

PROPOSED AGENDA
LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT
Board of Trustees' Finance and Audit Committee
February 2, 2022

PUBLIC MEETING

DATE: February 2, 2022

TIME: 4:00 p.m.

PLACE: Online via YouTube

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

The Finance and Audit Committee, comprised of Dr. Keith Rogers, Committee Chair; Kelly Benavidez; Sandra Ramaker; Nathaniel Waugh; and Brian Wilson, ex-officio, all members of the Las Vegas-Clark County Library District Board of Trustees, will meet to discuss the District's Fiscal Year 2021-2022 auditing firm selection.

I. Roll Call

II. Public Comment

Topics raised under this item must be limited to matters on today's Agenda. Commenters should state if they want their remarks included in the minutes of the meeting. If there is no agenda item listed, the person will be called on at the end of the meeting.

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

Anyone wishing to comment via email under this item must send an email to boardcomments@lvccld.org. The email must include the commenter's name, legal address, and the agenda item that is being commented on. Email comments are limited to 500 in words in length and must also identify whether the commenter wants their remarks to be included in the minutes of the meeting. Any comments which do not state the commenter's name, legal address, or exceed 500 words in length shall not be considered.

Any comments which do not identify an agenda item will be read at the end of the meeting.

Agenda-Finance and Audit Committee Meeting
February 2, 2022
Page 2

III. Committee Action to Accept the Proposed Agenda (For possible action.)

IV. New Business

A. Discussion and possible Committee action regarding the selection of an auditing firm for the fiscal year ending June 30, 2022. (For possible action.)

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

V. Public Comment

Topics raised under this item cannot be acted upon until the notice provisions of the Open Meeting Law have been met.

Anyone wishing to comment via email during the meeting must send an email to boardcomments@lvccld.org. The email must include the commenter's name, legal address, and this agenda item. Email comments are limited to 500 in words in length and must also identify whether the commenter wants their remarks to be included in the minutes of the meeting. Any comments which do not state the commenter's name, legal address, or exceed 500 words in length shall not be considered.

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

VI. 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 LYNN WING AT (702) 507-6172 SO THAT ARRANGEMENTS FOR ATTENDANCE MAY BE MADE.

NOTE: PLEASE CONTACT LYNN WING AT (702) 507-6172 OR wingl@lvccld.org TO REQUEST THE SUPPORTING MATERIAL FOR THIS MEETING. SUPPORTING MATERIAL WILL BE MADE AVAILABLE ON THE DAY OF THE MEETING AFTER 12:00 P.M.

Agenda-Finance and Audit Committee Meeting
February 2, 2022
Page 3

Pursuant to NRS 241.020, this item has been properly noticed and posted online at the Las Vegas-Clark County Library District website, www.lvccld.org and at Nevada Public Notice at <https://notice.nv.gov>. Written notice of the meeting of the Las Vegas-Clark County Library District Board of Trustees was given on Thursday, January 27, 2022, i.e., given at least three (3) working days before the meeting, including in the notice the time, way to access the meeting, and agenda of the meeting:

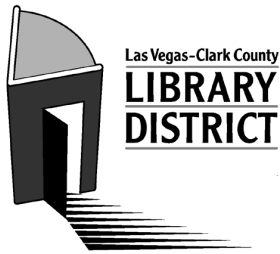
- A. By delivering a copy of the notice to each Library Trustee;
- B. By posting a copy of the notice at the principal office of the Library Trustees, or if there is no principal office, at the building in which the meeting is to be held, and at least three other separate, prominent places within the jurisdiction of the Trustees, to wit:
 - 1. Clark County Library
1401 E. Flamingo Road
Las Vegas, NV 89119
 - 2. East Las Vegas Library
2851 E. Bonanza Road
Las Vegas, NV 89101
 - 3. Sunrise Library
5400 Harris Avenue
Las Vegas, NV 89110
 - 4. West Charleston Library
6301 W. Charleston Boulevard
Las Vegas, NV 89146
 - 5. West Las Vegas Library
951 W. Lake Mead Boulevard
Las Vegas, NV 89106
 - 6. Windmill Library
7060 W. Windmill Lane
Las Vegas, NV 89113
 - 7. Las Vegas-Clark County Library District website
www.lvccld.org
- C. By mailing a copy of the notice to each person, if any, who has requested notice of the meetings of the Las Vegas-Clark County Library District Board of Trustees in the same manner in which notice is requested to be mailed to a member of the Library Board of Trustees.

