

**MINUTES
LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT
BOARD OF TRUSTEES' MEETING
LAS VEGAS, NEVADA
May 19, 2011
(approved June 9, 2011)**

The Board of Trustees of the Las Vegas-Clark County Library District met in regular session in the Windmill Library, Las Vegas, Nevada, at 6:00 p.m., Thursday, May 19, 2011.

Present:

Board:	K. Benavidez, Vice Chair	R. Kirsh
	V. Davis-Hoggard (via telephone)	K. Crear
	M. Saunders	C. Reese
	R. Ence	Y. Yturralde
	S. Bilbray-Axelrod	

Counsel: G. Welt

Absent: F. Barron - excused

Staff: Jeanne Goodrich, Executive Director
Numerous Staff

Guests: Tim Wong, President, Las Vegas-Clark County Library District Foundation
Tamar Hoapili, President of the Las Vegas Hawaiian Civic Club
Kauila Hoapili
Liz Carrasco, former Trustee
Scott Abbott, Kamer Zucker Abbott

K. Benavidez, Vice Chair, called the meeting to order at 5:58 p.m.

Roll Call and Pledge of Allegiance (Item I.) All members listed above represent a quorum. Trustee Davis-Hoggard attended via telephone. Appendix A.

Agenda (Item II.) Vice Chair Benavidez advised that an Executive Session would not be required. Trustee Davis-Hoggard moved to approve the Agenda as changed. There was no opposition and the motion carried.

Windmill Library branch presentation (Item III.) Executive Director Jeanne Goodrich introduced Windmill Library Branch Manager Art Cabrales. Mr. Cabrales welcomed Trustees to their first meeting in the beautiful new Windmill Library! With the opening May 7, 2011, Cabrales said every day had been an adventure. Cabrales thanked his staff for a great job ensuring the library opened as scheduled. Cabrales also thanked General Services Director Steve Rice and his staff and Support Services and Systems Director Chris Britsch and her staff for all of their hard work getting the branch ready to open.

Mr. Cabrales introduced his department heads: Assistant Branch Manager Carlotta Dickerson, YPL Department Head Tim McDonald and Computer Lab Supervisor Larry Gaskin.

Mr. Cabrales said the library occupies approximately 29,000 square feet and can hold approximately 130,000 volumes and DVDs. There is a computer lab, story room and several study rooms. Still to be

implemented once some technical issues have been worked out will be a number of laptops for patrons to check out.

Mr. Cabrales emphasized that the library is home to a real community. In the morning, parents and caregivers stop by and after 2:00 p.m., students from the nearby Southwest Technical and Career Academy fill up the building. The students enjoy hanging out and spend their time studying. Cabrales has been impressed by their behavior and interest. The branch is encouraging future readers: the morning of the meeting, 90 people turned up for story time. Since the story room only seats 41 people, staff improvised and held back-to-back sessions to accommodate everyone.

Mr. Cabrales concluded by inviting Trustees to join him on a tour after the meeting. Cabrales and Ms. Dickerson presented Trustees with a memento of the Windmill Library opening which was a tote bag to haul their library books.

There was a round of applause.

**Executive Session
(Item IV.)**

Removed.

**Approval of
Proposed Minutes
Regular Session,
April 14, 2011 and
Special Board
Meeting, May 5,
2011.
(Item V.A-B.)**

Trustee Crear moved to approve the Minutes of the Board of Trustees Meeting held April 14, 2011. There was no opposition and the motion carried.

Trustee Crear moved to approve the Minutes of the Special Board Meeting held May 5, 2011. There was no opposition and the motion carried.

**Chair's Report
(Item VI.)**

Chair Benavidez announced that, in honor of Asian Pacific American Heritage Month in May, she is pleased to introduce a special guest. Mr. Tim Wong is a strong supporter of APAHM programs, as well as a former Trustee and currently serves as President of the Las Vegas-Clark County Library District Foundation Board of Directors.

Mr. Wong said he was pleased to be invited to speak in front of the Board and he brought good news. When he joined the Board in 1998, it was estimated that the Asian Pacific Americans in the Las Vegas area numbered around 60,000. According to today's *Las Vegas Sun*, the 2000 Census recorded approximately 77,000 Asian Pacific Americans in the area and the 2010 Census showed a very large increase, with over 177,000 Asian Pacific Americans currently in the area.

Mr. Wong continued to say that Native Hawaiians are an important part of the growth of the Asian Pacific population in this area, so much so that Las Vegas is sometimes referred to as the 9th Hawaiian island. As part of the celebration of Asian Pacific American Heritage Month, he was pleased to introduce Tamar Hoapili, President of the Las Vegas Hawaiian Civic Club, who would be making a presentation.

Mr. Wong informed Trustees that the Las Vegas Hawaiian Civic Club is celebrating 22 years in Las Vegas and its purpose is to promote

educational projects and perpetuate the culture of Native Hawaiians. Ms. Hoapili will be presenting a check for \$1,500 to the Las Vegas-Clark County Library District Foundation, as well as books that have been donated by the Office of Hawaiian Affairs and Bill Wright, a member of the Las Vegas Hawaiian Civic Club. Mr. Wong concluded by saying that these donations will help to augment the Library District's Pacific Islands collection and will be placed at the Spring Valley Library.

Ms. Hoapili announced that her son Kauila would pass out leis to each Trustee. These leis were handmade by children of the Club's members. The Las Vegas Hawaiian Civic Club consists of over 100 members and Hoapili said she was proud to present their donation of \$1,500 on behalf of the group to the Las Vegas-Clark County Library District Foundation. The group requests that the donation be used to purchase books to provide more educational information about the Hawaiian and Pacific islands to Southern Nevadans. The books that have been donated include some books donated by members in addition to the Office of Hawaiian Affairs. As with most ethnic groups, the Club's foundation is language and several of the books provide information about the Hawaiian language.

Ms. Hoapili concluded by thanking the Trustees for the opportunity to speak and wished everyone "Aloha" which prompted another round of applause.

Chair Benavidez thanked Ms. Hoapili and the group, emphasizing that connection with different groups is a strong focus of the District.

Chair Benavidez then said the next item was bittersweet as the Board would be saying goodbye to former Trustee Liz Carrasco, who recently moved to Henderson. Benavidez thanked Ms. Carrasco for her service.

Ms. Carrasco thanked Trustees and staff and said she enjoyed her time as a Trustee. The move to Henderson was good for her family but she regretted she had to leave the Board. Carrasco then introduced her son Daniel and husband Kevin who had accompanied her.

Ms. Goodrich said that Ms. Carrasco's time on the Board had been too short. Goodrich was happy to present Carrasco with a gift to thank her for her service and said she would be happy to provide a recommendation to the Henderson District Public Library's Board if she would like one!

There was a round of applause.

Chair Benavidez welcomed new Trustee Shannon Bilbray-Axelrod and asked her to say a few words.

Trustee Bilbray-Axelrod said that she was a third generation Nevadan, and her father, who also was born in Las Vegas, was having his birthday tonight and watching Bilbray-Axelrod's four-year-old daughter. He was thrilled about her appointment. Bilbray-Axelrod said her daughter has energized and invigorated her to look at the library through the eyes of a child and was looking forward to her service as a Trustee. She concluded by thanking everyone for their warm welcome.

Chair Benavidez reminded Trustees that Executive Director Jeanne Goodrich's performance evaluation will be on the Agenda for the June 9, 2011 Board meeting. Each Trustee received a copy of the items to be used to complete their evaluation.

