

PROPOSED AGENDA
LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT FOUNDATION
Board of Directors Meeting
January 24, 2018

DATE: Wednesday, January 24, 2018

TIME: 12:00 p.m. to 1:30 p.m.

PLACE: Teen Lounge
Clark County Library
1401 E. Flamingo
Las Vegas, NV 89119

I. Roll Call

II. Public Comment

Topics raised under this item must be limited to matters on today's Agenda. Persons wishing to speak in public comment must sign in on the sign-in sheet before this item is addressed.

The public comment period at Library Foundation 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

IV. Board action to accept Minutes from October 23, 2017, and December 14, 2017

V. Discussion and Board review of Financial Reports

VI. Board review of COX Heart of Vegas segment on LVCCLD and LVCCLD Foundation

VII. Board tour of Best Buy Teen Tech Center and Teen Lounge at Clark County Library

VIII. Announcements – Next board meeting has been rescheduled to March 19, 2018

IX. Public Comment

Topics raised under this item cannot be acted upon until the notice provisions of the open meeting law have been met. Persons wishing to speak in public comment must sign in on the sign-in sheet before this item is addressed.

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. PLEASE CALL SHERRY WALKER AT (702) 507-6183 SO THAT ARRANGEMENTS FOR ATTENDANCE MAY BE MADE.

NOTE: PLEASE CONTACT SHERRY WALKER AT (702) 507-6183 OR walkers@lvccld.org TO REQUEST THE SUPPORTING MATERIAL FOR THIS MEETING. SUPPORTING MATERIAL WILL BE MADE AVAILABLE AT THE MEETING LOCATION ON THE DAY OF THE MEETING AFTER 3:00 P.M.

- A. By delivering a copy of the notice to each Foundation Board Member;
- B. By posting a copy of the notice at the principal office of the Foundation, 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 Foundation, to wit:
 1. Clark County Library
1401 E. Flamingo Road
Las Vegas, NV 89119
 2. Las Vegas Library
833 Las Vegas Boulevard
North Las Vegas, NV 89101
 3. West Charleston Library
6301 W. Charleston Boulevard
Las Vegas, NV 89146
 4. Windmill Library
7060 W. Windmill Lane
Las Vegas, NV 89113
 5. Las Vegas-Clark County Library District Foundation website
www.lvccldfoundation.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 District Foundation Board of Directors in the same manner in which notice is requested to be mailed to a member of the Library Board of Directors.

Minutes

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT FOUNDATION

Board of Directors Meeting

October 23, 2017

The Board of Directors of the Las Vegas Clark County Library District Foundation met at the West Charleston Library, Las Vegas, NV at 12:00 p.m.

Board Members in Attendance: Thomas Lawyer, Director
Keiba Crear, Secretary and Treasurer
Jane Mac, Director
John Pourciau, Director

Board Members Absent: Edward Kojane, President
Kelly Benavidez, Director
Shannon Bilbray-Axelrod, Director
Chaka Crome, Director
Tamar, Hoapili, Director
Christina Mangino, Director
Elaine Sanchez, Director
Ron Heezen, Ex-Officio Director

Guests: Mary Quiroz, Hilburn & Lein, CPA's

Roll Call (Item I) Secretary/Treasurer Crear called the meeting to order at 12 p.m. All members listed above represent a quorum.

Public Comment (Item II) None

Approval of Minutes-discussion and action (Item III) Secretary/Treasurer Crear moved to approve the Minutes of the Board of Directors meeting held August 1, 2017. There was no opposition and the motion carried.

Presentation of Audited Financial Statements-discussion and action (Item IV) Ms. Milam introduced Mary Quiroz of Hilburn & Lein, CPA's who conducted the Foundation's audit for FY2016-2017. Ms. Quiroz noted that page four reports the Foundation's total assets and total liabilities, total unrestricted and restricted revenues, and total expenses for the fiscal year. Ms. Quiroz noted that the total bookstore sales had increased from the prior year. She also noted that the program expenses had also increased from the prior year due to an expansion in the tutoring program. Ms. Quiroz then reviewed the statement of cash flows. She noted that on page seven, for inventory, the used books were priced at fair market value of \$.75 each. On page nine, note four, Ms. Quiroz highlighted that the Foundation funds were all insured by the FDIC. Ms. Quiroz

continued that note six states that the total number of volunteer hours for FY 2016-17 was 45,309.

