

PROPOSED AGENDA
LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT FOUNDATION

Board of Directors Meeting

February 22, 2019

DATE: February 22, 2019

TIME: 12:00 p.m.

PLACE: West Las Vegas Library
951 W. Lake Mead Boulevard
Las Vegas, NV 89106
Conference Room

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 November 8, 2018

V. Board action to elect new board member, Dan Sarazin

VI. Financial Reports, Discussion and Action to approve the transfer of restricted funds to the Library District, Jane Mac

VII. Information on Investment of Endowment, Jane Mac

VIII. Information on 10-year overview of Foundation development activities, Danielle Milam

IX. Announcements – Please calendar these events

East Las Vegas Grand Opening, April 25th 10 a.m. 2815 E. Bonanza

United Way Women's Leadership Council Luncheon, March 1st

Grant Announcement

West Las Vegas Scholar Awards- May

Conversations with Kyle, UWSN president, March 6, 10 a.m., Windmill Library

X. Next Meeting - June 19

XI. 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.

XII. 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.

Pursuant to NRS 241.020, written notice of the meeting of the Las Vegas-Clark County Library District Foundation Board of Directors was given on Friday, February 15, 2019, at least three (3) working days before the meeting, including in the notice the time, place, location and agenda of the meeting:

- 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
November 8, 2018

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

Board Members in Attendance: Jane Mac, Secretary and Treasurer
Kelly Benavidez, Director
Shannon Bilbray-Axelrod, Director
Ron Heezen, Ex-Officio Director
John Pourciau, Director

Board Members in Attendance via Telephone: Keiba Crear, President
Chris Way, Director

Board Members Absent: Edward Kojane, Director
Chaka Crome, Director
Tamar Hoapili, Director
Christina Mangino, Director
Tom Lawyer, Director
Elaine Sanchez, Director

Guests: Fred James, LVCCLD CFO
Anita Lai, LVCCLD
Martha Ford, Piercy Bowler Taylor & Kern

Roll Call (Item I) Ms.Milam 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) Director Bilbray-Axelrod moved to approve the proposed agenda. Motion Seconded. There was no opposition and the motion carried.

Board Action to accept Minutes from October 3, 2018 (Item IV) Director Pourciau moved to approve the Minutes of the Board of Directors meeting held October 3, 2018. Motion seconded. There was no opposition and the motion carried.

**Presentation of
Audited Financial
Statements-
discussion and action
(Item V)**

Ms. Milam introduced Martha Ford from Piercy Bowler Taylor and Kern who conducted the Foundation audit. All members were given the Foundation Audited Financial Statements as well as the Required Communication Letter prepared by PBTk. Ms. Milam asked if Treasurer Mac had any introductory remarks. Director Mac noted that there were few changes in the final statements from the draft audit and that she appreciated the expanded notes.

Ms. Ford stated that per NRS statutes, her firm has completed the Foundation's audit for the FY 2017-18 and issued their unmodified opinion on the financial statements as well as the required communications letter to all members of the governing board. She explained that there were no unusual or unexpected items to be reported and asked if there were any questions from the board.

Ms. Ford reviewed the management letter, emphasized that there were no unusual or unexpected findings, and asked if there were any questions, all replied no.

Director Bilbray-Axelrod moved to accept the audited financial statements and the required communication letter, motion seconded, all voted in favor.

**Public Comment
(Item IX)**

None

**Adjournment
(Item X)**

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

Respectfully submitted,

Keiba Crear, Secretary

ITEM V. Discussion and Action on Election of Board Director

The Bylaws of the Las Vegas-Clark County Library District Foundation, Inc., call for elections of directors, with a maximum of two terms of three years each, or until the position is filled. The following individual has been nominated to serve a first term from February 2019, through June 30, 2020:

Dan Sarazin

Dan Sarazin has been a Las Vegas resident since 1960. He has been an AFLAC agent for 26 years, with distinctions as top service agent for 20 years and a Legacy Award winner. He is past President of Toastmasters International. He was recruited by Tom Lawyer to help with the Tom and Bonnie Lawyer West Las Vegas scholar award program and is also a supporter of the Children's Leukemia Foundation, Shade Tree and Catholic Community Services. He looks forward to becoming more engaged in community initiatives and is a fan of the public library.