Agenda-Finance and Audit Committee Meeting
February 2, 2022
Page 4

D. Live Stream Connection Information:

<https://youtu.be/crMpnPT3cUk>

Visit the Library District's YouTube channel:
[YouTube.com/TheLibraryDistrict](https://www.youtube.com/TheLibraryDistrict)



ITEM IV.A.

AGENDA ITEM

FEBRUARY 2, 2022 MEETING OF THE BOARD OF TRUSTEES' FINANCE AND AUDIT COMMITTEE

Agenda Item #IV.A.: Discussion and possible Committee action regarding the selection of an auditing firm for the fiscal year ending June 30, 2022.

Background: Nevada Revised Statutes (NRS 354.624) requires the Board of Trustees to designate its auditor or firm not later than three months before the close of the fiscal year for which the audit is to be made.

In December 2021, Financial Services requested proposals from qualified firms of certified public accountants to audit the District's financial statements for the fiscal year ending June 30, 2022, with four one-year extensions. The Request for Proposals (RFP) for Auditing Services was advertised in the *Review-Journal*, the RFP notice was posted on the District's website, faxed to all minority Chambers of Commerce, and was posted on the Nevada Government eMarketplace (NGEM). The proposal opening was held on January 7, 2022. Respondents were asked to submit technical proposals with sealed dollar costs.

One firm responded to the District's Request for Proposals: HintonBurdick, CPAs & Advisors.

A thorough review of the proposal was conducted to determine capacity and capability to perform the audit of the District's financial statements. From this review, the following pertinent points were noted:

HintonBurdick:

- Provides audit services for more than 100 local governments in Nevada, Arizona, Utah, and Colorado
- Many of their clients have library operations, including the Henderson District Public Libraries, which the firm has served for the last eight years
- Other Nevada clients include Carson City, Churchill County, Boulder City, and Mesquite City
- The firm serves Nevada from their Mesquite and St. George offices with 11 partners, 7 managers, 5 senior accountants, 11 staff accountants, and various paraprofessional and support staff
- The offices serving the District audit will have 20 professionals with experience in governmental auditing
- The District's assigned audit team will include four full-time certified public accountants and professional staff, which is comparable to team sizes in prior audits
- The firm anticipates 328 hours to complete the District's audits, including any required Federal Financial Assistance audit reports and procedures, which is also comparable to audit hours in previous years
- The assigned team members collectively have over 35 years of audit experience

Item #IV.A.
February 2, 2022
Page 2

- Assigned staff also have nonprofit auditing experience, which will be relevant because the District financial statements include three nonprofit companies, presented as blended component units

Overall Assessment:

- HintonBurdick is capable of performing the audit
- BDO USA, the District's auditor for the fiscal year ending June 30, 2021, declined to submit a bid due to staffing capacity, audit timing schedules, and proposed fees (significant increases from prior year audit fees)
- Other potentially qualified audit firms cited similar reasons for not submitting bids
- BDO's fees for the fiscal year ending June 30, 2021 were \$50,000 for audits and GFOA assistance for the District, and \$4,000 for any required Federal Financial Assistance audit reports and procedures
- For the fiscal year ending June 30, 2022, HintonBurdick is proposing \$51,775 for audits and GFOA assistance for the District, and \$4,920 for any required Federal Financial Assistance audit reports and procedures
- The HintonBurdick total cost for these audits, including out of pocket expenses, is \$57,200, approximately a 6% increase from the prior year

Recommended Action: Motion to recommend to the Board of Trustees to authorize the Executive Director to execute a contract with HintonBurdick for auditing services in accordance with RFP No. 22-04 for the fiscal year ending June 30, 2022 for an amount not to exceed \$57,200, with options to extend the contract for four additional consecutive fiscal years, subject to final review of contract by Counsel.

