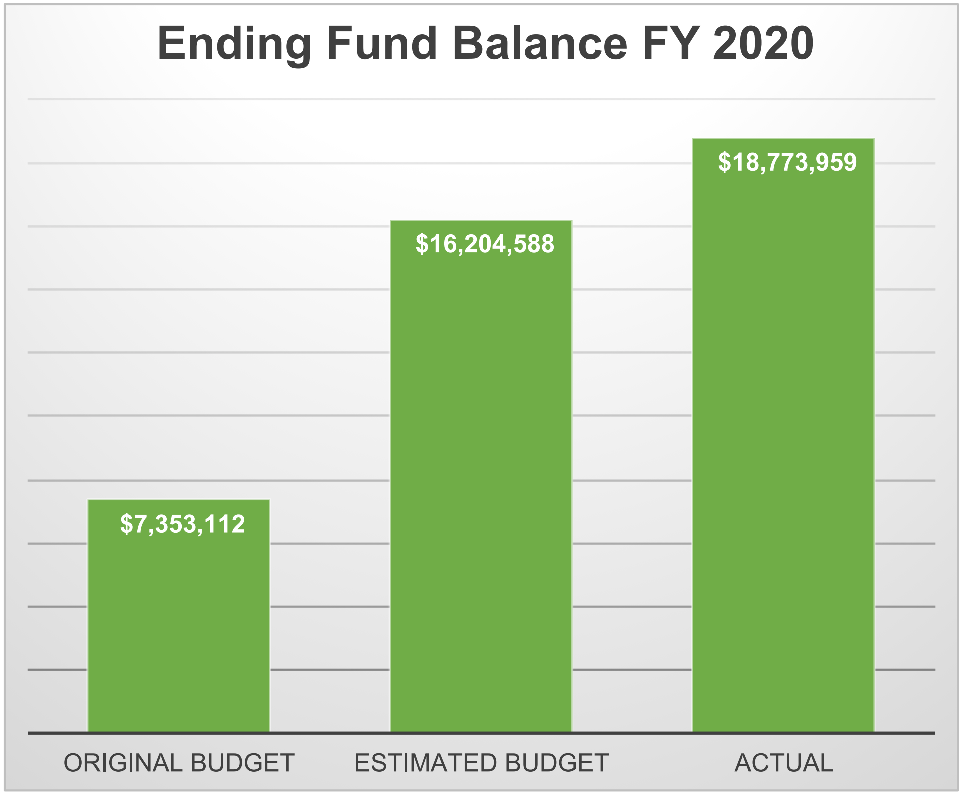
Budget v. Actual Ending Fund Balance FY 2020



- Actual Ending Fund Balance $2.6M higher than Estimated
- Actual represents 30% of budgeted expenditures
- Original Budget represents 10% of budgeted expenditures
- Primarily due to increased CTX revenues and additional expenditure savings
- Transfers to the Capital Projects Fund reduced from $6M to $3M

Consolidated Sales Tax

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Consolidated Sales Tax

Beneficial Impact

- Partial reopening of economy in late May
- Fuller reopening in June (including the Strip)
- Federal stimulus checks
- Federal unemployment benefits
- Mortgage forbearance/eviction moratorium
- Housing prices increased
- Record low interest rates
- Shifting buying habits to online

