

MINUTES

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT FOUNDATION

Board of Directors Meeting

May 18, 2023

The Board of Directors of the Las Vegas-Clark County Library District Foundation Special meeting on May 18, 2023 Windmill Library- Board Room and via Zoom at 12:00 p.m.

Board Members in

Attendance:

Elaine Sanchez, President
Nicole Rogers, Secretary

Chris Way, Director
Jane Mac, Treasurer

Fred James, Director

Felipe Ortiz, Director via Zoom

Michelle Sanders, Director
Kelly Benavidez, Director

Kate Turner-Whiteley, Director
Tamar Hoapili, Vice President

Excused Absents:

Keiba Crear, Director
Jane Mac, Treasurer

Shannon Bilbray-Axelrod, Director

Guests:

Kelvin Watson – Executive Director
Joann Prevetti – Director of Development
Lashea West – Development Coordinator
Carmen Gilbert – Brown Stein Hyatt
Barry A. Burns – Kutak Rock LLP
Yuyake Hall - Hinton Burdick Associate

**Roll Call
(Item I.)**

President Sanchez called the meeting to order at 12:00 p.m. All members listed above represent a quorum.

**Public Comment
(Item II.)**

None.

**Board Action to
accept proposed
agenda
(Item III.)**

President Sanchez moved to approve the proposed agenda, Director James seconded the motion. All voted in favor, motion was carried.

**Board Discussion
and possible action
to accept previous
Minutes.
(Item IV.)**

President Sanchez requested that the Board accept the previous meeting minutes. Before requesting an action item to accept, she asked if there were any comments or questions on the special meetings listed.

Board action to accept Minutes from:

- a. January 13, 2023, foundation meeting minutes
- b. January 17, 2023, foundation meeting minutes
- c. January 31, 2023, foundation meeting minutes
- d. February 16, 2023 foundation meeting minutes
- e. February 23, 2023, foundation meeting minutes
- f. April 24, 2023, foundation meeting minutes

President Sanchez moved to approve the proposed agenda, Director James seconded the motion. All voted in favor, motion carried.

**Presentation from
Kutak Rock LLC.
re: legal services for
New Markets Tax
Credit Project.
(Item V.)**

Barry A. Burns the lawyer for Kutak Rock LLC began the presentation with an Engagement Letter for the New Markets Tax Credit project.

Mr. Burns explained the legal service Kutak Rock would provide to The Foundation and LVCCLD district, as well as the new West Las Vegas Library.

Services would include:

- Serving as special counsel to the three listed entities in the New Markets Tax Credit Transaction
- Negotiating the terms of various loan documents
- Advising on Real Property negotiations
- Executing Transferring of Documents
- Ensuring all three entities are in compliance with the federal regulations related to the New Market Tax Credit Transaction

The second letter Mr. Burns presented for review and approval was the Conflict Waiver Letter which he said is a document that law firms use when they represent multiple entities in a single transaction. Although they are separate entities; they are related parties.

If there is a legal conflict between the three entities, Kutak Rock ***will not*** represent any entities in ***any*** litigation that could potentially ensue.

Director James asked Mr. Burns to explain the one hundred- and ten-thousand-dollar legal fee for engagement quoted in the letter to Director Sanchez.

Director James asked, "Is the foundation in charge of paying that fee?" Mr. Burns answered, "The legal fee is associated with the entire transaction to represent all three entities related to the Library District. The fee is due at the closing of the transaction and would come out of the proceeds that flow through the New Markets Tax Credit structure, including the equity infusion from the tax credit investor."

Mr. Burns reiterated to the board that it isn't a upfront fee for The Foundation or any other entities listed in the transaction. Director James asked, "Would it be simpler if we charge the Library District for our services as a donation?" Mr. Burns answered, "If it is outside of the New Market Tax Credit Structure, that should be fine." President Sanchez urged the Board to meet with Legal counsel to assess their options further.

The legal counsel was not present at the current meeting.

Executive Director Watson said he would also need to discuss these options with the Board of Trustees before committing to anything.

Mrs. Prevetti will email the documents to the Board of Trustees for further direction and approval.

Board Discussion and possible action to approve Kutak Rock LLC. for legal services re: New Market Tax Credit Project for West LV (Item VI.)

President Sanchez thinks Kutak Rock is a great and experienced law firm, and believed they can benefit The Foundation tremendously.