DISCLOSURE OF OWNERSHIP/PRINCIPALS AND RELATIONSHIPS

Purpose of the Form

The purpose of the Disclosure of Ownership/Principals Form is to gather ownership information pertaining to the business entity for use by the Board of Trustees ("BOT") and District Staff in determining whether they should exclude themselves from Bid Award decision making where they have, or may be perceived as having a conflict of interest, and to determine compliance with Nevada Revised Statute 281A.430, contracts in which a public officer or employee has interest is prohibited.

General Instructions

Completion and submission of this Form is a condition of approval or renewal of a contract or lease and/or release of monetary funding between the disclosing entity and the Las Vegas-Clark County Library District. Failure to submit the requested information may result in a refusal by the BOT to enter into an agreement/contract and/or release monetary funding to such disclosing entity.

Detailed Instructions

All sections of the Disclosure of Ownership form must be completed. If not applicable, write in N/A.

Business Entity Type – Indicate if the entity is an Individual, Partnership, Limited Liability Company, Corporation, Trust, Non-profit Organization, or Other. When selecting 'Other', provide a description of the legal entity.

Non-Profit Organization (NPO) - Any non-profit corporation, group, association, or corporation duly filed and registered as required by state law.

Business Designation Group – Indicate if entity is one of the following. This is needed in order to provide utilization statistics to the Legislative Council Bureau, and will be used only for such purpose. Select all that apply.

- **Minority Owned Business Enterprise (MBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more minority persons of Black American, Hispanic American, Asian-Pacific American or Native American ethnicity.
- **Women Owned Business Enterprise (WBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more women.
- **Physically-Challenged Business Enterprise (PBE):** An independent and continuing business for profit which performs a commercially useful function and is at least 51% owned and controlled by one or more disabled individuals pursuant to the federal Americans with Disabilities Act.
- **Emerging Small Business (ESB):** Certified by the Nevada Governor's Office of Economic Development effective January, 2014. Approved into Nevada law during the 77th Legislative session as a result of AB294.
- **Small Business Enterprise (SBE):** An independent and continuing business for profit which performs a commercially useful function, is not owned and controlled by individuals designated as minority, women, or physically-challenged, and where gross annual sales does not exceed \$2,000,000.
- **Large Business Enterprise (LBE):** An independent and continuing business for profit which performs a commercially useful function and is NOT located in the State of Nevada.
- **Nevada Business Enterprise (NBE):** Any Nevada business which has the resources necessary to sufficiently perform identified County projects, and is owned or controlled by individuals that are not designated as socially or economically disadvantaged.

Business Name (include d.b.a., if applicable) – Enter the legal name of the business entity and enter the "Doing Business As" (d.b.a.) name, if applicable.

Corporate/Business Address, Business Telephone, Business Fax, and Email – Enter all contact information requested.

Nevada Local Business Address, Local Business Telephone, Local Business Fax, and Email – If business entity is out-of-state, but operates the business from a location in Nevada, enter all Nevada contact information. Please note: the local address must be an address from which the business is operating. Please do not include a P.O. Box number, unless required by the U.S. Postal Service, or a business license hanging address.

Number of Clark County Nevada Residents employed by this firm. Do not leave blank. If none or zero, put the number 0 in the space provided.

List of Owners/Officers – Include the full name, title and percentage of ownership of each person who has ownership or financial interest in the business entity. If the business is a publicly-traded corporation or non-profit organization, list all Corporate Officers and Directors only.