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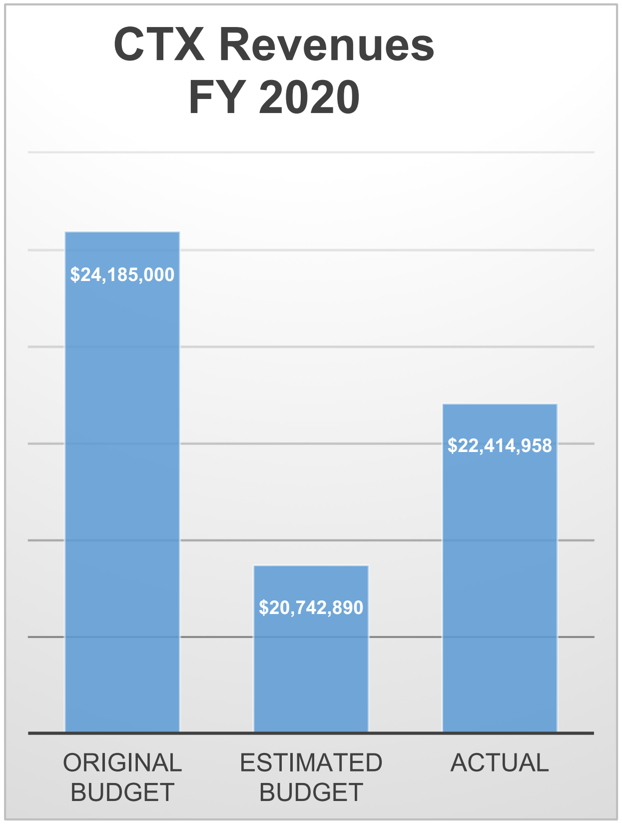
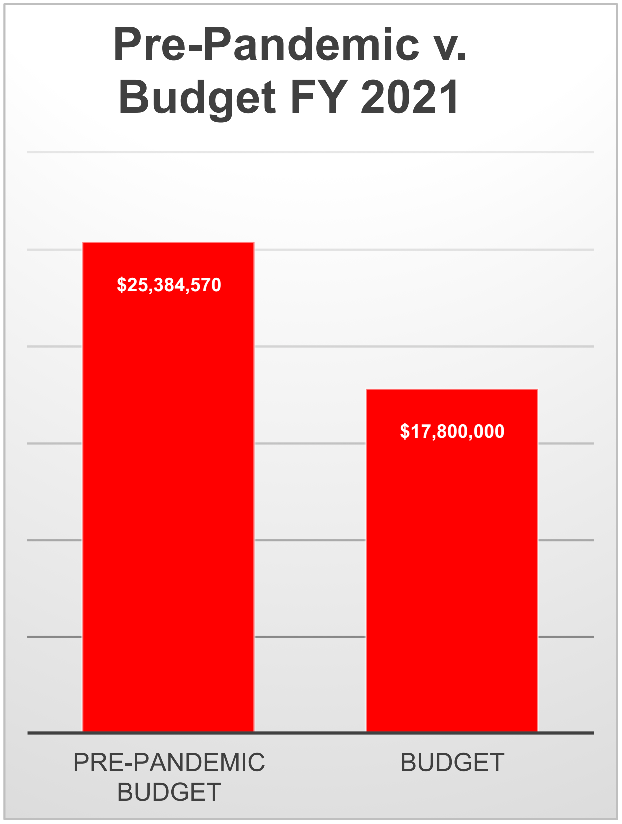
CTX Revenue FY 2020 and FY 2021





- **Actual FY20 CTX $1.7M higher than Estimated**
- **Federal stimulus checks and unemployment benefits supported CTX revenues**
- **CTX stability dependent on new stimulus and relief to consumers while the economy recovers**
- **Potential for higher revenues than budgeted for FY 2021**