Treasurer Mac stated she was concerned regarding the engagement letter referencing the total fees owed by The Foundation. She suggested The District should be in charge of all fees owed that were listed in the engagement letter.

President Sanchez moved to approve the engagement letter after the verbiage regarding The Foundation being responsible to cover the fifty thousand dollars for legal fee cost be changed.

Director James seconded the motion. All voted in favor, motion was carried.

Presentation from Hinton Burdick CPA and Advisors to Foundation to discuss financial services (taxes and audits). (Item VII.)

Chief Financial Officer Floresto Cabias offered to introduce Hinton Burdick. He went on to explain The District chose Hinton Burdick to perform the financial statement audit for The Foundation's fiscal year ending June 30th, 2023. The audit isn't complete until after all its component units are complete. Mr. Cabias explained that "Component Units" is the technical term used when organizations have a significant relationship with one another. He stated sharing the same auditor will ensure that The District and The Foundation's audits be completed in a timely manner.

Chief Financial Officer Cabias introduced Mr. Hall to the board as he is a partner with Hinton Burdick. Mr. Hall stated the company is a regional firm that's been in business for 45-47 years; they have 12-13 partners and has worked with over 115 nonprofits this year.

Director James asked "Has the firm worked with New Markets Tax Credit?" Mr. Hall answered, "Yes they have done previous work with New Markets Tax Credit".

Director Sanders, said she wanted to make the Board aware of additional fees on Page 4. She explained the Board will need to ensure the organization is ready to avoid additional costs.

Director Fred James asked Mr. Cabias, what the procedures are for things that have changed, specifically for the completion of the final statements for the Foundation.

Mr. Cabias answered, "The library district staff will bring the completed audit to the Board of Trustees in mid-November. He said that last year; the district staff only delivered a preliminary draft to the Board of Trustees because the Foundation's audit was incomplete. There was potential for a delay if any adjustments or changes were made in the Foundation's financial numbers This could have negatively impacted the District's financials by causing a delay in the submittal of its audit to the State Department of Taxation. This is one of the reasons why the District supports Hinton Burdick in completing the audit for all affiliates. By having Hinton Burdick's help, the Foundation, as well as the District, have a smaller chance of being fined"

Director James said he wants to negotiate terms so that the Foundation has no financial responsibility if anything happens during the audit submissions. Director Crear agreed with Director James due to not having the necessary staff to keep up with reporting and bookkeeping properly. Director James reiterated that they're an Advisory Board, not a Working Board. Director Watson explained that at some point, The District and The Foundation will have to become separate entities. Until then, The District will continue to support The Foundation.

Discussion and possible action to approve the contract for financial statement audit and tax preparation for the Foundation from Hinton Burdick. (Item VIII.)

During this discussion President Sanchez stated there isn't a resolution for the separation between the two entities as of now. The Foundation does have a financial responsibility to produce the records of finances and all information involving money to keep track of spending.

Director James said he would move to approve the company if they could amend the contract. Mr. Hall agreed he would make an edit stating that there won't be any additional fees unless The Foundation is made aware and agrees to the fee.

Change orders must be approved between The District and The Foundation regarding fees involved with the contract between Hinton Burdick.

Discussion and possible action to approve Pamela Graham to the LVCCLD Foundation Board. (Item IX.)

For this discussion President Sanchez introduced Pamela Graham, who had 16 years of experience with HUD. She is well experienced with the grant process and knows what it takes to get funding. She had overseen developments for multi-family housing. Now that she doesn't work for HUD, she works with Lend a Hand Community Partners, and they specialize in helping women who are new to the community become stable in their environment.

The Board motioned to vote Pamela in as a Foundation Board member Vice President Hoapili moved to approve, Secretary Rogers seconded the motion.

Discussion and possible action to approve "Books for Babies" Sunrise Hospital Infant Program funding. (Item X.)

Before the discussion began President Sanchez disclosed that she serves on Sunrise Hospital Board although it isn't a conflict of interest the Board has to know. Director James disclosed that his wife is also on the Sunrise Hospital Board.

Executive Director Watson explained The District will need support from The Foundation in order to close the deficiency gap with new mothers and their children starting at grades k-3 who need help reading etc. Executive Director Watson partnered with the superintendent to help kids accelerate and expand their knowledge. He explained the first goal is to educate new parents on how to be their child's first teacher. He said the second goal is to show parents how they can help their child achieve in school by reading, singing, and staying active.