For All Contracts – (Not required for publicly-traded corporations)

- 1) Indicate if any member, partner, owner or principal involved in the business entity is an employee or appointed official of the Las Vegas-Clark County Library District. If yes, the following paragraph applies.

In accordance with NRS 281A.430.1, a public officer or employee shall not bid on or enter into a contract between a government agency and any private business in which he has a significant financial interest, except as provided for in subsections 2, 3, and 4.

- 2) Indicate if any member, partner, owner or principal involved in the business entity has a second degree of consanguinity or affinity relation to any employee or appointed/elected official of the Las Vegas-Clark County Library District – see (reference form on Page 2 for definition).

If YES, complete the Disclosure of Relationship Form.

A professional service is defined as a personal service which may legally be performed only pursuant to a license, certificate of registration, or other legal authorization (NRS 89.020.10) such as legal services, architectural and engineering services, insurance broker, investment management, auditing, etc.

Signature and Print Name – Requires signature of an authorized representative and the date signed.

Disclosure of Relationship Form – If any member, partner, owner or principal involved in the business entity has a second degree of consanguinity or affinity relation to any employee or appointed/elected official of the Las Vegas-Clark County Library District, this form MUST be completed in its entirety.

DISCLOSURE OF OWNERSHIP/PRINCIPALS

Business Entity Type (Please CIRCLE one)						
Sole Proprietorship	Partnership	Limited Liability Company	Corporation	Trust	Non-Profit Organization	Other
Business Designation Group (Please CIRCLE ALL that apply)						
MBE	WBE	PBE	ESB	SBE	LBE	NBE
Minority Business Enterprise	Women-Owned Business Enterprise	Physically Challenged Business Enterprise	Emerging Small Business*	Small Business Enterprise	Large Business Enterprise	Nevada Business Enterprise
*ESB must be certified by the Governor's Office of Economic Development						
Number of Clark County Nevada Residents Employed:			6			
Corporate/Business Entity Name:		HintonBurdick Nevada, LLC				
(Include d.b.a., if applicable)		HintonBurdick CPAs & Advisors				
Street Address:		590 West Mesquite Blvd., Suite 201				
City, State, and Zip Code:		Mesquite, Nevada 89027		Contact Name:		R. McKay Hall, CPA, CISA, CITP, CFE
Telephone No:		888-566-1277		Title:		Audit Partner
Fax No:		702-346-3464		Email:		mhall@hintonburdick.com
Nevada Local Street Address: (If different from above)				Website:		https://www.hintonburdick.com/
City, State and Zip Code:				Local Contact Name:		
Local Telephone No:				Title:		
Local Fax No:				Email:		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

FULL NAME	TITLE	% OWNED (Not required for Publicly Traded Corporations/Non-profit organizations)
See Attached List	See Attached List	See Attached List

This section is not required for publicly-traded corporations. Are you a publicly-traded corporation? Yes ☐ No ☒

1. Are any individual members, partners, owners or principals, involved in the business entity, Las Vegas-Clark County Library District? ☒

☐ Yes ☒ No (If yes, please note LVCLD employees and appointed/elected officials may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)

2. Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a Las Vegas-Clark County Library District employee or appointed/elected official?

☐ Yes ☒ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also understand that the Board will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.


Signature

Audit Partner
Title

R. McKay Hall

Print Name

January 19, 2022

Date


Contractor member, partner, owner or principal consanguinity or affinity relation to any employee or appointed/elected official of the Las Vegas-Clark County Library District, this form MUST be completed in its entirety.