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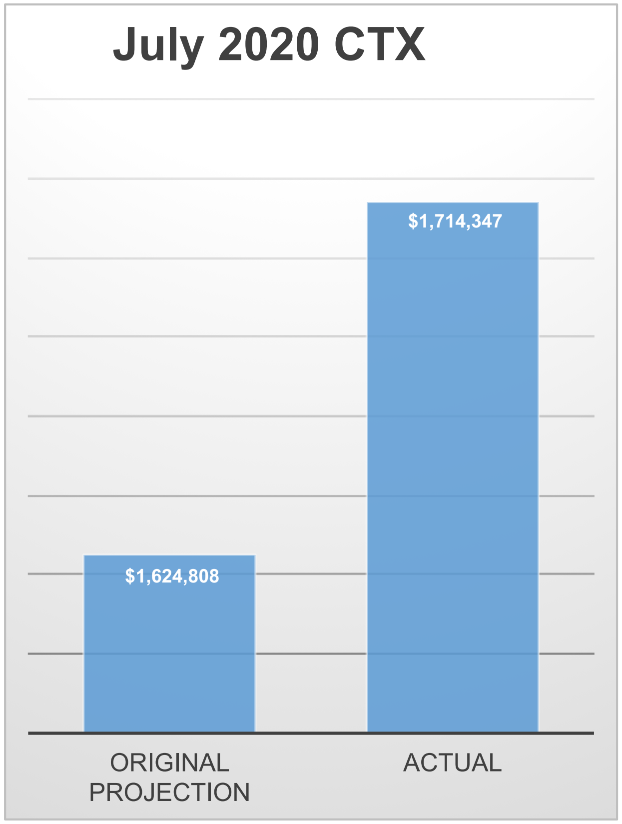
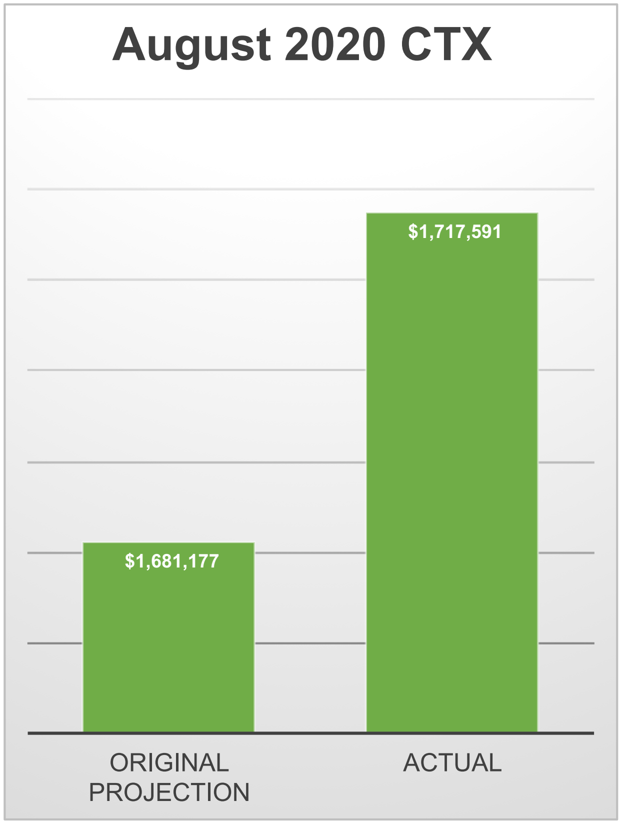
CTX Revenue FYTD 2021





- **July 2020 CTX $89.5K higher than projected (6%)**
- **August 2020 CTX $36.4K higher than projected (2%)**
- **Volatility continues:**
  - **Federal unemployment benefits ended in July 2020**
  - **No new federal relief plan so far**
  - **Eviction moratorium ends in December 2020**