Motion: Approve the election of Director Sarazin to the Foundation Board of Directors.

Item VI: LVCCLD Foundation Financial Report

Status of Foundation Revenues and Expenditures as of December 31, 2018

July 1, 2018 –December 31, 2018

As of the end of December 2018, the balance sheet shows a total of \$392,362 in revenues, with \$4,615 in unrestricted gifts from individuals and corporations; \$17,716 in restricted gifts from individuals and corporations; \$48,222 in restricted grant revenue; \$159,956 in restricted revenues from used book sales.

Total expenditures for the same period were \$93,179.01, of which \$31,601 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 Transfers to the District

Per the program budget approved by the Board of Directors in June 2018, the next scheduled transfer of restricted Foundation funds to the Library District totals \$85,753.49 as related to District Invoices SS100809, SS100865, and SS100866, detailed below, per the terms of the District-Foundation Agreement.

Transfer of Funds to Library District - February 2019					
V.2020 Area	10/31/2018	11/30/2018	12/31/2018	Total	Library District Events, Programs & Materials; Library Foundation Partnerships & Service Innovations
Invoice #	SS100809	SS100865	SS100866		
Limitless Learning	\$10,687.02	\$3,219.09	\$42,119.79	\$56,025.90	Teen programs, BBTC marketing, BBTC training and mentors, painting classes, Early Childhood education presentation YMCA,
Gov't and Social Services					
Busines and Career Success	\$1,342.19	\$37.99		\$1,380.18	Career Online High school, One-Stop promotion and marketing
Community and Culture	\$4,114.20	\$4,626.90	\$6,040.72	\$14,781.82	Performances, Bunkerville Anniversary, photography, green room supplies, scavenger hunt, anti-bullying events, holiday party, Co Book Festival, Engineering for Kids, Las Vegas Book Festival reception, DISCOVERY Museum project, Gallery opening,
Volunteer Program	\$256.25	\$153.50	\$289.75	\$699.50	Volunteer background check and fingerprinting,
Bookstore Operations	\$9,854.45	\$3,011.64		\$12,866.09	Earbuds, audit, pallet jack. Book boxes
TOTAL	\$26,254.11	\$11,049.12	\$48,450.26	\$85,753.49	

Board Action to Transfer Restricted Gifts: Other restricted gifts for library branches and programs total \$11,539 received in the last quarter total \$11,539, detailed below, and require board approval to transfer to the Library District.

**LAS VEGAS - CLARK COUNTY
LIBRARY DISTRICT FOUNDATION**

Item V. Financial Reports 2-22-19

Restricted Funds	
Best Buy Teen Tech	\$ 10,000.00
CALL	\$ 39.00
Comic Book Festival	\$ 700.00
Mesquite	\$ 250.00
Sahara West	\$ 50.00
Summerlin	\$ 500.00
TOTAL	\$ 11,539.00

Motion: Approve the transfer of \$11,539.00 in Library Foundation restricted gifts to the Library District.

ITEM VII. Update on Endowment Investment

The Library Foundation received \$3,055,000 from the Library District in January, 2019, per the agreement between the Las Vegas-Clark County Library District and Las Vegas-Clark County Library District Foundation, Inc., attached.

The Agreement stipulates the terms of the endowment, including direction to 1)preserve the principal, 2)access interest earnings as unrestricted income if the endowment principal is preserved, and 3)repay principal from interest earnings if the corpus of the endowment goes below the original gift of \$3,055,000. These terms apply to the Foundation's investment parameters for this endowment gift only and do not hamper the Foundation from investing differently for other endowment gifts received directly by the Foundation.

Meeting the stipulations of this endowment gift from the District led to discussions between the CFO of the Library District, Library Foundation Staff, Nevada State Bank wealth advisors, and Foundation Treasurer Jane Mac. To meet all the conditions, it was determined that in the short-term, the Foundation would invest in negotiable, laddered CD instruments of 6, 12, 18 and 24 month duration. The short-term strategy was devised in anticipation of the Federal Reserve raising interest rates again within 24 months.