**Executive Director's
Report
(Item VII.A.)**

Ms. Goodrich drew Trustee's attention to the May issue of the ALTAFF newsletter, the *Voice*. In the newsletter, there is a report about a new publication from the Urban Libraries Council, the *ULC Leadership Brief*, which she has ordered for Trustees as she felt it would be good, succinct information.

Ms. Goodrich added her welcome to the Windmill Library and Service Center to that of Mr. Cabrales. She noted how gratifying it was to look out her window and see students streaming across the parking lot to visit after school and, on her daily visit to the branch, to see it full of parents and caregivers for story time. She added that it was exciting to see patrons using the study rooms and using the chairs by the windows with their laptops.

Ms. Goodrich added that the materials in the branch seem to fit the community, and she has been gratified at its diversity. She has seen the Buddhist monks from the temple across the street coming into the library. Staff is already taking steps to beef up the Asian language offerings for patrons at this location. She continued to say that the location is clearly the right place for the branch based upon the number of patrons staff have seen so far.

Ms. Goodrich congratulated Mr. Cabrales and his staff for their hard work getting the library ready, as well as Ms. Britsch and her staff for their ordering choices and fantastic work to get all the materials in place in time. She invited Trustees for a tour of the Service Center and all the "behind-the-scenes" work required to operate the District.

Ms. Goodrich concluded by reminding Trustees and guests that the District's Summer Reading Program will begin soon and signups start on June 10th. Goodrich thanked Youth Services Coordinator Mary Nelson Brown and her co-chairs Andrew Kaplan and Carla Land for all their work creating a fantastic program. Goodrich invited everyone with children to sign up for this year's Summer Reading Program.

Trustee Davis-Hoggard moved to accept Reports VII.A. 1-7. There was no opposition and the reports were accepted.

**Public Services and
Security Report
(Item VII.A.1.)**

Accepted.

**Business Office
Report
(Item VII.A.2.)**

Accepted.

**Human Resources
Report
(Item VII.A.3.)**

Accepted.

Technology Report Accepted.
(Item VII.A.4.)

General Services Accepted.
Report
(Item VII.A.5.)

Marketing Report Accepted.
(Item VII.A.6.)

Development Report Accepted.
(Item VII.A.7.)

Unfinished Business None.
(Item VIII.)

Discussion and possible Board action to authorize the Executive Director to sign the proposed extension to the collective bargaining agreements with Teamsters Local Union No. 14 that will be voted on by the membership on May 15, 2011. (Item IX.A.)

Human Resources Director Jerilyn Gregory was pleased to report that staff have concluded negotiations with Teamsters 14. There were 14 meetings between February 28 and April 27 and the District and union have come to a tentative agreement. Gregory explained that, rather than negotiate a completely new Collective Bargaining Agreement, District staff and union representatives have tentatively agreed to an Extension Agreement which will last 2 years, until June 30, 2013.

At the outset, Ms. Gregory said that it was important to note that the Teamsters' negotiating committee told the management team that they intended to unanimously recommend ratification of the Agreement to the employees. The ratification vote took place on Sunday, May 15th and the contract extension was approved by the union membership.

Ms. Gregory felt it was also important to note that during the negotiations much of the expressed concern at the bargaining table had to do with layoffs, bumping rights and recall. The negotiating committee seemed particularly concerned about these issues in view of the layoffs the District experienced last year. Gregory was grateful to the District's employee bargaining team for recognizing the economic realities of the times and for working so collaboratively with the management team to come up with contract language that clarifies the bumping and layoff process, extends recall rights, creates opportunities for laid off employees to be reassigned or redeployed, and codifies the voluntary transfer program and career counseling services that employees have received over the last year. The contract extension also clarifies language regarding management's right to select and promote employees.

Ms. Gregory provided a brief overview of the proposed changes:

- All contracts will be extended for a period of two (2) years commencing July 1, 2011 and expiring on June 30, 2013.
- No annual pay increases (cost of living adjustment or COLAs) in wages for the duration of the extension of contracts.

- No range/classification step increases (merit) for the duration of the extension of contracts.
- A decrease in premiums paid to the Teamsters Security Fund for Southern Nevada for health insurance coverage for eligible employees will take effect July 1, 2011. This decrease returns premiums to 2009 rates. Rates will be frozen for the duration of the extension of contracts.
- Removal of any reference to bidding.
- Provides discretion to the District to determine qualifications for any position.
- Provides discretion to the District to determine those applicants who will advance through the selection process and the right to select the best individual for the position.
- Provides employees with an opportunity to receive career counseling services from the Human Resources Department in the event they are not selected and would like to know how to increase their chances for selection in the future.
- Creates a voluntary transfer program providing employees with an opportunity to request a transfer to another location providing the employee meets specific criteria outlined in the program.
- Provides language to exclude the determination of qualifications, the selection (or not) of employees during any part of the selection process, and the granting (or not) of a voluntary transfer request from the Grievance, Mediation, and Arbitration Procedures.
- Provides further clarification to the bumping and layoff process.
- Creates an opportunity for laid off employees to be reassigned/redeployed to available positions they have not previously held provided they meet minimum educational requirements.
- Extends recall rights from 9 months to 1 year.
- Removes restrictions on when to schedule employee meal periods.
- And finally, it provides the following language regarding any potential future layoffs:

"In consideration for this Extension Agreement, the Library District agrees that, prior to any potential layoff/reduction in force, the Library District will request a meeting with the Union for the purpose of discussing any alternatives that might obviate the need for a layoff. The Union agrees that it shall promptly respond to any invitation by the Library District to meet within seven (7) calendar days of the date of the request and provide available dates on which to conduct such meeting to discuss these issues. Any such meeting shall be conducted within two (2) weeks following the date of the Union's response. Both the Union and the Library District will discuss in good faith any and all alternatives to avoid a layoff."

Ms. Gregory then introduced Scott Abbott, an attorney retained to represent the District in labor issues who also participated in negotiations. Both welcomed questions.

Trustee Kirsh asked what percentage of the membership voted on the contract. Ms. Gregory explained that the management team does not have the information: this is a secret ballot and the District was only informed of the result. Kirsh then asked for clarification on who can become a union member. Gregory said that most full-time employees are eligible to join. Nevada is a right-to-work state, so it is the employee's choice. Ms. Goodrich added that part-time employees are not eligible to join. Also, there are approximately 21 management and confidential positions that are not eligible for membership.

Trustee Reese asked about the removal of the restriction on meal periods. Ms. Gregory explained the current contract required that meals must be taken between the third and sixth hours of the shift. This proved a challenge to some departments, such as the theater techs, because of the nature of their work. The contract extension matches language in NRS, which requires that the meal be taken as close to the middle of the eight hour shift as possible, with no restrictions.

Trustee Saunders moved to authorize the Executive Director to sign the proposed extension for the collective bargaining agreements with Teamsters Local Union No. 14 as ratified by the membership on May 15, 2011. There was no opposition and the motion carried.

**Public Hearing on
the Las Vegas-Clark
County Library
District's Proposed
Budget for Fiscal
Year 2011-2012.
(Item IX.B.)**

Trustee Davis-Hoggard moved to convene the Public Hearing regarding the Las Vegas-Clark County Library District's Proposed Budget for Fiscal Year (FY) 2011-2012.

Ms. Goodrich and CFO Fred James provided information on the District's proposed budget for FY 2011-2012. Goodrich explained that the theme for the next fiscal year would be Positioning and Planning: Fine-Tuning Library Services. With the action just taken by the Board to approve extensions to the District's labor agreements, the next two years are expected to be more stable financially than the previous years. As such, it is a time of opportunity, and staff plan to take a step back and review library services and operations. Staff will be focusing customer services to the District's different and diverse communities through its branches, taking advantage of the data provided by the Community Connect program to focus their programs and offerings to specific areas of the population each branch serves.