Overview of Expenditures

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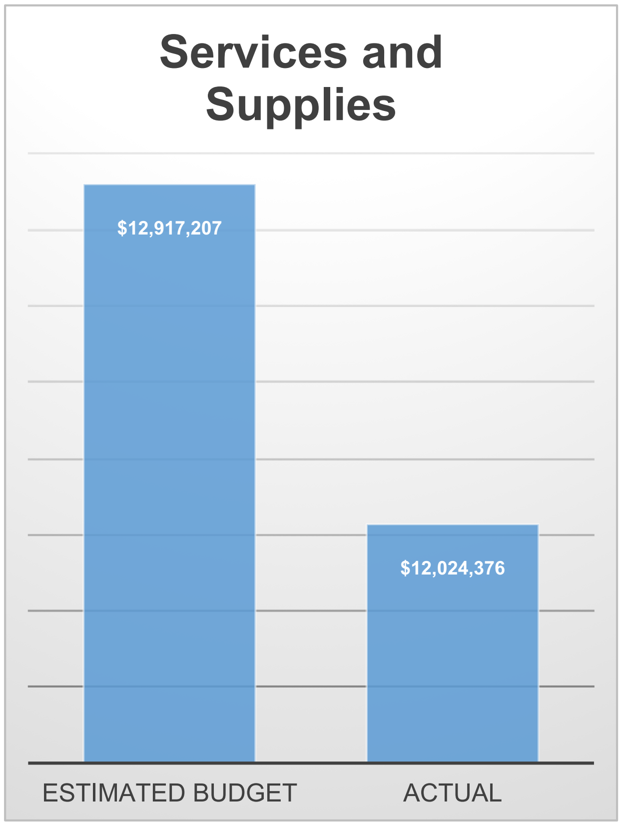
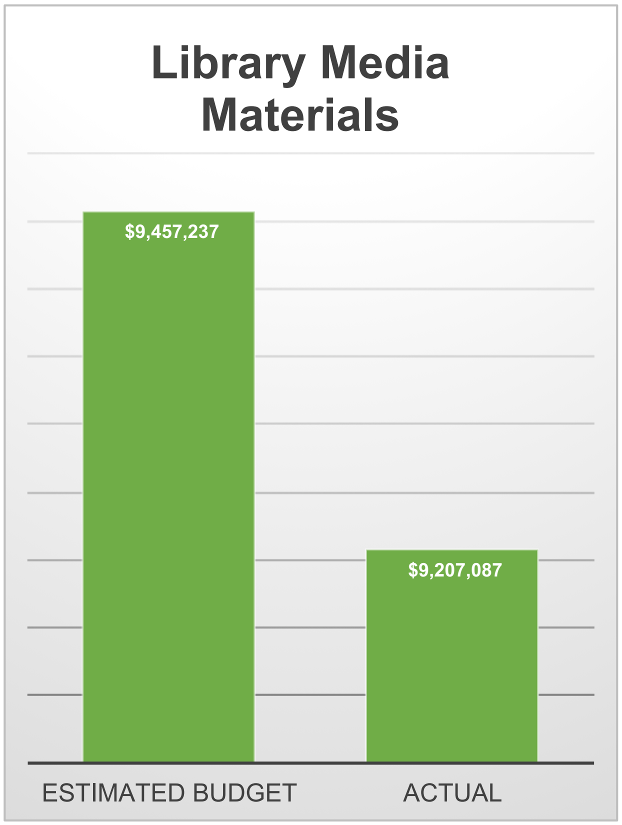
Expenditure Savings FY 2020





- **Services and Supplies $893K lower than Estimated**
- **Library Media Materials $250K lower than Estimated**
- **Partly due to facility closures**
- **Salaries and Benefits $33K higher than estimated**