In regard to this form, Contractor must consider first and second degree as follows: Spouse – Registered Domestic Partner – Children – Parents – Sibling – Half-Sibling – Grandchildren – Grandparents – In-laws (first/second degree)

Not Applicable – Initial Here: RMH **and complete Contractor's Signature Block.**

CONTRACTOR	LIBRARY DISTRICT		
NAME (MEMBER, PARTNER, OWNER, PRINCIPAL)	NAME OF OWNER'S EMPLOYEE OR /OFFICIAL	RELATIONSHIP TO EMPLOYEE OR OFFICIAL	IF DISTRICT EMPLOYEE, WHICH DEPARTMENT

CONTRACTOR SIGNATURE BLOCK

Legal Name of Bidder (Prime Contractor) As It Should Appear on Contract	HintonBurdick CPAs & Advisors
Name of Bidder's Authorized Representative	R. McKay Hall
Title of Bidder's Authorized Representative	Audit Partner
Signature of Bidder's Authorized Representative	
Today's Date	January 19, 2022

Below for LVCCLD Use Only:

If any Disclosure of Relationship is noted above, complete the following:

Is any LVCCLD employee noted above involved in the selection process for this contract? **CIRCLE ONE** Yes No

Is any LVCCLD employee noted above involved in performance of the contract? **CIRCLE ONE** Yes No

Notes/Comments: _____

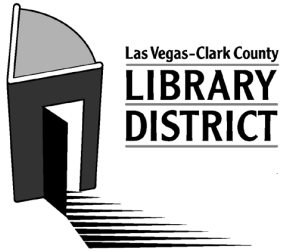
Name: _____ Date: _____

Title: _____

Attachment 1:

Licensed CPA Members:

<u>Name</u>	<u>Title</u>	<u>Ownership %</u>
Steve Palmer	Partner	9.30%
Todd Feltner	Partner	9.30%
Chad Atkinson	Partner	9.30%
Phillip Peine	Partner	9.30%
Michael Torgerson	Partner	6.98%
Mark Tichenor	Partner	9.30%
Kris Braunberger	Partner	9.30%
Michael Spilker	Partner	9.30%
Robert Cox	Partner	9.30%
Morris Peacock	Partner	9.30%
Tad Tuttle	Partner	4.65%
Michael P Bruner	Partner	4.65%



ITEM IV.B.

AGENDA ITEM

FEBRUARY 2, 2022 MEETING OF THE BOARD OF TRUSTEES' FINANCE AND AUDIT COMMITTEE

Agenda Item #IV.B.: Update on the District's financials and update of projections.

Background: The Chief Financial Officer will present information regarding the District's current financial status and future revenue and expenditure projections.

Recommended Action: For discussion only.