Ms. Goodrich said that staff will also be taking the time to review and update policies such as the Collection Development Policy and Circulation Policy as well as other major policies. The District will continue to search out and develop partnerships with community organizations and begin work on the next strategic plan, involving a different approach than the one taken during the last three plans. This would begin after the first of the year.

Mr. James explained that for the FY 2011-2012 budget, it is very important to understand that 92% of the District's revenues come from

two sources – 66% of District revenues come from property tax (PTX) revenues and 26% are due to proceeds from consolidated sales tax (CTX) revenues. Later in the meeting, James will be presenting an item for Trustee review on a proposed redistribution of the CTX revenues.

Mr. James explained that property tax is based upon the assessed valuation (AV) of residential and commercial properties. He showed a chart that tracked AV from FY 2002-2012. AV increased every year through FY 2008-2009 when AV totaled between \$80-\$90 billion. Then AV began to decline. The biggest drop took place in FY 2010-2011. In FY 2010-2011, AV had dropped 30% from FY 2009-2010.

During FY 2011-2012, AV is anticipated to total approximately \$45.9 billion, a 6% decrease from FY 2010-2011. Currently, the District's tax rate is .0942 (9.42 cents per \$100 AV). This translates to approximately \$32.97/year or \$2.75/month for each \$100,000 of AV. Mr. James reminded Trustees that property is assessed at 35% of actual estimated value. The District will pay off the last of the long-term bonds during this fiscal year, so there is no need for a Debt Service tax rate.

Mr. James then discussed CTX revenues. He explained that CTX is a combination of City/County Relief (sales) and miscellaneous taxes distributed to most Clark County municipalities according to State formula. CTX revenues started dropping before PTX revenues but have started to recover. In FY 2011-2012, James is estimating that CTX revenues should total approximately \$15M, an increase of \$800K from FY 2010-2011. This revenue source, which will make up 26% of the District's revenues in FY 2011-2012, is the most volatile revenue source. James said that after 9/11, there was a huge immediate decline on CTX revenues, which did not recover for six-seven months.

All other revenue sources provide \$2.8 million and are comprised of patron fines and fees, interest paid on District accounts and income from contracts with other libraries. Mr. James then provided specifics of expected revenues and expenditures for FY 2011-2012.

TOTAL EXPECTED REVENUES – ALL FUNDS

\$59,565,000

PTX	\$39.5M	66%
CTX	\$15.2M	26%
Intergovernmental Revenue	\$ 1.2M	2%
• Grants		
Fines & Fees/Misc.	\$ 2.5M	4%
• Patron fines for late or lost books, collections and interest income		
Charges for services	\$ 1.1M	2%
• Fees from Contract libraries and detention libraries operated by the City and County		

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TOTAL EXPENDITURES – ALL FUNDS

\$66,456,834

General Fund	\$50.7M	76%
Capital Projects Fund	\$ 2.5M	4%
Special Revenue Funds	\$ 1.7M	2%
Debt Service Fund	\$11.6M	18%

Mr. James then explained that staff has proposed a transfer from the General Fund to the Debt Service Fund of \$8.2 million for payments during FY 2011-2012 that the District is required to have on hand by June 30, 2011 and will be used as follows:

- 2009 Medium Term Bonds - \$7.7 million
- 2001 & 2003 Refunding Bonds - \$0.5 million

GENERAL FUND

Ms. Goodrich explained that the General Fund is the operating fund for the District and is used to account for all financial resources except for those required to be accounted for in another fund.

GENERAL FUND REVENUES

\$57,505,000

PTX	\$39.5M	69%
CTX	\$15.2M	26%
Fines & Fees/Misc.	\$ 1.7M	3%
Charges for Services	\$ 1.1M	2%

GENERAL FUND EXPENDITURES – BY FUNCTION

\$50,680,322

Public Services	\$35.2M	69%
General Services	\$ 7.4M	15%
Administration	\$ 4.9M	10%

- This includes the expenses for the Executive Director's office, Business Office, Marketing and Human Resources

Information Technology	\$ 3.2M	6%
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- This includes the staff and equipment for District facilities and staff

GENERAL FUND EXPENDITURES – BY ACTIVITY
\$50,680,322

Salaries and Benefits	\$32.1M	63%
<ul style="list-style-type: none">• Points to the importance of the agreement Trustees just approved		
Services and Supplies	\$10.9M	21%
<ul style="list-style-type: none">• Covers everything from utilities to cataloguing fees, fuel for District vehicles and fees paid to contract services like custodial and security companies		
Library Materials	\$ 7.3M	15%
<ul style="list-style-type: none">• Ms. Goodrich said she was very pleased to maintain this level of materials for District patrons		
Capital Outlay	\$ 0.4M	1%

Ms. Goodrich then emphasized the importance of the District's ending fund balance as this money is used to pay District expenses from July 1 until revenue begins to come in several months after the start of the fiscal year and acts as a cushion during economic downturns. The amount is included in the General Fund budget and accounts for \$7.7M or 13% of FY 2010-2011 expenditures. She noted that reserves in the Capital Projects Fund will be used to augment cash flows in the General Fund and will be required in the next four to five of the next eight years while the District is paying off the medium term bonds. Any excess ending fund balance over \$6 million will be used to cover projected revenue shortfalls in future years.

Ms. Goodrich then discussed several different function areas of the General Fund.

PUBLIC SERVICES - This function area includes:

- Branch Services – 14 Urban libraries, 11 Rural libraries
- Collection Development – selects library materials
- Support Services – catalogs and processes those materials
- Community Outreach – provides library services to centers for young children and senior citizens
- Contract Libraries – jail libraries in the city and county
- Literacy – programs to improve reading skills
- the Virtual Library – the District's online services

Ms. Goodrich then covered the highlights in the proposed budget for FY 2011-2012. The District plans to keep its libraries open for the same hours during the year, with a few exceptions in several rural branches. The service levels will also stay the same. Staffing allocations and the services and supplies budget will remain at current levels with some adjustments to be made in response to workload levels. Goodrich emphasized that staff will review this during the year. She also noted that the impact of the new Performing Arts Center (PAC) and meeting room fees and policies will be monitored throughout the year. Goodrich added that, so far, staff has seen no drop-off in the use of meeting rooms, but staff will be carefully monitoring usage of both the PACs and meeting rooms.

LIBRARY MATERIALS – This includes books, DVDs, reference materials, periodicals and online materials. It is considered to be one collection and is physically and electronically distributed among District branches.

PROPOSED LIBRARY MATERIALS BUDGET

TOTAL ALLOCATION - \$7,350,000

Adult Print	\$2,360,347	32%
• This amount is higher than last fiscal year		
Adult Audio Visual	\$1,199,500	16%
• This amount is less than last fiscal year		
Juvenile Print	\$1,517,000	21%
Electronic Resources	\$ 966,000	13%
• This area is increasing in popularity, due to the huge demand for eBooks		
Juvenile Audio Visual	\$ 454,653	6%
Reference	\$ 410,500	6%
International Languages	\$ 222,000	3%
Periodicals	\$ 220,000	3%

GENERAL SERVICES – Proposed budget highlights for this function area include \$359K for building repairs and minor improvements which include work in the general categories of HVAC system repairs and upgrades, exterior painting, parking lot repairs and furniture repair and reupholstering. Ms. Goodrich emphasized that staff are trying to repair items before replacing if at all possible to stretch limited funds so that District facilities are as attractive and functional as they possibly can be.