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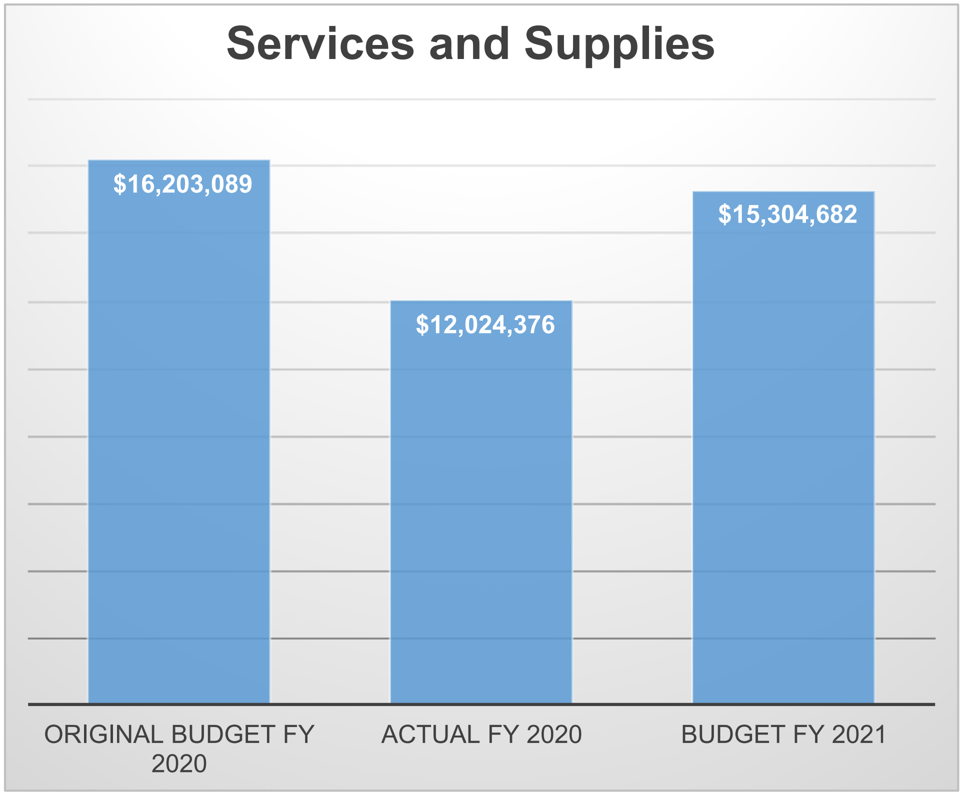
Services and Supplies Expenditures FY 2021



- **FY 2020 budget savings of $4.2M**
- **FY 2021 budget $898K lower than FY 2020 budget**
- **Additional savings will likely be realized throughout the fiscal year**

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FY 2021 Budget Expenditure Decreases

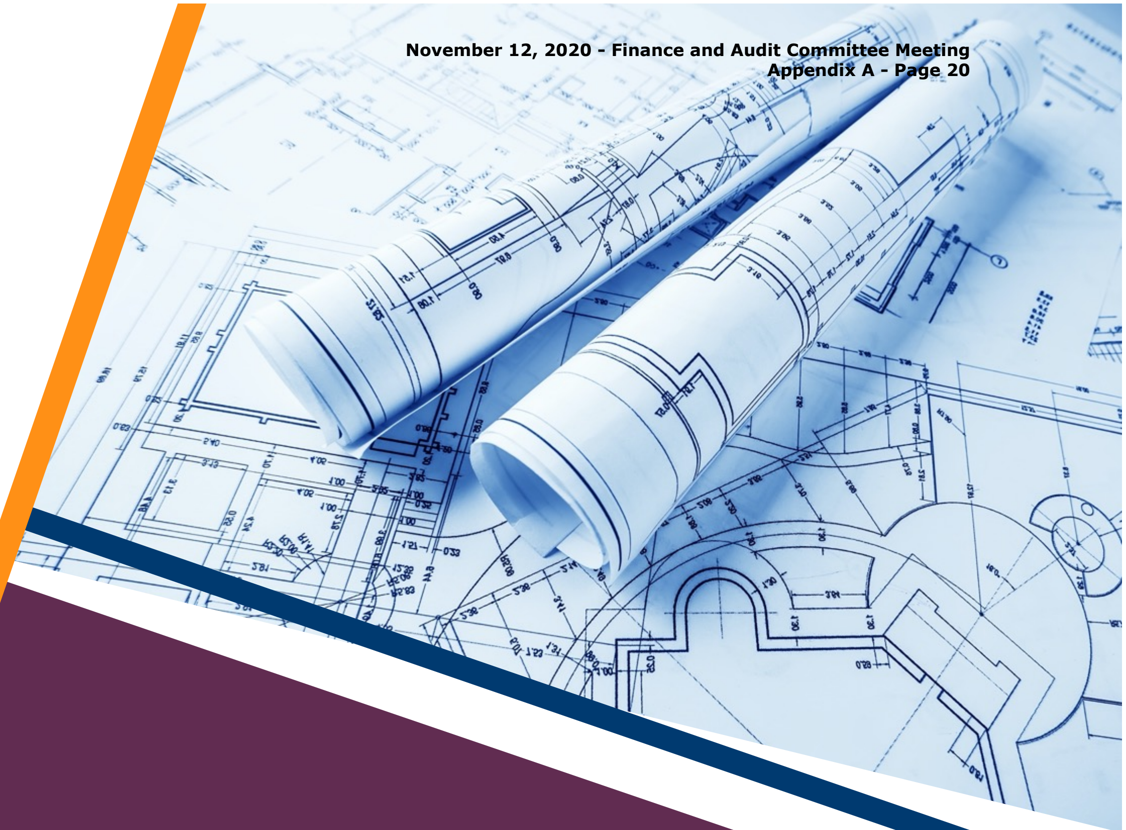
Total General Fund expenditures decreased by $2.7M (3.7%):