FINANCIAL SERVICES UPDATE

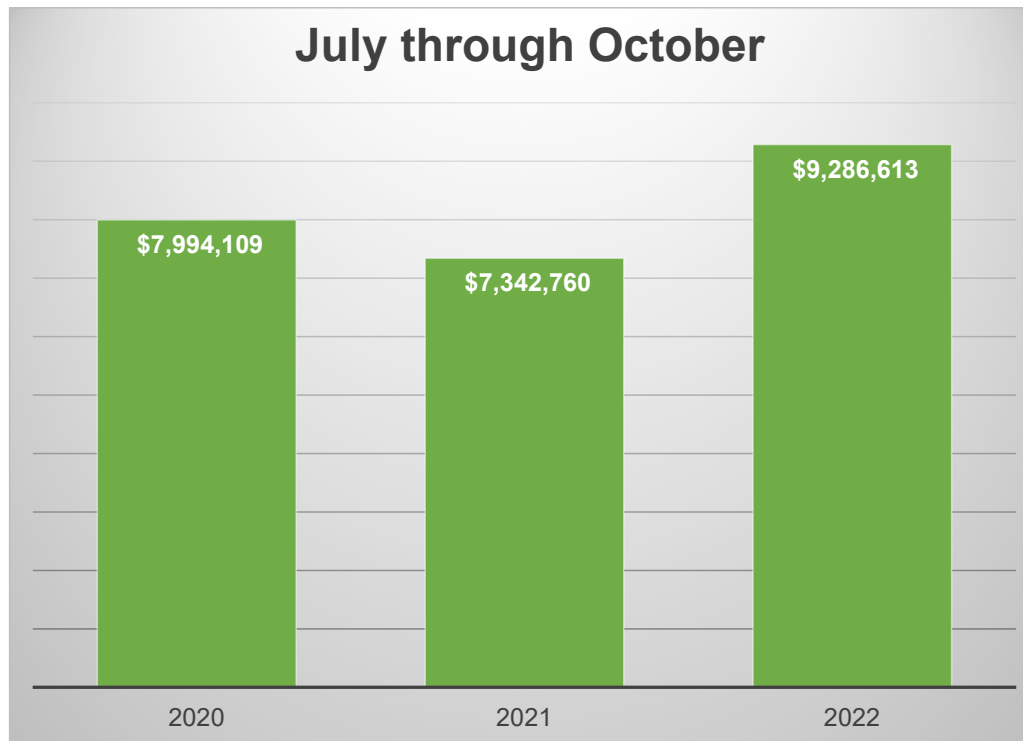
February 2, 2022
Fiscal Year 2021-2022

General Fund

Las Vegas-Clark County
**LIBRARY
DISTRICT**
LVCLD.org



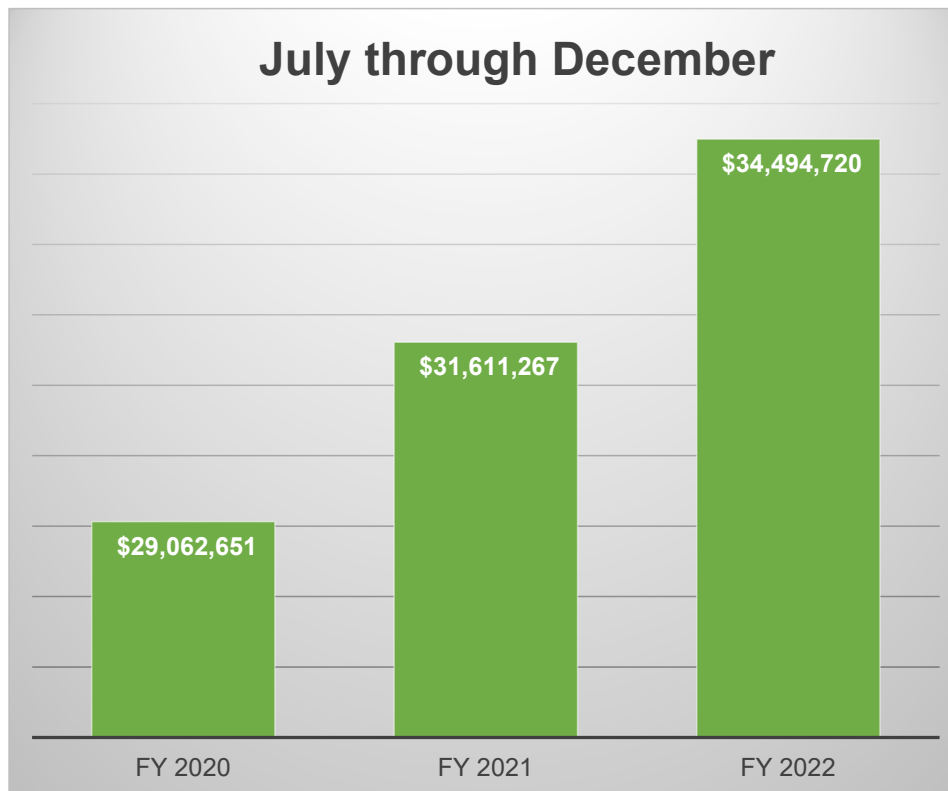
Consolidated Sales Tax (CTX) From July-October FY 2020-2022



- In FY 2021, Southern Nevada was still recovering from the pandemic impact
- In FY 2022, the District is on track to reach a record high CTX by the end of the fiscal year
- Staff will provide November CTX information on the Finance and Audit Committee meeting date
 - The November CTX was not available as of the preparation date of this presentation