CAPITAL PROJECTS FUND

Mr. James explained that the Capital Projects Fund accounts for the acquisition, replacement or construction of major capital projects and facilities. James commented that during the years that AV increased so dramatically, staff created several programs in this Fund to accumulate money to pay for library equipment and construction. The result of this savings was that the Centennial Hills Library was built entirely from savings from this Fund. With the current financial situation, money put away can be used to fund budget deficits over the next several years.

CAPITAL PROJECTS FUND

\$27.8M AVAILABLE RESOURCES BY PROGRAM

Integrated Library Systems	\$ 1.6M
• Used to pay for RFID equipment and installation	
Technology Replacement and Upgrades	\$ 2.2M
• Used to replace District computers on a five year cycle	
Building Repair and Maintenance	\$ 4.8M
• Used for unplanned, emergency building equipment repairs	
Capital Construction	\$19.2M
• Comprised of bond money and savings	

CAPITAL PROJECTS FUND

- **FY 2011-2012 PROPOSED EXPENDITURES** **\$2.5M**
 - Integrated Library Systems \$ 0M
 - Do not anticipate spending money this year but will have to start setting money aside for equipment replacements costs i 10-12 years.
 - Technology Replacement and Upgrades \$.5M
 - Annual expense to replace District computers on a five year cycle
 - Building Repair and Maintenance \$.6M
 - Catastrophic expenses only
 - Capital Construction \$ 1.4M
 - Mesquite Temporary Modular building addition (\$600,000)
 - Windmill Closeout costs (\$800,000)
- **REMAINING FUND BALANCE** **\$25.3M**
 - Reserved to cover projected revenue shortfalls in future budget years \$14.1M
 - If the revenues do not come is as staff projects over the next few years, money will be transferred back into the General Fund to meet the deficit budget.
 - Reserved to cover Capital Projects programs over the next 8-10 years \$11.2M
 - These funds may also be used, as necessary, to cover deficits in the General Fund.

SPECIAL REVENUE FUNDS - \$2M

These funds account for the proceeds of specific revenue sources, which are the Grant Fund and the Gift Fund. This money is not spent unless it is received. Mr. James always budgets more money than is required so that the Board does not need to continually approve supplemental budgets during the fiscal year.

- Literacy (CALL) and other grants - \$1.3M
- Donations in the Gift Fund - \$0.7M

DEBT SERVICE FUND - \$11.6M

This fund accounts for the accumulation of resources for, and the payment of, general obligation bonds.

- Proceeds from property taxes that are restricted for payment of principal and interest on bonds - \$4M
 - Outstanding at close of FY 2010-2011 - \$3.8M
 - All *voter* approved bonds will be fully paid in 2012
 - No more debt service levy

- Ten-year Medium Term Bond is payable through a transfer from the General Fund - \$7.6M
 - Outstanding at June 30, 2011 - \$50M
 - At the end of FY 2011-2012, the District is required to have \$8.2M on hand and the District will periodically transfer money from the General Fund to total this amount.

Ms. Goodrich explained that the Proposed FY 2011-2012 Budget will impact services as follows:

- Current hours and services are preserved
- The Materials budget remains at 15% of the operating budget
- Staff will continue to place an emphasis on programs and services for children, families and caregivers while continuing other popular programs where possible.
- New rules and rates for use of the meeting rooms and PACs will be in place and staff will be monitoring their use.

Ms. Goodrich described the fiscal impact of the Proposed FY 2011-2012 Budget:

- Materials budget maintained at 15% of operating budget
- No COLAs or step increase for staff
- Reduced Health Insurance costs
- Ending Fund Balance maintained at a minimum of \$6M
- This proposed budget is sustainable with the proposed spending
- Annual cash transfers to the General Fund from the Capital Projects Fund will begin in FY 2012-2013, continuing through FY 2017-2018.

Ms. Goodrich concluded her presentation by reminding Trustees that the medium term bonds will be paid off during FY 2017-2018 and the District will then be in a very good financial position. Goodrich emphasized that she sees a light at the end of the tunnel, which makes the District different from other jurisdictions. The elimination of COLAs and step increases for staff for the next two fiscal years was a concession from the union. Hopefully, the uptick in visitors to the area will increase the District's CTX revenues and, eventually an increase in AV over time will increase PTX revenues. She did note that AV increases are capped by statute. Residential property has a 3% cap, while commercial property has an 8% cap.

There was no public comment.

Trustee Saunders moved to close the Public Hearing on the Proposed Budget.

Discussion and possible Board action to adopt the Las Vegas-Clark County Library District's Proposed Budget for Fiscal Year 2011-2012.

Chair Benavidez asked if Trustees would like to comment or had questions on the District's Proposed Budget for FY 2011-2012.

Trustee Ence commended staff for their hard work and questioned whether any other library of comparable size in the country would be able to provide such a great report in the current economy. Ence congratulated staff on their challenging work over the last few months, citing the staff moves to the Service Center and opening a new Library,

(Item IX.C.)

while continuing to remaining frugal on expenses and keeping as many jobs as possible. He felt it was a great pleasure to serve as a District Trustee.

Trustee Bilbray-Axelrod also commended staff for their hard work. She asked Ms. Goodrich about the impact of electronic media on the District's budget, noting that this medium does not seem to incur fines. Goodrich noted that staff are always happy to have materials stay available to patrons and not have to collect fines to do so. She said that electronic media, with services such as Freegal and eBooks, take a burden off staff as they are not required to process the materials, shelve and re-shelve the items or protect these items from theft.

Ms. Goodrich said that electronic media is proving to be a convenient service to provide to patrons. She noted that most individuals like using different mediums to access books: eBooks while traveling to reduce the amount of stuff to carry around, using a headset to listen to audio books while walking or exercising and relaxing with a printed book while at home.

Ms. Goodrich added that she has no fears for the future of public libraries, seeing electronic media as another way to serve patrons and noting the enthusiastic reaction of the community to the Windmill Library. She noted that every time something new comes out, predictions are made about the demise of libraries. She said that it is interesting to see the different business models for the use of electronic media with Kindle updating its offerings while Harper-Collins is limiting the numbers of times its materials can be borrowed. There is a lot of activity in this area and staff will be carefully watching the developments in this new medium for our patrons.

Trustee Kirsh also congratulated staff, noting that there could have been several opportunities for negative press with the District opening a new building in the current economy, negotiations with the union, and the lower revenues which reduced the money available in the next year. He felt that Marketing Director Pat Marvel, Public Relations Manager Karen Bramwell and other marketing staff did an amazing job managing the District's information.

Trustee Saunders asked everyone to join him for a round of applause for Ms. Goodrich and the Executive team for their outstanding job. He continued speaking after the ovation, stating that the Trustees and the community are truly fortunate to have such a skilled executive team and staff.

Trustee Saunders moved to adopt the Proposed Las Vegas-Clark County Library District's Fiscal Year 2011-2012 Budget subject to any modifications as directed by Trustees and instruct staff to adjust estimated Fiscal Year 2011-2012 revenues in accordance with final estimates from the Department of Taxation provided such estimates are received in sufficient time for staff to make adjustments by the June 1, 2011 filing date. There was no opposition and the motion carried.

Mr. James asked all Trustees to sign a form confirming their vote which will be submitted to the state with a copy of the approved budget.