Ms. Quiroz asked if there were any questions. Director Mac asked if a specific dollar amount should be included in note seven, subsequent events, in reference to the New Markets Tax Credit transaction. Ms. Quiroz replied that yes, this could be added to note seven. Director Lawyer asked if a flow of funds for the New Markets transaction could be provided to the board so that all could see the cash flow and the timing of the payments. It was noted that the transfer would occur in the Foundation's 2017-18 fiscal year, and would appear as a July 2017 grant deposit and transaction transfer.

Director Pourciau asked if there were any risks within the Foundation's financial positions. Ms. Quiroz replied that inventory is always a risk area, and the New Markets Tax Credit transaction is very complex, but with the note of subsequent events included, that risk has been disclosed.

Director Mac suggested that the Foundation look to other 501c3's that have used New Markets to see how they recorded the transaction. She then asked Ms. Quiroz if Hilburn and Lein would be preparing the tax documents for the Foundation. Ms. Quiroz stated yes, but someone else in the firm would prepare the 990's.

Secretary/Treasurer Crear asked if there were any more questions about the audit. All replied no and Ms. Crear made a motion to approve the audit. Director Mac seconded the motion, all approved.

**Election of Directors
(Item V)**

Secretary/Treasurer Crear moved to Item V, election of new officers. Ms. Milam asked Director Lawyer to introduce his nomination of board candidate Chris Way, a former Foundation President who has returned to Las Vegas and is willing to serve on the Foundation board again. Director Lawyer stated that Chris Way was formerly with Channel 8 and is now the general manager of Channel 13. He continued that Mr. Way is a great supporter and frequent user of the Library as well as very interested in getting technology into the libraries.

Ms. Milam stated that Mr. Way will be a great asset to the Foundation's marketing efforts. When he was with Channel 8, he had the District designated as the Community Pride partner and special segments were aired monthly on a variety of library branches.

Secretary/Treasurer Crear added that Mr. Way was a great addition to the board and she would be happy to have him back. Director Lawyer stated that it would also be great for the Foundation to have a contact in media at his level.

Director Lawyer made a motion to accept Chris Way on to the Foundation Board. All voted in favor.

**Financial Reports-
review and
discussion**

(Item VI)

Ms. Milam opened her review of the financial reports by noting that the first New Markets Tax Credit deal was completed in July and that all consultant retainers advanced by the Foundation were returned at the closing, with the exception of a retainer to Novogradac & Associates, which will be subsequently returned to the Foundation from the Library District. She noted that Foundation participation in the transaction allowed the District to receive approximately \$4 million for the construction of the East Las Vegas library. While not directly related to the New Markets transaction, this financial benefit to the Library District frees up money pledged to the project, including a \$3 million estate gift to the Foundation. Fred James, Library District CFO, will now be working with the Library District's legal counsel to structure the transfer of that estate gift as an endowment to the Foundation, with restrictions on spending the principal. This type of transfer, in addition to the participation in the New Markets Tax Credit program, was facilitated by the passage of SB 313 in the 2017 Legislative Session of the Nevada Legislature, thanks to the leadership of Senator Mo Denis and Assemblywoman Shannon Bilbray-Axelrod.

Ms. Milam added that in the past week (not reflected in the board document) the Foundation had received another estate gift designated for use at the Mesquite branch.

Director Lawyer asked that the board review what the benefit of the \$3 million estate gift will be for the Foundation, given the anticipated restrictions from the District. Secretary/Treasurer Crear suggested that the Foundation board meet with the District board to discuss those restrictions and how they might be changed.