Nevada State Bank is currently working with Nevada Wealth Advisors LPL to purchase the CDs so that all are FDIC insured up to the maximum \$250,000. Each CD will have different terms, reporting periods, and interest rates, but will be held until maturity. This will ensure that the CDs do not lose principal, even though interim reports may show a fluctuation in value based on current market conditions at the time of reporting. At the time of maturity, the principal will be reinvested in the next CD instrument.

Nevada Wealth Advisors will prepare a summary document with the terms of all purchased CDs and an abbreviated account of disclosures, including a note that the instruments are to be held until maturity to preserve the principal, however the interim reports may indicate a fluctuation.

Once the CD instrument matures, the interest will be moved to unrestricted revenue status on the Foundation books.

ENDOWMENT MANAGEMENT AGREEMENT

This Endowment Management Agreement (the “Agreement”) is between the Las Vegas–Clark County Library District (the “Library District”) and Las Vegas–Clark County Library District Foundation, Inc., a Nevada non-profit corporation (the “Foundation”) (collectively the Parties).

WHEREAS, the Board of Trustees of the Library District has approved the establishment of a perpetual endowment fund for the benefit of the Library District;

NOW, THEREFORE, in consideration of the mutual promises contained herein, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Establishment of Endowment Fund. The Library District shall convey \$3,055,000 in money or money’s worth to the Foundation, to be held, managed, and distributed by the Foundation as an Endowment Fund. The Library District shall have the right to contribute additional money or property to the Endowment Fund, which shall be managed by the Foundation pursuant to this Agreement. Unless the Library District informs the Foundation, in writing, that additional contributions are not to be governed pursuant to this Agreement, all future contributions by the Library District to the Foundation shall be governed by this Agreement.

2. Management of Endowment Fund. Except as otherwise provided herein, the Foundation shall manage the Endowment Fund and all earnings thereon as an endowment, pursuant to the Uniform Prudent Management of Institutional Funds Act (NRS 164.640 through 164.680, inclusive).

3. Investment of Endowment Fund. The selection of investments and the investment strategy of the Endowment Fund shall be subject to the review and approval of the Library District. Any delegation of investment authority or selection of investment managers and/or brokers, shall be subject to the prior approval of the Library District. Moreover, the Library District may, at any time, and upon written notice to the Foundation, direct the Foundation to terminate any investment manager and/or broker and retain a successor investment manager and/or broker chosen by the Library District.

4. Distributions. On a monthly basis (or such other period as directed in writing by the Library District), the Foundation shall use and/or distribute the income from the Endowment Fund to further the Foundation’s purpose as set forth in the Foundation’s Articles of Incorporation. No portion of the income of the Endowment Fund may be distributed for any other purpose without the Library District’s prior written approval. The Foundation shall not use or distribute the principal of the Endowment Fund for any purpose. If, in the judgment of the Library District, any portion of the Endowment Fund is not managed or expended consistently with this Agreement, or if at any time the Foundation does not qualify as an exempt organization as determined pursuant to Section 501(c)(3) of the Internal Revenue Code, the remainder of the Endowment Fund shall be returned to the Library District upon 10 days written demand from the Library District; provided further that, if as of the date of the written demand, the Library District cannot otherwise receive the remaining Endowment Fund due to the fact that it is no longer exempt from federal income

taxation, then the Library District has the right to direct the Foundation to distribute the balance of the Endowment Fund to one or more governmental entities defined pursuant to Section 170(c) of the Internal Revenue Code or one or more exempt organizations, as determined pursuant to Section 501(c)(3) of the Internal Revenue Code.

5. Statements. Unless otherwise directed in writing by the Library District, the Foundation shall furnish monthly written statements to the Library District showing:

a. The approximate market value of the Endowment Fund at the beginning of the period;

b. Any additions to the Endowment Fund during the period, with the dates and sources of acquisition;

c. All investments made during the accounting period, including a summary of all gains and losses;

d. Any deductions from the Endowment Fund during the accounting period, with the date and purpose of each deduction; and

e. The approximate market value of the Endowment Fund at the end of the period.

3. Monitoring of Endowment Fund. The Library District has the right to monitor and conduct an evaluation of the management of the Endowment Fund, including but not limited to the right to speak with personnel and agents of the Foundation and review financial and other records connected with the Endowment Fund.