Las Vegas-Clark County
**LIBRARY
DISTRICT**
LVCCLD.org

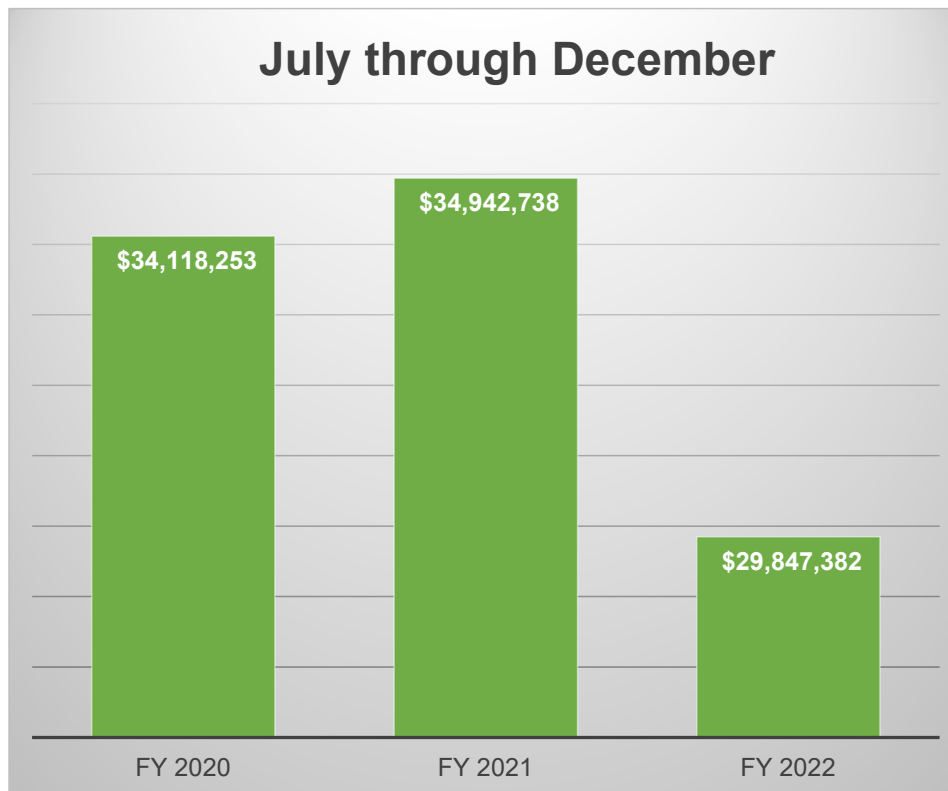
Property Taxes From July-December FY 2020-2022



- Property tax collections so far increased 9%
- The budgeted increase for FY 2022 is 8%
- Assessed valuations are expected to increase in FY 2023