Director Lawyer suggested that if the Foundation had access to the interest that would be sufficient. Director Crear stated that she believes that the District board would have no problem with that, especially because two Foundation board members, Kelly Benavidez, and Shannon Bilbray-Axelrod also serve on the District board.

Ms. Milam stated that she would speak to Fred James, District CFO, to see if he could attend the first meeting of the Finance Committee and discuss his ideas for structuring the endowment gift to the Foundation.

Director Pourciau asked that once a year the board review the costs for each of the Foundation programs, given the large increase in cost for this year's tutoring program. All agreed that would be beneficial to the board.

Director Mac asked if the \$11 million from the New Markets Tax Credits transaction could be listed as a receivable so that it was part of the balance sheet. Ms. Milam stated that the balance sheet will be adjusted to reflect that transaction.

**Library Foundation
Transfer to the
District- discussion
and action
(Item VII)**

Ms. Milam reviewed the Foundation transfer document, noting that the transfer includes \$140,000 for the establishment of a Best Buy Teen Tech Center at the Clark County Library. Funds will be used for personnel, equipment, and space improvements.

Ms. Milam noted that the Foundation received a \$2,000 check from the Las Vegas Bears for District LGBTQ training, a \$500 gift for teen technology programs at Laughlin, and other smaller branch donations.

Secretary/Treasurer Crear asked how the Foundation could position itself to be the recipient of more estate gifts. Ms. Milam replied that the Foundation has plans to add the estate planning information to the Foundation website.

Secretary/Treasurer Crear made a motion to accept the transfer of funds to the District. All voted in favor.

**Establish Fund
Development
Committee-
discussion and action**

Ms. Milam stated that at the last board meeting, Secretary/Treasurer Crear suggested that the Foundation establish a Fund Development Committee. She noted that Director Sanchez and Director Bilbray-Axelrod have agreed to be members of this committee. Secretary/Treasurer Crear agreed to be the Chair of that committee.

Ms. Milam stated that in addition to raising money for Foundation priority programs, the Fundraising committee will assist with raising capital funds for the two new libraries now that the Library District naming policy has been updated.

Secretary/Treasurer Crear made a motion to establish a Fund Development Committee, all voted in favor.

**V.2020 Recognition
Program Report-
discussion and action
(Item IX)**

Secretary/Treasurer Crear explained that an award application has been created by the V.2020 Recognition Committee that will acknowledge employees that exhibit exceptional commitment to V.2020 initiatives. The guidelines, application, and review criteria were included in the board packet. Secretary/Treasurer Crear noted that five awards of \$1,000 each will be given out each year at Staff Day and the recipient(s) will be free to use the funds in any unrestricted manner that they see fit.

Ms. Milam stated that the committee wanted the application to be relatively easy to complete so that all employees had a chance to participate. Director Lawyer said that the specific guidelines will be very helpful in choosing winners. Director Mac added that the application should note that the cash award may have tax implications for awardees.

Director Lawyer made a motion to approve the V.2020 Recognition Award, all voted in favor.

**Set Future
Foundation Meetings-
discussion
(Item X)**

Ms. Milam asked if Jan 17, 2018 was an acceptable date for the next board meeting. Director Mac stated that January was a difficult month for her to take time out of the office but all others present stated they were available.

March 21, 2018 and July 18, 2018 were proposed as a future meeting dates.

**Announcements
(Item XI)**

Ms. Milam announced that the East Las Vegas groundbreaking is scheduled for November 2, 2017 at 10 a.m. and all board members are invited to attend the ceremony which will be held at 2815 E. Bonanza.

She noted that the Finance Committee will be meeting November 6, 2017.

Ms. Milam stated that the Mesquite New Markets transaction is scheduled to close on November 9, 2017 and she will set a conference call for the Foundation Board members on that same day to review the documents.

Ms. Milam continued that the Best Buy Teen Tech Center will have a grand opening ceremony on January 8, 2018.

**Public Comment
(Item XII)**

None

**Adjournment
(Item XIII)**

The meeting was adjourned at 1:12 p.m.