Discussion and possible Board action regarding the District entering into a Cooperative Agreement with other local governmental entities identified in the attached document pursuant to Nevada Revised Statute to establish an alternative formula for the distribution of the Local Government Tax Distribution Account (the Account). The account is also referred to as the Consolidated Tax Account. (Item IX.D.)

Chair Benavidez introduced the item for a Cooperative Agreement with other local governmental entities. The proposed agreement would establish an alternative formula for the distribution of the Local Government Tax Distribution Account (the Account). The Account is also referred to as the Consolidated Tax Account.

The local government entities who would be a party to the agreement are:

- Kyle Canyon Water District
- Clark County
- Cities
 - Boulder City
 - Henderson
 - Las Vegas
 - Mesquite
 - North Las Vegas
 - Bunkerville
 - Enterprise
 - Laughlin
 - Moapa Valley
 - Paradise
 - Searchlight
 - Spring Valley
 - Summerlin
 - Sunrise Manor
 - Whitney
 - Winchester
- Special Districts
 - Boulder City Library District
 - Clark County Fire Protection
 - Henderson Library District
 - Las Vegas-Clark County Library District
 - Moapa Fire Protection
 - Mt. Charleston Fire Protection

Chair Benavidez then disclosed for the record that she was an employee of Clark County but believed she could review the issue objectively and independently and make a decision solely on the benefit or detriment to the Las Vegas-Clark County Library District.

Trustee Ence recused himself from discussion and voting on the item due to his position as a member of the Mesquite City Council. He added that they are currently "at odds" on the agreement. He left the meeting room at 6:59 p.m.

Trustee Yturralde disclosed that she was an employee of the City of Las Vegas but believed she could review the issue objectively and independently and make a decision solely on the benefit or detriment to the Las Vegas-Clark County Library District.

Mr. James explained that the Account, created in 1997 to establish the distribution formula for allocating a number of different types of taxes collected by other local government entities, was modified during the 2001 legislative session to remove language commonly referred to as the "one plus" factor from the original distribution formula. The removal of that language permitted the faster growing cities to appropriately capture a proportionate share of the Account "excess" proceeds in proportion to the rate at which those communities were growing.

Mr. James explained that the "one plus" formula would increase the base revenue of each entity who received the tax by 1% each year. For example, if the District had CTX revenues of \$15M, as it projects for the FY 2011-2012, that would be the base for the next year. For FY 2012-2013, the base would be \$15.1. If the actual revenues totaled \$19 million, the difference between \$15.1 and \$19 million would be considered "excess" and would be distributed to the different entities equally.

As the economy has slowed significantly over the last three years, the result has been a large decline in county-wide assessed property valuations. As a consequence, the modified formula for determining tax allocations will cause an unequal distribution of the "excess" proceeds of the Account for all but a few recipients. This inequity will result in an allocation in 2012 of the Account's "excess" proceeds to several local entities in Clark County including the City of Mesquite that will be significantly higher than their actual rate of growth.

Because of this disparity and other significant issues concerning the Account and the Formula, Mr. James reported that the Nevada Legislature is currently considering Assembly Bill 71 requiring an interim study evaluating the appropriate allocation of money from the Account to Account recipients.

Based upon the filing of Assembly Bill 71, and the Nevada Legislature's concern regarding the appropriate proportionate allocation of the Account proceeds, there is an understanding that certain members of the Nevada Legislature are supportive of a change to NRS 360.730(2) to permit local governments and special districts to enter into a cooperative agreement establishing an alternate formula until May 31 of the current fiscal year, as long as all involved entities approve a cooperative agreement prior to May 31, 2011.

Based on the above, staff desires to enter into this agreement to establish an appropriate alternative formula to recreate the effect of adding back the "one plus" factor to the formula to equalize the distribution of Account proceeds among the recipients. Entering into this agreement, it is forecasted that the District will receive an additional \$394,000 in Consolidated Tax collections.

Trustee Reese asked several questions to clarify the differences between the current formula and the "one-plus" formula.

Trustee Crear asked whether Mesquite was in agreement at this time. Mr. James said that the City Council has not yet met and noted that

Mesquite will be losing approximately \$10M if they agree and they have financial issues just like every other government entity. Ms. Goodrich emphasized that all parties must approve the agreement for it to go into effect, and every Board has a different meeting schedule.

Trustee Saunders asked how the Legislature came to be involved in a Clark County issue. Ms. Goodrich explained that the City of North Las Vegas has historically had a problem with CTX distribution and had been requesting a study on the distribution for several years. In this legislative session a bill, AB71, if passed, would create a committee to study the distribution of this revenue. The bill has been moving forward and its sponsor indicated she would not oppose the different entities changing the formula for two years until the study has been completed. Several entities have taken the lead and moved forward on correcting an unanticipated discrepancy in funding.

Trustee Reese asked about entities other than Mesquite who would be seeing a windfall if the agreement is not agreed to. Mr. James said that several unincorporated townships such as Enterprise, Winchester and Paradise would also benefit. Trustee Kirsh said that he did not believe he'd seen so many different entities and was concerned that everyone would not agree. Chair Benavidez noted that the unincorporated townships are governed by the Clark County Commission. It was her understanding the Commission would be going forward on the behalf of these townships to approve the agreement.

Mr. James emphasized that the agreement would bring in an additional \$394,000 to the District.

Trustee Davis-Hoggard moved to approve the District's co-signing the Proposed Interlocal Agreement with other local governmental entities as identified in the attached agreement seeking to establish an alternative formula for the distribution of the Local Government Tax Distribution Account. There was no opposition (Trustee Ence had recused himself) and the motion carried (8-0).

The Interlocal Agreement is attached as Appendix B.

Trustee Ence returned to the meeting room after the vote at approximately 7:14 p.m.

**Discussion and possible Board action regarding the changing of outlying branch and the Meadows Library service hours effective June 25, 2011.
(Item IX.E.)**

Mr. Morss explained that staff is proposing that the Board authorize changes in service hours for ten of the District's outlying branches as well as for the Meadows Library which is a satellite branch located in the Stupak Community Center. The goal of the change in service hours is to afford the District better efficiency in offering support from IT, General Services, and Public Services Administration if the branches and their hours align with the District's urban branch hours.

The changes also present an opportunity to balance out service hours that staff hopes will be more reflective of the communities being served. Most of the outlying branches have not had any service hour adjustments in more than 20 years.

Of the eleven outlying branches, seven of the eleven will continue to be open the same number of hours they are currently open to the public

but their hours will be adjusted based on the factors just mentioned
(changes noted in red):

Blue Diamond

14 Cottonwood Avenue
Blue Diamond 89004

Total Open Hours 20 hours

M: Closed
Tues: 2:00-7:00
1:00-7:00
Wed: 2:00-7:00
Thu: 1:00-8:00
1:00-7:00
Fri: Closed
Sat: 10:00-1:00
Sun: Closed

Bunkerville

10 West Virgin Street
Bunkerville 89007

Total Open Hours 20 hours

M: 4:00-8:00
3:00-7:00
Tue: 1:00-5:00
Wed: 1:00-5:00
Thu: 1:00-5:00
Fri: Closed
Sat: 9:00-1:00
10:00-2:00
Sun: Closed

Indian Springs

715 Gretta Lane
Indian Springs 89018

Total Open Hours 30 hours

M: Closed
Tue: 11:00-7:00
Wed: 11:00-7:00
Thu: 11:00-7:00
Fri: Closed
Sat: 9:00-3:00
10:00-4:00
Sun: Closed