4. Authority. The Parties represent and warrant that they each have the requisite right, power and authority to enter into this Agreement and that the consent of no other person or entity is required for the execution or performance of this Agreement.

5. Tax Exemption of Endowment Fund. It is the intent of the Parties that all income and gains from the Endowment Fund shall be exempt from federal, state and local taxes to the fullest extent allowed by law.

6. Default. In the case of default under this Agreement, the non-defaulting party shall have all remedies available to it under law or equity, including without limitation, the right to terminate this Agreement upon thirty (30) days written notice to the defaulting party.

7. Modifications. This Agreement may be modified only in writing signed by each of the Parties.

8. Governing Law. This Agreement shall be governed by the laws of the State of Nevada.

9. Successors and Assigns. The terms of this Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Parties.

10. Entire Agreement. This Agreement constitutes the final, complete and exclusive written expression of the intentions of the parties hereto, and supersedes all previous communications, representations, agreements, promises or statements, either oral or written, by either party. If any provision of this Agreement is or becomes unenforceable, the other provisions shall remain valid and enforceable to the maximum extent possible.

11. Notices. Any notices or other communication hereunder will be in writing addressed as set forth below or to such other address as either of the Parties shall advise the other in writing:

Las Vegas – Clark County Library District
7060 W. Windmill Lane
Las Vegas, Nevada 89113

Las Vegas – Clark County Library District Foundation, Inc.
7060 W. Windmill Lane
Las Vegas, Nevada 89113

12. Counterparts. This Agreement may be executed in counterparts and each copy of this Agreement so executed shall be deemed a duplicate original of this Agreement. Photographic and facsimile copies of such executed counterparts may be used in lieu of the original for any purpose.

13. Savings Clause. If any term, provision, covenant, or condition of this Agreement, or any application thereof, should be held by a court of competent jurisdiction to be invalid, void, or unenforceable, all provisions, covenants, and conditions of this Agreement, and all applications thereof, not held invalid, void, or unenforceable, shall continue in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

14. Costs and Attorneys' Fees. In the event that any legal action, arbitration, or other proceeding is brought to enforce any of the provisions of this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party its reasonable attorneys' fees and other costs incurred in connection therewith, whether or not taxable by the court as costs, in addition to any other relief to which the prevailing party may be entitled. As used herein, the term Aprevailing party@ shall mean that party prevailing as to issues related to this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

ITEM VIII. 10-Year Overview of Foundation Development Activities

January 2019 marks the 10th year that Foundation Development Director Danielle Milam has supported Library Foundation operations, with half the time of full-time staff Volunteer Program Coordinator **Leslie Valdes** (hired September 2009 to manage bookstore operations), and Development Officer **Sherry Walker** (hired October 2015 to assist with Foundation bookkeeping, fundraising, and grant writing).

Despite a slow start up due to recession and low community visibility, the Library Foundation has steadily grown its ability to attract new revenues for Library District support. In FY 2008-2009, the Foundation had \$65,000 in cash reserves, brought in total revenues of \$191,584, and provided \$133,879 in Library District program support.

In 2017-2018, the Foundation brought in total revenues of \$9,957,323, including \$511,412 from corporate, foundation, and individual donors; \$287,426 from book sales; \$6,103,485 from the East Las Vegas and Mesquite New Markets Tax Credit transactions; and \$3,055,000 from the establishment of an endowment from the Widmeyer Trust by agreement with the Library District. The Foundation provided \$6,926,338 in support for Library District facilities and programs.

Revenues generated over the 10 years total \$12,592,471, including \$2,412,349 total book sales. Contributions to Library District facilities and programs over the past 10 years total \$9,330,512.

December 2018 marked a milestone of individual, corporate and foundation gifts to the Foundation at \$1,167,386, with a check from Foundation founder Tom Lawyer taking us over the \$1 million mark.

The diverse talents and capacity of the Foundation's development team have been greatly enhanced by continuous support from volunteers and branch library staff that assist with branch-based book store and online book sales.

We also thank the generosity of our Board of Directors who have either given gifts or have helped us find new Foundation donors.