- **Salaries and benefits decreased by $1.5M (3.3%):**
  - **Primarily due to freezing vacant positions and concessions to reduce salary increases and health insurance costs**

- **Services and supplies decreased by $898K (5.5%): Concerted effort to limit contracts to essential services**

- **Library materials decreased by $322K (3.0%)**

Future Outlook



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Ending Fund Balance

General Fund Budget and Actual

- Actual FY 2020 Ending Fund Balance of $18.8M is 30% of FY 2019-2020 expenditures
- FY 2020 will contribute an additional $2.6M to FY 2021 fund balance
- Acts as a cushion during economic downturns
  - Paid all employees for three months during facility closure, a total of $8.7M
  - Funds available for the VESP, costing $4.5M
- Needed for transfers to fund capital programs

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Capital Projects Fund Transfers and Budgeted Expenditures FY 2020-2021

Capital Program	Total Available for FY 2020-21	2020-21 Budgeted Expenditures	06-30-2021 Est. Ending Funding Balance
Library Services Platform Replacement	-		-
Technology Replacements & Upgrades	3,363,314	(1,747,000)	1,616,314
Building Repair & Maintenance	4,032,878	(1,427,000)	2,605,878
Vehicle Purchase & Replacement	258,692	(50,000)	208,692
Library Materials	-	-	-
Furniture Purchase & Replacement	308,243	(50,000)	258,243
Financial Services	355,569	(305,000)	50,569
Community Engagement/Programming and Venues	600,096	(479,700)	120,396
Capital Construction	352,575	-	352,575
Total	9,271,367	(4,058,700)	5,212,667

- Expenditures reduced to operational minimums
- Technology Replacements & Upgrades
  - FY 2021 Expenditures $1.7M
  - FY 2021 Ending Fund Balance $1.6M
- Building Repair & Maintenance
  - FY 2021 Expenditures $1.4M
  - FY 2021 Ending Fund Balance $2.6M
- Estimated Ending Fund Balance of $5.2M will fund one fiscal year without additional transfers from the General Fund

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Voluntary Employee Separation Program

VESP Estimates

- Cost will total $4.5M
- Breakeven after 12 months
- Savings begin in FY 2022
  - Depends on the number of positions held vacant or eliminated

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General Fund Projections FY 2022 and FY 2023

General Fund

	Actual 2019-20	Budget 2020-21	Projected 2021-22	Projected 2022-23
Revenue	70,796,524	68,900,000	73,500,000	73,500,000
Expenditures	63,599,539	70,084,868	68,157,362	68,900,000
Excess (Deficiency) of Revenues over (under) Expenditures	7,196,985	(1,184,868)	5,342,638	4,600,000
Less transfers out	3,000,000		6,000,000	6,000,000
Excess (Deficiency) of Revenues over (under) Expenditures & Transfers Out	4,196,985	(1,184,868)	(657,362)	(1,400,000)
Fund balance, beginning of year	14,576,974	18,773,959	17,589,091	16,931,729
Fund balance, end of year	18,773,959	17,589,091	16,931,729	15,531,729
Fund balance, end of year Adjusted	18,773,959	17,589,091	16,931,729	15,531,729
	29.52%	25.10%	24.84%	22.54%

- VESP provides financial flexibility beginning in FY 2022
- No transfers to the Capital Projects Fund in FY 2021
  - Potential transfers in FY 2022 and FY 2023
- Maintain an Ending Fund Balance at a minimum of 20% of total expenditures

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Questions?