Respectfully submitted,

Keiba Crear, Secretary

Minutes

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT FOUNDATION

Board of Directors Meeting

December 14, 2017

The Board of Directors of the Las Vegas Clark County Library District Foundation met at the Windmill Library, Las Vegas, NV and via teleconference at 12:00 p.m.

Board Members in Attendance: Dr. Ronald Heezen

Board Members in Attendance via teleconference: Edward Kojane, President
Keiba Crear, Secretary/Treasurer
Shannon Bilbray-Axelrod, Director
Thomas Lawyer, Director
Jane Mac, Director
Christina Mangino, Director
Elaine Sanchez, Director
Chris Way, Director

Board Members Absent: Kelly Benavidez, Director
Chaka Crome, Director
Tamar Hoapili, Director
John Pourciau, Director

Guests: Mitchell Stipp, Stipp Law Firm
Cameron Garner, Crescent Capital Growth
Barry Burns, Kutak Rock

Roll Call (Item I) President Kojane called the meeting to order at 12 p.m. All members listed above represent a quorum.

Public Comment (Item II) None

Board Action to accept Proposed Agenda (Item III) President Kojane moved to approve the proposed agenda. Director Way seconded the motion. There was no opposition and the motion carried.

Mesquite New Markets Tax Credit Transaction. Discussion and possible Board action Ms. Milam began the discussion by explaining that the Mesquite New Markets Tax Credit transaction is parallel to the New Markets Tax Credit transaction completed in July for the East Las Vegas Library project. She then turned the meeting over to attorney Mitchell Stipp to review the transaction and the documents associated with it.

to approve Resolutions and grant authority to the Foundation President to enter into any and all documents, agreements, and/or instruments required to obtain financing support from the New Markets Tax Credit program related to the Mesquite Library construction project. (Item IV)

Mr. Stipp introduced himself as the local Nevada counsel engaged by the Library District to assist the District, Foundation, and Mesquite QALICB, Inc., with structuring the transaction and preparation of documents. He has been working collaboratively with national New Markets Tax Credit counsel, Barry Burns of Kutak Rock, LLC, engaged by the LVCCLD Foundation, on the Mesquite New Markets Tax Credit transaction.

Mr. Stipp confirmed that, as Ms. Milam stated, the structure of the transaction is substantially similar to the East Las Vegas Library (ELV) transaction. For the Mesquite project, as in the ELV deal, the Foundation is acting as the leveraged lender after receiving a grant of \$6,636,000 from the Library District. The Foundation will then loan these funds to JP Morgan Chase, who will combine the funds with their equity investment in the amount of \$3,354, 000 to be used as a loan to fund the Mesquite construction project.

Mr. Stipp explained that both Mesquite Library property parcels are owned by the Library District. The Library District will enter into a ground lease with the project borrower, an entity called the Mesquite QALICB, Inc., who is the ground lessee. As part of the ground lease there is a purchase addendum which requires the QALICB to purchase the improvements on the Mesquite building. Once the improvements are completed, the property and the improvements are then leased back to the Library District under the Operating or Premises Lease. These two documents, the Ground Lease and Premises Lease, ultimately secure the Library District's control of the construction project and ongoing operations of the Mesquite Library.

Ms. Milam noted that the memorandum included in the board documents was prepared by Barry Burns of Kutak Rock and provides more details on each of the documents that are included in the motion for action.

Mr. Stipp further clarified that as the leveraged lender, the Foundation is signing a number of documents, including a number of loan documents, in addition to the grant agreement with the Library District. He continued that the deal is structured this way to comply with Nevada law as well as New Markets Tax Credits program requirements.

Director Lawyer asked at what point is the Foundation out of the transaction.