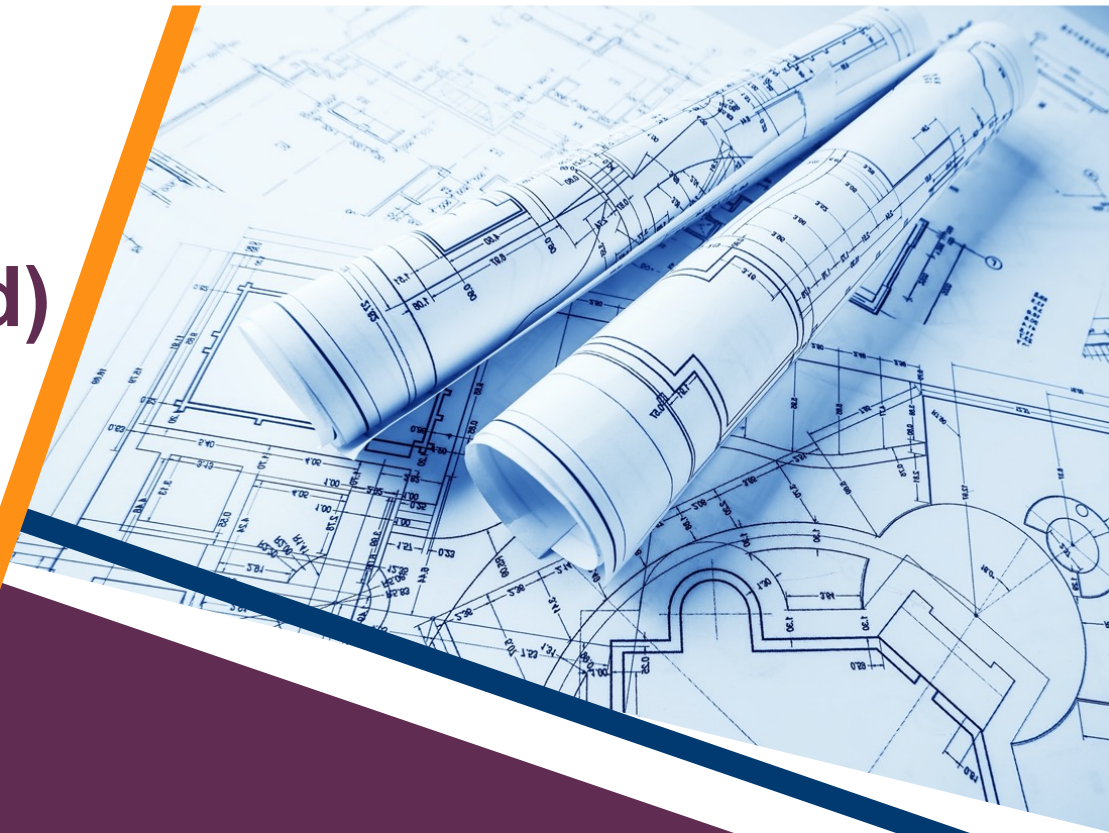
Las Vegas-Clark County
**LIBRARY
DISTRICT**
LVCCLD.org

Total Expenditures From July-December FY 2020-2022



- FY 2020 represents a pre-pandemic period with traditional spending
- The increase from FY 2020 to FY 2021 is primarily due to personnel costs from the VESP
- The decrease from FY 2021 to FY 2022 is primarily due to the staggered approach to filling vacancies subsequent to the VESP payouts
 - Depending on the rate at which vacancies are filled for the remainder of the fiscal year, personnel cost savings may be substantial

Future Outlook (Capital Projects Fund)



Capital Projects Fund Transfers and Budgeted Expenditures FY 2021-2022

Capital Projects Fund Program	06-30-2021 Ending Funding Balance	FY 2022 Transfers	FY 2022 Budgeted Revenues	Total Available for FY 2022	FY 2022 Budgeted Expenditures	06-30-2022 Est. Ending Funding Balance
Library Services Platform Replacement						
Technology Replacements & Upgrades	3,060,316	4,000,000		7,060,316	(1,585,000)	5,475,316
Building Repair & Maintenance	3,409,664	4,500,000		7,909,664	(2,543,500)	5,366,164
Vehicle Purchase & Replacement	258,694	500,000		758,694	(150,000)	608,694
Library Materials						
Furniture Purchase & Replacement	191,622	500,000		691,622	(75,000)	616,622
Financial Services	642,819			642,819	(305,000)	337,819
Community Engagement/Programming and Venues	326,969	500,000		826,969	(723,000)	103,969
Capital Construction		9,000,000	30,000	9,030,000	(560,000)	8,470,000
TOTAL	7,890,083	19,000,000	30,000	26,920,083	(5,941,500)	20,978,583

- Multiyear reserves reestablished in critical programs
- Another \$17M-\$19M may be available for transfers in FY 2023
- Additional funding sources (e.g., the New Markets Tax Credit Program) may offset projects costs, which will allow flexibility for project/program transfer allocations

Las Vegas-Clark County
LIBRARY
DISTRICT
LVCCLD.org

Questions?