The Books for Babies package includes books, a onesie, a diaper bag, and other library resources, which will be given to new moms.

Director James asked how many packages could we provide to the new parents. Executive Watson explained that five thousand babies are born each year at Sunrise Hospital, and he plans to distribute as many packages as possible to new parents.

Treasurer Mac reminded the Board that the Executive Director's line item was removed from the 2022-2023 budget. But she recommended adopting this project for the 2023-2024 budget.

Mrs. Prevetti stated that should the program go well; Sunrise Hospital Foundation will also donate to the cause.

Treasurer Mac asks Executive Director Watson if we have metrics in

place to measure the success of the program. Executive Director Watson answered, "Yes, we will have QR codes and other resources included in the bag to measure the usage of their library card."

Treasurer Mac said she would like the Board to see the metrics of how many parents sign up for library cards, as well as The usage of their actual library card.

Director Crear and Treasurer Mac moved and seconded the motion to approve the line item.

Discussion and possible action to approve site location for the 2024 gala, gala budget, and gala committees. (Item XI.)

Mrs. Prevetti introduced the 2023-2024 updated Gala plan. She said the goal is to hold the event in October 2024 which will give the Board about 14 months to make a decision and plan.

Mrs. Prevetti said the first location she had researched was Red Rock Hotel and Casino. It would cost \$135 per person, the deposit is up to 25%, she believes the deposit is negotiable. It would cost \$17,000 to hold the space. The second location is Area 15. The cost is \$124 per person with a \$10,000 deposit. The third location is Boyd Gaming Orleans, which cost \$115 per person, and \$57,000 total with a \$500 deposit. Mrs. Prevetti said has seed money fund to go towards the start up costs for the Gala due to locations being booked so quickly.

Director Ortiz asked Mrs. Prevetti about the parking for the Area 15 lot. Mrs. Prevetti reassured Director Ortiz there will be plenty parking areas for the Gala – and the venue can accommodate up to 1500 people in its outdoor tent.

Director Crear asked Mrs. Prevetti if the cost will be fully paid for by the Foundation. Mrs. Prevetti informed Director Crear the table sales will cover the cost of the Gala. The sponsorship packages will include showcase sponsorships, which helps entice companies to purchase tables. She said table examples are Platinum, Gold, Silver, and Bronze. For example, \$100,000 Platinum Table Package includes four tables and naming rights for future programs.

Mrs. Prevetti's projected the profit will be at least \$500,000 from the Gala.

Director Crear said she prefers the Foundation to invest in the Gala after the Board members change to avoid any conflicts with the event or finances. The Board ops to have a Gala committee to work through the detailed aspects in order to make the best decisions.

Treasurer Mac and Director Sanders moved and seconded the motion to have a Gala committee properly plan the Gala.

Director Ortiz and Director Hoapili were drafted to head the Gala committee.

President Sanchez clarified that the Foundation must cover the outstanding balance for the Gala.

Director Way said he would like the Board to choose a venue with a refundable deposit before making a commitment.

Discussion and possible action to adopt an annual budget (Item XII.)

Director Mac presented the 2023-2024 budget to the Board for review which reflected a year-to-date total cost up to April 30th, 2023. The YTD net income was seventy-seven thousand, four hundred eighty-four dollars.

Director Mac said we are under budget for the grant's income. She stated the foundation is on track to meet the budget for Bookstore Sales- In addition to in-house bookstores. The Foundation also continues to sell books through Amazon to help supplement the bookstore sales.

Treasurer Mac showed the Board her current 2023-2024 budgets for their review and approval. She explained that we should look into multiple ways to gain revenue as our grants aren't coming in as fast. Director also acknowledged we are still waiting on investments to mature.

She said sixteen hundred dollars was added to the budget to give the Foundation's employee a modest raise.

Treasurer Mac also proposed an increase for the "Library Program"; she recommends twenty thousand dollars for this year's budget.

She said the Foundation decreased the budget for media and marketing to fifteen thousand dollars due to in-kind donations from the Review Journal, Channel 3, and Channel 13.

President Sanchez motioned to approve the YTD budget Director James and Director Sanders second the motion to approve the budget.