Mr. Stipp responded that the Foundation provides the loan and at the same time immediately assigns the loan to the District as the ultimate payee through an Alonge. Director Lawyer then asked if the Foundation was then out of the transaction? Mr. Stipp replied that the Foundation doesn't serve in any specific role other than there are other documents which the Foundation signs in the transaction. For example, there is a NMTC indemnity agreement, and an environmental indemnity agreement. These documents are the post-closing obligations of the Foundation, but ultimately the Foundation

is only a conduit to the leveraged loan to the Library District and the District will assume any potential liability of the Foundation. Mr. Stipp explained that these indemnity documents are the same as the ones signed in the East Las Vegas deal with no material deviations.

Ms. Milam added the terms of the grant agreement with the District stipulate that annual interest payments to the Foundation be transferred to the District for the term of the loan.

Director Lawyer then asked if there is any benefit to the Foundation. Ms. Milam replied that there is no financial benefit to the Foundation, the funds are merely a pass-through.

Director Heezen noted that there will be an indirect benefit to the Foundation participation in the New Markets Tax Credit transaction in that the net returns to the District of approximately \$6 million (for both East Las Vegas and Mesquite transactions) will replace existing District funds pledged to start the construction projects. Part of those funds include a \$3 million estate gift to the District which will now be freed up for transfer to the Foundation some time in 2018.

Hearing no other questions, Ms. Milam thanked the board for their role in getting these projects completed.

Director Bilbray-Axelrod made a motion to approve the resolutions and grant authority to the Foundation President to enter into any and all documents, agreements, and/or instruments required to obtain financing support from the New Markets Tax Credit program related to the Mesquite Library construction project.

Director Sanchez seconded the motion. There was no opposition and the motion carried.

**Announcements
(Item V)**

Ms. Milam reminded all board members that the opening of the Best Buy Teen Tech Center is January 8, 2018 at 4:00 p.m. at the Clark County Library.

Ms. Milam stated that the next board meeting is scheduled for Wednesday, January 24, 2018.

Director Way announced that the Scripps Howard Foundation would be making a donation to the Foundation in support of the Raising Las Vegas early childhood education initiative.

**Public Comment
(Item VI)**

None

**Adjournment
(Item VII)**

The meeting was adjourned at 12:24 p.m.

Respectfully submitted,

Keiba Crear, Secretary

Item V: LVCCLD Foundation Financial Report

Status of Foundation Revenues and Expenditures FY 17-18

July 1, 2017-November 30, 2017

The Library Foundation has its first million-dollar fund balance of \$12,028,038. In the first quarter of 17-18, the Foundation participated as leverage lender in the closing of the East Las Vegas Library New Markets Tax Credit transaction, passing \$11,335,600 through the Foundation and on to the East Las Vegas Library construction project, netting \$4 million new dollars to the Library District for that capital project which will be complete early 2019, thanks to the equity investment of Capital One.

In addition to that massive revenue receipt and transfer, other significant grant and gifts were received:

- \$140,000 from Best Buy Foundation for the Clark County Library Best Buy Teen Tech Center
- \$100,000 from Windsong Trust for Teachers in the Libraries program support
- \$15,000 from the Jon Ben Snow Foundation for Teachers in the Libraries program support
- \$12,500 from NV Energy for Engineering for Kids programs
- \$10,000 from Cox Charities, with \$5,000 for teen tech lab support and \$5,000 in unrestricted support (our grant request was doubled from \$5,000 as a special gift in honor of the Employee Foundation's 10th Anniversary – Mahalo to our Foundation Board Director Tamar Hoapili!)
- \$2,000 from Las Vegas Bears

As of the end of November 2017, the balance sheet shows a total of \$11,868,137 in revenues, with \$8,027 in unrestricted gifts from individuals and corporations; \$255,646 in restricted gifts from individuals and corporations; \$160,000 in restricted grant revenue; \$108,864 in restricted revenues from used book sales; and \$194 in interest (from the one-day receipt and transfer of \$11,335,600).

Total expenditures for the same period were \$227,136, of which \$4,589 supported Foundation operations; \$44,406 went to restricted project expenses; and \$178,141 was transferred to the Library District from restricted book sales revenues for Library District and Library Foundation program support, per the terms of the Library Foundation-Library District Agreement.