ITEM VI.A.

AGENDA ITEM

DECEMBER 17, 2020 MEETING OF THE BOARD OF TRUSTEES

Agenda Item #VI.A.: Discussion and possible Board action to ratify the Acting Executive Director's decision to close the Las Vegas-Clark County Library District.

Background:

The closure decision has been made based upon the Library District's top priority; the health and safety of staff, volunteers, customers, and community partners. Due to the rapidly rising rates of COVID-19 cases in the District's library facilities and the southern Nevada region over the past two weeks, Acting Executive Director Fred James has made a decision to close all Library District branch operations from next Wednesday, December 16, 2020, through Sunday, January 3, 2021. This decision was not taken lightly. It is in alignment with the urgent "Stay at Home 2.0" message from Governor Sisolak on November 11, 2020, asking everyone "to stay at home as much as possible and to not leave the house unless it is necessary."

This decision also comes as the Library District concludes this semester's essential student support services, including the provision of homework help tutors, and early student hours. The Library District will continue to provide security and staff to maintain early student hours and the Vegas Strong Academy activities through Friday, December 18th.

The Library District's online resources will remain available and the District's WiFi capabilities will be extended into the parking lots. Customers will also be asked to NOT return their borrowed materials until the emergency is mitigated. ALL fines for overdue materials will be forgiven during the shutdown. All staff will be paid during this closure.

Recommended Action:

Motion to approve the Acting Executive Director's decision to close the Las Vegas-Clark County Library District from Wednesday, December 16, 2020 through Sunday, January 13, 2021.

ITEM VI.B.

AGENDA ITEM

DECEMBER 17, 2020 MEETING OF THE BOARD OF TRUSTEES

Agenda Item #VI.B.: Discussion and possible Board action to interview candidates Kelvin Watson and Patrick "Tod" Colegrove for the position of Executive Director.

Background: Trustees selected Destiny Executive Search Group, Inc. on August 13, 2020 to conduct a search for the Library District's next Executive Director. On Friday, December 4th, Trustees conducted interviews with four semi-finalists. Trustees scored each candidate and selected the top two scorers to participate in final interviews on Thursday, December 17, 2020. Executive profiles of each finalist are attached.

Recommended Action:

Candidate Profile

Kelvin Watson
Fort Lauderdale, FL 33312

Kelvin has 20+ years of library experience and is currently the Division Director of the Broward County Libraries Division serving 1.9 million people. He oversees 38 locations with 700+ employees and a budget of approximately $70 million. Their funding comes primarily from property taxes and sales tax.

He has worked to position the Library as a community leader and, as a result, Broward County Library was named 2020 Library of the Year by the Florida Library Association and 2020 Library of the Future by the American Library Association (ALA). Kelvin was also personally honored this year by the nonprofit foundation Positivity Pays as a community “Hero”.

Kelvin started his career in business and he feels that has really been an asset in understanding the business side of libraries. He also has a strong technology background and can build library software which has really helped with the transition into virtual services and programs. He speaks on library issues internationally and is well-networked in the library community.

Kelvin has some familiarity with the Las Vegas/Clark County community and the Library District and, after researching the position and the LVCCLD, feels he could truly have a positive impact.

Kelvin has a Masters of Library Science as well as a Bachelor of Science in Business Administration. He also has additional certifications through MIT SLOAN School of Management Executive Program including the Internet of Things: Business Implications and Opportunities and Artificial Intelligence: Implications for Business Strategy.

He is also an active member of multiple organizations and currently serves on the Board of Directors for Book Industry Study Group, is a member of the Public Library Association Board of Directors, the Board of Directors/President-Elect for the Southeast Florida Library Information Network, American Library Association Co-Chair for the Digital Content Working Group and is the Florida Library Association Co-Chair for the Diversity, Equity, Inclusion, Accessibility Task Force.