Discussion and possible action to approve by laws. (Item XIII.)

President Sanchez introduced Carmen Gilbert; she was a representative for Brownstein Hyatt Farber Schreck. She provided facts about the firm, and shared they would be completing one hundred thousand dollars' worth of pro bono work for The Foundation. She stated the original Foundation by-laws hadn't been revised since 2013. Instead of making numerous edits, Brownstein Hyatt Farber Schreck recreated the Foundation's by-laws. President Sanchez explained the benefits of starting fresh with revised by-laws. President Sanchez notified the board that changes were made to our titles in order to be compliant. There will now be a Chairman, Vice Chairman, Treasurer, and Secretary.

Director James asked President Sanchez for clarity whether the by-laws are on a calendar year or fiscal year? He proposed that the Foundation's bylaws align with the Library District's calendar, which is fiscal year July 1st – June 30th.

Director Ortiz asked President Sanchez if the revised by-laws should specify legal counsel details. Also, he stated the by-laws would only allow the Chairman to call for a special meeting.

President Sanchez stated that Brownstein Hyatt Farber Schreck can revise the laws so that more than one person can call for a special meeting.

Director Way asked President Sanchez to explain Section 4, under the committee's area because it doesn't explain the removal process for board members. Ms. Gilbert stated she would update the by-laws' verbiage to add more clarity.

Director Ortiz informed the board of conflict with verbiage in Article 3, Section 6. The annual meetings are not defined. Director Ortiz recommended meeting dates be specified in the by-laws.

Ms. Gilbert explained that the by-laws didn't define dates in case deadlines was missed; it helps the Board stay in compliance with their by-laws.

Ms. Gilbert will edit the verbiage in the by-laws to approve written consent from Board members if they decide to remove a member actively from the chair. She will also add verbiage for different Board members to call for a special meeting.

Treasurer Mac and Director Hoapili moved and seconded to approve the motion as long as the changes are made.

Mrs. Prevetti informed the Board that the next Foundation meetings are scheduled for August 17, 2023, and November 16, 2023.

**President's Report-
Elaine Sanchez
(Item XIV.)**

During this discussion President Sanchez announced her resignation and stated that Treasurer Mac was also stepping down. President Sanchez congratulated Executive Director Watson for all his hard work and accomplishments.

**Library District
Update – Kelvin
Watson
(Item XV.)**

Executive Director Watson discussed key details from his Executive Director report, which highlighted the new book lending machine at the Boulevard Mall next to the movie theatre. A few of the board members were curious as to when the machine was installed. Executive Director Watson informed the board that the machine was installed on May 5,

2023. He was excited to inform the board that the Library District scheduled has a second install happening at Sunrise Hospital, on June 26, 2023.

Development Update- JoAnn Prevetti (Item XVI.)

Mrs. Prevetti shared photos of K-3 youth who'd received learning materials, accompanied with arts and crafts in the Early Literacy program. She stated the youth can the option to bring their program boxes back to the library, so they could be refilled with additional literacy program materials. Mrs. Prevetti said the District received a donation from the David L Simon Foundation to help expand the program. She also shared information about the career online high school students who received laptops to help them successfully complete the program and transition into the workforce. Mrs. Prevetti enlightened the board that the library provides hotspots for students who don't have access to the internet.

Discussion and Possible Action on the Foundation Working Group's members. (Item XVII.)

President Sanchez explained to the board that with bylaws being updated, the board members who aren't resigning are able to extend their term to 2024. She also recommended more members join the 'working group' with Treasurer Mac and Director James. Director Sanders offered to join the committee.

Director James and Treasurer Mac motioned to approve Director Sanders joining the working group.

Public Comment (Item XVIII.)

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.

Adjournment (Item XIX.)

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 LASHEA WEST AT (702) 507-6181 SO THAT ARRANGEMENTS FOR ATTENDANCE MAY BE MADE.

NOTE: PLEASE CONTACT LASHEA WEST AT (702) 507-6181 OR lashea.west@thelibrarydistrict.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 February 16, 2023, i.e., given 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. Enterprise Library
8310 S. Las Vegas Blvd.
Las Vegas, NV 89123
 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
 6. Nevada Public Notice Website: <https://notice.nv.gov/>
- 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 District Foundation Board of Directors.
- D. Next Meeting Dates:
 - August 17, 2023

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- November 16, 2023