Moapa Town

1340 East Highway 168
Moapa 89025

Total Open Hours 20 hours

M: Closed
Tue: 1:00-5:00
1:00-6:00
Wed: 1:00-5:00
10:00-3:00
Thu: 12:00-8:00
1:00-6:00
Fri: Closed
Sat: 9:00-1:00
10:00-3:00
Sun: Closed

Moapa Valley

350 North Moapa Valley Boulevard
Overton 89040

Total Open Hours 48 hours

M: 12:00-8:00
11:00-7:00
Tu: 12:00-8:00
11:00-7:00
W: 12:00-8:00
11:00-7:00
Th: 12:00-8:00
11:00-7:00
Fri: 10:00-6:00
Sat: 10:00-6:00
Sun: Closed

Sandy Valley

650 West Quartz Avenue
Sandy Valley 89019

Total Open Hours 20 hours

M: 1:00-5:00
Tue: 1:00-5:00
Wed: 5:00-9:00
3:00-7:00
Thu: 5:00-9:00
3:00-7:00
Fri: Closed
Sat: 1:00-5:00
10:00-2:00
Sun: Closed

Searchlight

200 Michael Wendell Way
Searchlight
89046

Total Open Hours 20 hours

M: Closed
Tue: 1:00-6:00
Wed: 1:00-6:00
Thu: 1:00-7:00
Fri: Closed
Sat: 9:00-1:00
10:00-2:00
Sun: Closed

Three branches will see a reduction in hours:

The Mesquite Library will see a reduction of four service hours, closing an hour earlier Monday thru Thursday for a total of 56 hours per week.

Mesquite

121 West First North Street
Mesquite 89027

Total Open Hours 60 hours **-56 hours**

M: 9:00-7:00
10:00-7:00
Tu: 9:00-7:00
10:00-7:00
W: 9:00-7:00
10:00-7:00
Th: 9:00-7:00
10:00-7:00
Fri: 10:00-6:00
Sat: 10:00-6:00
Sun 1:00-5:00

The Laughlin Library will also see a reduction of four service hours, opening an hour later Monday thru Thursday for a total of 56 hours per week.

Laughlin	M: 9:00-7:00 10:00-7:00
	Tue: 9:00-7:00 10:00-7:00
	Wed: 9:00-7:00 10:00-7:00
2840 South Needles Highway	Thu: 9:00-7:00 10:00-7:00
Laughlin 89029	Fri: 10:00-6:00 Sat: 10:00-6:00 Sun 1:00-5:00
<i>Total Open Hours</i>	60 hours- 56 hours

The Mount Charleston Library will go from 32 hours down to 20 hours per week to be in line with other outlying branches of its size. The branch is currently the lowest in terms of circulation of all outlying branches and has been for a number of years.

Mount Charleston	M: 12:00-8:00 Closed
	Tue: 12:00-8:00 12:00-6:00
	Wed: 12:00-5:00
75 Ski Chalet Place	Thu: 12:00-5:00
Las Vegas 89124	Fri: Closed Sat: 9:00-3:00 10:00-2:00
<i>Total Open Hours</i>	32 hours- 20 hours Sun: Closed

Staff do not recommend any change in service hours for the Goodsprings Library as the hours align already with those of the urban branches and the hours appear to be meeting the needs of that community.

Goodsprings	M: 3:00-7:00
	Tue: 3:00-7:00
	Wed: 3:00-7:00
365 West San Pedro Avenue	Thu: 3:00-7:00
Goodsprings 89019	Fri: Closed Sat: 10:00-2:00
<i>Total Open Hours</i>	20 hours Sun: Closed

Mr. Morss continued to say that staff also propose changing the hours of the Meadows Library, the District's satellite branch which is currently located in the Stupak Community Center. The new hours will align with the District's urban branch hours and the change, opening an hour earlier, will help with meeting the needs of the students who attend ESL and Literacy classes at the community center.

**Meadows
Village**

251 West Boston Avenue
Las Vegas 89102

M: 12:00-8:00
11:00-7:00
Tu 12:00-8:00
11:00-7:00
W: 12:00-8:00
11:00-7:00
Th: 12:00-8:00
11:00-7:00
Fri: Closed
Sat: 10:00-3:00
Sun: Closed

Total Open Hours 37 hours

Mr. Morss proposed that the new service hours take effect June 25, 2011. Public Services staff will work with the Marketing Department on a campaign to alert these communities to the change in hours.

Staff will also monitor the change in hours to ensure they are meeting the needs of the communities and come back to the Trustees if changes are needed in the future.

Chair Benavidez asked whether the communities determined whether a particular branch was opened or closed on Mondays. Mr. Morss said that, as some of these hours had been set 20 years ago, no one knows what led to the decisions, probably due to lack of patrons on a specific day. He added that library use on Fridays is lower than mid-week or weekends and that is why several of the outlying branches are closed on Fridays.

Trustee Ence moved to change service hours of outlying branches and the Meadows Library as proposed effective June 25, 2011. There was no opposition and the motion carried.

**Discussion and
possible Board
action regarding the
Chair's call for
nominations to form
a Nominating
Committee for
Board officers for
Fiscal Year 2011-
2012.
(Item IX.F.)**

Chair Benavidez asked for volunteers to serve on the Nominating Committee. Trustees Davis-Hoggard, Crear, Kirsh and Saunders agreed to serve. Benavidez appointed Trustee Kirsh as Committee Chair. The Committee will meet and provide a recommendation for Board officers for Fiscal Year 2011-2012 at the June 9, 2011 Regular Board Meeting.

**Announcements
(Item X.)**

The Risk Management Committee Meeting will be held Thursday, June 9, 2011 in the Enterprise Library, 25 E. Shelbourne Avenue, Las Vegas, Nevada 89123 at 4:30 p.m.

The next Board Meeting will be held Thursday, June 9, 2011, in the Enterprise Library, 25 E. Shelbourne Avenue, Las Vegas, Nevada 89123 at 6:00 p.m.

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Public Comment None.
(Item XI.)

Adjournment Chair Benavidez adjourned the meeting at 7:20 p.m.
(Item XII.)

Respectfully submitted,

Ron Kirsh, Secretary

2011 ATTENDANCE

APPENDIX A MAY 19, 2011 REGULAR BOARD MEETING

2011		January 13 Regular Board Mtg	January 27 Finance & Audit Cmte	February 10 Regular Board Mtg	March 10 Executive Director Evaluation Cmte	March 10 Regular Board Mtg	March 24 Finance and Audit Committee	March 29 Ad-Hoc Conference Rm/PAC Use Cmte	April 14 Regular Board Mtg	May 5 Special Board Meeting	May 19 Regular Board Mtg		
Aguirre*	Aldo	P	P	P	P	P			X	X	X		
Barron	M. Frances	P		P	P	P	P		P	P	A-E		
Benavidez	Kelly	P	A-E	P		P	A-E	P	P	P	P		
Carrasco**	Liz	P		A-E		A-E			A-E	X	X		
Crear	Keiba	P	P	P	P	P	P	P	P	P	P		
Davis-Hoggard	Verlia	P	P	P		P	P	P	P	P	P		
Ence	Randy	P	P	P	P	P	P		P	A-E	P		
Kirsh	Ron	P	P	P	A-E	A-E	P	P	P	P	P		
Reese	Carol	P		P	P	P	P	A-E	A-E	P	P		
Saunders	Michael	P	P	P	P	P	P	A-E	P	P	P		
Yturalde***	Ydoleena	X	X	X	X	X	X	X	P	P	P		
Bilbray-Axelrod****	Shannon	X	X	X	X	X	X	X	X	X	P		

attended Committee meeting but not a member

A-E Excused absence
A-U Unexcused absence
as of May 20, 2011

*Term expired April 3, 2011
**Resigned April, 2011 due to move out of District boundaries
***Appointed for new term beginning April 3, 2011
****Appointed May 17, 2011