Candidate Profile

Patrick “Tod” Colegrove, PH.D., MSLIS
Reno, NV

Tod has 20+ years executive experience in public, state and academic libraries. He is currently the Executive Director for Carson City Library in Carson City, NV and prior to that served as Nevada State Librarian: Division Administrator, Executive Branch.

As Nevada State Librarian, Tod provided the LVCCLD with oversight and knew Dr. Heezen as well as some of the members of the Board of Trustees. He is well networked in the state and prides himself on his ability to motivate a team as well as how to recruit and develop a new team that meets current and future needs.

Multiple areas of experience include working as administrator for program development and informational services for 22 library systems with 89 branch libraries, conferring with Nevada Governor’s office to manage federal and state grants as well as serving as statutory certifying authority and SME for libraries statewide and establishing strong partnerships with stakeholders and entities at state and federal levels. He's operated under very public and political conditions and is accustomed to a tremendous amount of budget scrutiny.

Tod has been invited to speak at local, state, national, and global venues on the future of libraries and has been a consultant to large libraries in China, Belarus and the Netherlands. He has also authored 47 peer-reviewed publications.

Tod feels his knowledge of the LVCCLD and his extensive and varied library experience would allow him to “have a short learning curve” if he were selected for the Executive Director position. He also has extended family here.

Tod has MS in Library & Information Science as well as a BS, MS And Doctor of Philosophy in Physics.

He has multiple professional affiliations including Executive Board and President-Elect, Nevada Library Association (2019–2021), Founding Co-Chair, Science & Technology Section Equity, Diversity, and Inclusion Task Force (2018–2020), State Council on Libraries and Literacy, Ex-Officio (2017–2019) and Library Leadership & Management Association - Leadership Theory / Multiple Committees (2017–2020).

ITEM VI.D.

Las Vegas-Clark County
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AGENDA ITEM

DECEMBER 17, 2020 MEETING OF THE BOARD OF TRUSTEES

Agenda Item #VI.D.:
Discussion and possible Board action regarding the recommendation to joinder onto the National Association of State Procurement Officials (NASPO) ValuePoint agreements for the purchasing of wireless services and additionally onto future agreements negotiated by NASPO for wireless services.

Background:
The District had used the Western States Contracting Alliance (WSCA) contract for purchasing wireless service for many years. The WSCA was a group of 15 western states in NASPO that conducted cooperative purchasing. NASPO is an American non-profit association formed by the top procurement officials for the fifty states, and Washington, D.C. and dedicated to strengthening the state procurement community through education, research, and communication. Despite having a separate name, the WSCA cooperative was a NASPO program. In 2013, NASPO consolidated its cooperatives and created the single member, non-profit, limited liability company, the NASPO ValuePoint Cooperative Purchasing Organization, to meet the increasing needs for resource assistance in cooperative procurement among the states nationally.

The Las Vegas-Clark County Library District has used Verizon for wireless services for over 20 years and Sprint/T-Mobile for mobile hotspots for the past six years. Both organizations participate in the NASPO cooperative and their Master Agreements (# 1907 and MA262) will expire on December 31, 2020. To ensure continuity of our wireless services, all Sprint/T-Mobile services must be transitioned to NASPO Master Agreement MA176 and all Verizon services must be transitioned to NASPO Master Agreement MA152 before December 31, 2020. The cost of our services will not be impacted by these transitions.

All governmental entities are welcome to use the approved agreements. Cooperative purchasing benefits states as well as cities, counties, public schools, and institutions of higher education. Many of the local governmental entities in southern Nevada, including the Clark County School District, Clark County, City of Las Vegas, Regional Transportation Commission of Southern Nevada (RTC), and the College of Southern Nevada (CSN), use these contracts.

Recommended Action:
Motion to authorize staff to joinder onto the National Association of State Procurement Officials (NASPO) ValuePoint contract for the purchasing of wireless services and additionally onto future agreements negotiated by NASPO for wireless services.