Foundation Finance Committee

The Foundation Finance Committee, chaired by Foundation Secretary/Treasurer Keiba Crear, met briefly in December to craft their charge and review several issues. Keiba was unable to attend due to emergency surgery but John Pourciau, Jane Mac and Ed Kojane were able to meet with Danielle Milam and Sherry Walker of the Foundation and Anita Lai, Senior Accountant for the Library District's Financial Services office. Board Director Jane Mac presented many good suggestions for tuning up Foundation financial reports. Sherry Walker and Anita Lai have been working on those refinements, along with transferring Foundation books from the existing QuickBooks to the Library District's new NAV accounting system.

Follow-up discussions with Library District CFO Fred James have clarified that the projected transfer of an estate gift given to the Library District will be transferred to the Library Foundation as an endowment, with the Foundation receiving unrestricted use of endowment interest. CFO James also noted that the Library District will engage auditor, Piercy Bowler, Taylor & Kern, to prepare the 2017-2018 Financial Statements of the Library Foundation, East Las Vegas QALICB, Inc., and Mesquite QALICB Inc., in keeping with the District's interest and responsibilities in the East Las Vegas and Mesquite New Markets Tax Credits transactions.

Foundation Transfers to the District

The Finance Committee concurred with Foundation staff's recommendation to report information on Foundation transfers to the Library District in the Financial Report rather than the past practice of approving a separate agenda item. This recommendation is based on the fact that the Foundation Board has already voted approval of the budget associated with the restricted revenues earned by the Library Foundation per the terms of the Library District-Library Foundation agreement to be the sole recipient of Library District book donations and discards.

The last transfer of restricted book sales revenue is as follows, per invoice SS100526 in the total amount of \$9,143.92:

	10/31/2017	Library District Events, Programs & Materials; Library Foundation Partnerships & Service Innovations
Invoice #	SS100526	
Limitless Learning	\$3,796.19	Best Buy Teen Tech Center training, Teen Tuesday, Joint Board Luncheon with Amy Garmer of the Aspen Institute, Children's Painting Party
Gov't and Social Services		
Business and Career Success	\$356.87	Career Online High School graduation
Community and Culture	\$4,989.48	Vegas Valley Book Festival, Comic Book Festival
Volunteer Program	\$1.38	
Bookstore Operations		
TOTAL TRANSFER	\$9,143.92	

In-kind Corporate Contributions

Watch COX! In addition to the very generous grant for youth tech lab support from Cox Charities, Cox Communications also created a 6 minute “Heart of Vegas” segment on the Library District and Library Foundation. More HEART felt thanks to Foundation Board Director Tamar Hoapili! The spot will air this month on Sunday and Tuesday at 5:30 p.m. It will also air in February and March. An IMMENSE gift and a beautiful video piece which will be shown at this board meeting.

On January 1, 2018, Channel 13 News came to the opening of the Best Buy Teen Tech Center and gave the Library District and Library Foundation terrific coverage of the robot ribbon-cutting and kids geeking out on a bounty of technology in the Center, including a sound studio, 3D printer, fashion and graphic design tools.

Best Buy CEO Hubert Joly was a keynote speaker for the event. A host of youth and Best Buy volunteers gave the media demonstrations of the various technologies. Dr. Paul Oh, Director of the UNLV Drones and Autonomous Systems Lab generously donated his research team and Hugo the Metal Rebel for the ribbon-cutting. In addition to the grant from the Best Buy Foundation, youth at the Center will enjoy other donated equipment from Canon, GoPro, Adobe, and Samsung.



Other Donation- Updates

In addition to the grants mentioned above, in December, the Library Foundation received a generous gift of \$2,000 from the Scripps Howard Foundation, thanks to Foundation Board Director Chris Way, General Manager of Channel 13 Action News, for the Raising Las Vegas initiative to raise the quality and quantity of early childhood learning opportunities across Clark County. Chris and his girls came over to a pre-school Engineering for Kids program at Windmill to present the check.