COOPERATIVE AGREEMENT BETWEEN CLARK COUNTY, THE CITY OF LAS VEGAS, THE CITY OF NORTH LAS VEGAS, THE CITY OF HENDERSON, THE CITY OF BOULDER CITY, THE CITY OF MESQUITE, THE UNINCORPORATED TOWNS OF BUNKERVILLE, ENTERPRISE, LAUGHLIN, MOAPA VALLEY, PARADISE, SEARCHLIGHT, SPRING VALLEY, SUMMERLIN, SUNRISE MANOR, WHITNEY, AND WINCHESTER, THE MT. CHARLESTON FIRE PROTECTION DISTRICT, THE MOAPA VALLEY FIRE DISTRICT, THE CLARK COUNTY FIRE SERVICE DISTRICT, THE LAS VEGAS CLARK COUNTY LIBRARY DISTRICT, THE HENDERSON DISTRICT PUBLIC LIBRARIES, AND THE BOULDER CITY LIBRARY DISTRICT PURSUANT TO NEVADA REVISED STATUTE §360.730 ESTABLISHING AN ALTERNATIVE FORMULA FOR THE DISTRIBUTION OF THE LOCAL GOVERNMENT TAX DISTRIBUTION ACCOUNT

This Cooperative Agreement (hereinafter referred to as the “Agreement”) is made and entered into on this 19th day of May, 2011, by and among Clark County, the City of Las Vegas, the City of North Las Vegas, the City of Henderson, the City of Boulder City, the City of Mesquite, the Unincorporated Towns of Bunkerville, Enterprise, Laughlin, Moapa Valley, Paradise, Searchlight, Spring Valley, Summerlin, Sunrise Manor, Whitney, and Winchester, the Mt. Charleston Fire Protection District, the Moapa Valley Fire District, the Clark County Fire Service District, the Las Vegas/Clark County Library District, the Henderson District Public Libraries, and the Boulder City Library District, all of which are political subdivisions of the State of Nevada. Each of the above-listed entities may hereinafter be referred to individually as a “Party” or collectively as the “Parties.”

RECITALS

1. In 1997, Senate Bill 254 was enacted, creating the Local Government Tax Distribution Account (the “Account”), codified at NRS §360.660, and its related distribution formula (the “Formula”), codified at NRS 360.690;
2. In 2001, Assembly Bill 653 was enacted, which removed language commonly referred to as the “one plus” factor from the Formula at NRS §360.690(4)(a)(1) and (4)(b)(1) for local governments and special districts. The removal of this language was due to the fact that, at that point in time, the faster growing communities were not, and would not, capture a share of Account “excess” proceeds proportionate with the rate at which those communities were growing, and the removal of that language permitted the faster growing cities to appropriately capture a proportionate share of the Account “excess” proceeds;
3. The economy has slowed dramatically between 2001 and 2011, and now the 2001 “fix” to the Formula permitting faster-growing communities to capture an appropriate proportionate share of their growth is affecting all communities in a disproportionate manner, and in conjunction with substantial reductions in state and county-wide assessed property valuation during the last three years, the result will be an unequal distribution of the “excess” proceeds of the Account of for all but a few recipients of the Account. This inequity will result in an allocation of 2012 Account “excess” proceeds to several local entities in Clark County that will be significantly higher than their actual rate of growth;

4. Because of this disparity and other significant issues concerning the Account and the Formula, the Nevada Legislature is currently considering Assembly Bill 71 requiring an interim study evaluating the appropriate allocation of money from the Account to Account recipients;
5. Based upon the filing of Assembly Bill 71, and the Nevada Legislature's concern regarding the appropriate proportionate allocation of Account proceeds, it is the Parties' understanding that certain members of the Nevada Legislature are supportive of a change to NRS §360.730(2), to permit local governments and special districts to enter into cooperative agreements establishing an alternate formula until May 31 of a current fiscal year, as long as the Parties to this Agreement approve a cooperative agreement establishing an appropriate alternative formula for distribution of Account proceeds for this fiscal year in a manner to which the Parties agree prior to May 31, 2011;
6. NRS §360.730(1) permits as follows:
The governing bodies of two or more local governments or special districts, or any combination thereof, may, pursuant to the provisions of NRS §277.045, enter into a cooperative agreement that sets forth an alternative formula for the distribution of the taxes included in the Account to the local governments or special districts which are parties to the agreement;
7. NRS 277.045 provides, in pertinent part, as follows:
[A]ny two or more political subdivisions of this State, including, without limitation, counties, incorporated cities and towns, unincorporated towns . . . and special districts, may enter into a cooperative agreement for the performance of any governmental function. Such an agreement may include . . . the payment of money;
8. Based upon the above, the Parties desire to enter into an agreement to establish an appropriate alternative formula to recreate the effect of adding back the "one plus" factor to the Formula to equalize the distribution of Account proceeds among the Parties.

NOW, THEREFORE, in consideration of the foregoing recitals, the promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

AGREEMENT

A. Establishment of Alternative Formula.

1. Intent of Alternative Formula. The Parties to this Agreement agree that the alternative formula as provided herein shall be utilized by the Executive Director of the Nevada Tax Commission to determine a Party's share of the Clark County Account proceeds. Specifically, the Parties agree that the effect of the "one plus" factor on the Parties removed from the Formula by Assembly Bill 653 from NRS §390.690(4) is intended to be recreated by this Agreement for purposes of Account allocation to the Parties, after giving the city of Mesquite the first \$435,000 of Account distribution in excess of the base distribution, to the extent there is any.

An extract of NRS §390.690(4) with the "one plus" language inserted is attached hereto at Exhibit "1."

2. Alternative Formula Allocation Method. The mathematical method by which the Executive Director of the Nevada Tax Commission shall process the Alternative Formula and allocate Account proceeds to the Parties is described as follows:

- a. Step 1 - To the extent there is any Account distribution in excess of the base distribution, the first \$435,000 of such excess shall be distributed to the city of Mesquite.
- b. Step 2 - Any Account distribution in excess of the base distribution plus the \$435,000 identified in Step 1 shall be distributed to all the recipients as if the "one plus" language was included in:
 - i. NRS §360.690(4)(a)(1) by multiplying one-twelfth of the amount allocated to local governments pursuant to NRS 360.680 by one plus the sum of the population and assessed value growth factors; and
 - ii. NRS §360.690(4)(b)(1) by multiplying one-twelfth of the amount allocated to special districts pursuant to NRS 360.680 by one plus the assessed valuation growth factors.

A numerical depiction of the Alternative Formula is attached hereto at Exhibit "2."

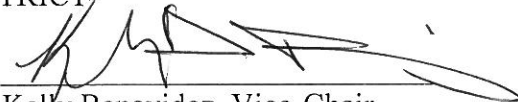
B. Miscellaneous Provisions.

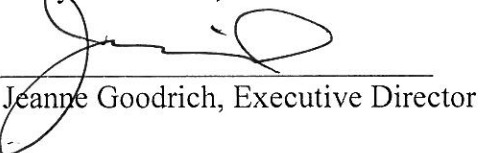
1. Term of Agreement. This Agreement shall terminate at 11:59 p.m. on June 30, 2013 (i.e., the Alternative Formula will only apply to fiscal years 2012 and 2013).
2. Extension of Agreement. If the 2013 Legislature does not make any amendments to the Account distribution formula, the Agreement shall extend one additional year to June 30, 2014 (i.e., fiscal year 2014).
3. Amendment of this Agreement. This Agreement may only be amended pursuant to the provisions of NRS 360.690(6).
4. Termination of this Agreement. This Agreement may only be terminated pursuant to the provisions of NRS 360.690(7).
5. Special Districts not a Party to this Agreement. The Parties acknowledge that NRS 360.690(5) mandates that any "special district" as defined by NRS 360.650 not a party to this Agreement "must continue to receive money from the Account pursuant to the provisions of NRS 360.680 and 360.390."
6. Entire Agreement. This Agreement constitutes the entire understanding and agreement of the Parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the Parties with respect to all of any part of the subject matter hereof.
7. Headings; Exhibits. The recitals, headings and captions used in this Agreement are for convenience and ease of reference only and shall not be used to construe, interpret, expand or limit the terms of this Agreement. All exhibits attached to this Agreement are incorporated herein. Any term used in an exhibit hereto shall have the same meaning as in this Agreement unless otherwise defined in such exhibit. All references in this Agreement to sections and exhibits shall be to sections and exhibits to this Agreement, unless otherwise specified.

8. Counterparts. This Agreement may be executed in any number of counterparts, each of which when executed and upon delivery to the City of Las Vegas shall constitute an original of this Agreement, but all the counterparts shall together constitute the same agreement. No counterpart shall be effective until each Party has executed at least one counterpart.


IN WITNESS WHEREOF, this Agreement has been executed by the Parties on the day and year first above written (the "Effective Date").

LAS VEGAS CLARK COUNTY LIBRARY
DISTRICT

By: 
Kelly Benavidez, Vice-Chair

By: 
Jeanne Goodrich, Executive Director

Approved as to form:

By: 
Gerry Welt
Attorney at Law

ATTEST:


By: 
Ron Kirsh, Secretary

Exhibit 1

NRS 360.690, Section 4, with “one plus” language highlighted for calculation Step 2:

4. Except as otherwise provided in subsections 5 to 8, inclusive, if the Executive Director determines that there is money remaining in the county’s subaccount in the Account after the base monthly allocation determined pursuant to subsection 2 has been allocated to each local government, special district and enterprise district, he or she shall immediately determine and allocate each:

(a) Local government’s share of the remaining money by:

(1) Multiplying one-twelfth of the amount allocated pursuant to NRS 360.680 by *one plus* the sum of the:

(I) Average percentage of change in the population of the local government over the 5 fiscal years immediately preceding the year in which the allocation is made, as certified by the Governor pursuant to NRS 360.285, except as otherwise provided in subsection 9; and

(II) Average percentage of change in the assessed valuation of the taxable property in the local government, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the Department, and the 4 fiscal years immediately preceding the year in which the allocation is made; and

(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each local government an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (b), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount; and

(b) Special district’s share of the remaining money by:

(1) Multiplying one-twelfth of the amount allocated pursuant to NRS 360.680 by *one plus* the average change in the assessed valuation of the taxable property in the special district, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the Department, and the 4 fiscal years immediately preceding the year in which the allocation is made; and

(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each special district an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (a), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount.

➔ The State Treasurer shall remit the amount allocated to each local government or special district pursuant to this subsection.

Exhibit 2

SAMPLE CALCULATION ONLY									
Expected FY 2012 Revenues (Note 1)									
770,109,304									
Growth Factors									
Base Allocation									
Pop	AV	Sum	1+ Sum	Dollars	%	Combined Growth Amt	%	Mesquite Adj.	One Plus
Excess Distribution									
Final Distribution									
% over Base									
KYLE CANYON WATER DISTRICT									
CLARK COUNTY	0.0180	-0.0597	-0.0416	0.9584	259,887,648	0.3463	249,070,742	0.3485	6,654,775
CITIES									
Boulder City	0.0041	-0.0402	-0.0361	0.9639	7,953,963	0.0106	7,666,964	0.0107	204,849
HENDERSON	0.0216	-0.0644	-0.0428	0.9572	73,064,255	0.0973	69,938,362	0.0979	1,868,642
LAS VEGAS	0.0065	-0.0803	-0.0737	0.9263	210,064,047	0.2799	194,573,364	0.2723	5,198,691
MESQUITE	0.0443	0.0453	0.0896	1.0896	6,595,003	0.0088	7,185,943	0.0101	191,997
NORTH LAS VEGAS	0.0382	-0.0591	-0.0209	0.9791	35,546,303	0.0474	34,803,200	0.0487	929,886
UNINCORPORATED TOWNS									
BUNKERVILLE	0.0102	-0.0624	-0.0522	0.9478	505,980	0.0007	479,549	0.0007	12,813
ENTERPRISE	0.1080	-0.0467	0.0613	1.0613	2,905,146	0.0039	3,083,312	0.0043	82,381
LAUGHLIN	-0.0071	-0.0107	-0.0178	0.9822	5,686,656	0.0076	5,585,495	0.0078	149,236
MOAPA VALLEY	0.0247	-0.0115	0.0132	1.0132	680,631	0.0009	689,646	0.0010	18,426
PARADISE	-0.0077	-0.0210	-0.0287	0.9713	54,943,282	0.0732	53,367,356	0.0747	1,425,891
SEARCHLIGHT	-0.0730	0.0123	-0.0607	0.9393	356,184	0.0005	334,567	0.0005	8,939
SPRING VALLEY	0.0130	-0.0821	-0.0691	0.9309	15,415,522	0.0205	14,350,978	0.0201	383,435
SUMMERLIN	0.0793	-0.0848	-0.0054	0.9946	124,540	0.0002	123,862	0.0002	3,309
SUNRISE MANOR	-0.0094	-0.0826	-0.0920	0.9080	7,594,835	0.0101	6,896,318	0.0097	184,259
WHITNEY	0.0710	-0.0637	0.0073	1.0073	594,252	0.0008	598,588	0.0008	15,993
WINCHESTER	-0.0003	0.0145	0.0141	1.0141	12,129,717	0.0162	12,301,013	0.0172	328,664
SPECIAL DISTRICTS									
BOULDER LIBRARY DISTRICT		-0.0215	-0.0215	0.9785	477,760	0.0006	467,504	0.0007	12,491
CLARK COUNTY FIRE PROTECTION		-0.0495	-0.0495	0.9505	37,894,616	0.0505	36,019,988	0.0504	962,397
HENDERSON LIBRARY DISTRICT		-0.0644	-0.0644	0.9356	1,711,968	0.0023	1,601,653	0.0022	42,794
LAS VEGAS/CLARK CO LIBRARY DIST.		-0.0590	-0.0590	0.9410	15,654,481	0.0209	14,731,388	0.0206	393,599
MOAPA FIRE PROTECTION		-0.0237	-0.0237	0.9763	658,084	0.0009	642,503	0.0009	17,167
MT CHARLESTON FIRE PROTECTION		-0.0914	-0.0914	0.9086	125,409	0.0002	113,940	0.0002	3,044
TOTAL CLARK COUNTY									
					750,580,626	1.0000	714,626,235	1.0000	435,000
									19,093,678
									770,109,304
									2.6%

Note 1 - State Dept. of Taxation assumed a 1.0% growth rate in FY 2011 and a 1.5% growth rate in FY 2012. For purposes of this SAMPLE calculation, it is assumed that the Account distribution grows by 3.8% in FY11 (currently 3.9% through February) and 3.0% in FY 2012.