

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

**Board of Directors Meeting Minutes**

**November 16, 2023**

The Board of Directors of the Las Vegas-Clark County Library District Foundation meeting on November 16, 2023, in person and via Zoom at 12:00 p.m.

**Board Members**

**In Attendance:**

Tamar Hoapili, Chair (Zoom)  
Shannon Bilbray-Axelrod, Vice Chair  
Nicole Rogers, Secretary  
Fred James, Treasurer  
Elizabeth Foyt, Director  
Michelle Sanders, Director  
Kelvin Watson, Ex-Officio Director (Zoom)  
Keiba Crear, Director (Zoom)

**Board Members**

**Absent:**

Pamela Graham, Director  
Kelly Benavidez, Director  
Felipe Ortiz, Director

**Guest:**

Nathanial Waugh, Chairman, District Board of Trustees  
Ryan Ketner and Vince Martinez, Crescent Growth Capital (Zoom)  
R. McKay Hill, Hinton Burdick CPAs & Advisors (Zoom)

**Roll Call  
(Item I.)**

Chair Hoapili called the meeting to order at 12:03 p.m. All members in attendance listed above represent a quorum.

**Public Comment  
(Item II.)**

Chairman Waugh of the Las Vegas-Clark County Library District Board of Trustees thanked everyone for their service and on behalf of the board he wanted to express their appreciation and wished everyone and their family a happy Holiday Season.

**Board action to accept Proposed Agenda. (Item III.)**

Chair Hoapili opened the floor for a motion to approve the proposed agenda. Motion made by Vice Chair Bilbray-Axelrod and seconded by Treasurer James. All voted in favor, and the motion carried.

**Board action to accept minutes from August 17, 2023 meeting. (Item IV.)**

Chair Hoapili opened the floor for a motion to approve the proposed minutes from the Board meeting on August 17, 2023. Motion made by Vice Chair Bilbray-Axelrod and seconded by Secretary Rogers. All voted in favor, and the motion carried.

**Discussion and Board action on New Market Tax Credits Forecast Engagement with Novogradac & Company LLP and Discussion with Ryan Ketner of Crescent Growth Capital (Floresto Cabias). (Item V.)**

Chair Hoapili turned the floor over to Floresto Cabias, the Library District's Chief Financial Officer, to discuss the New Market Tax Credits.

Floresto introduced himself, Ryan Ketner, and Vince Martinez with Crescent Growth Capital (Crescent). Crescent has been working hard promoting the West Las Vegas library project and they successfully secured new market tax credit funding from several Community Development Entities (CDEs). CDEs are organizations that allocate their federal funds to projects across the country. Crescent is receiving Letters of Intent (LOI) from CDEs making commitments to the westside project. The Library staff is recommending that the Board authorize, Chair Hoapili, to sign Novogradac's Engagement Letter so the new market process can continue moving forward. Novogradac is a CPA firm who has provided services on two other occasions to the Library District (East Las Vegas Library and Mesquite Library).

Mr. Kenter explained Novogradac's role and the services that they will provide to the westside project. Novogradac is the accounting firm who is the recognized leader in the tax credit industry for modeling and procedures; these are needed in the new market tax credit closing process. Novogradac is the accounting firm of record for about 90% of all deals done in the country. A vast majority of Crescent's \$1.8 billion dollars' worth of deals in the last 15 years and another \$400 million in the 3 years before have been with Novogradac. For each project, Novogradac, provides 80-to-120-page models and flow charts that diagram and articulate every step of the new market tax credit process. Novogradac provides the best value in terms of their fees and work product of any of the professionals working on new market tax credit projects. Crescent works with Novogradac's Dover office and Matt Baker's group on a continuing basis for most of their projects. The Dover Office is very responsive and efficiently adjust models as needed to facilitate the

closing process.

Mr. Kenter also added to Floresto's comments regarding engaging Novogradac immediately. Crescent is soliciting LOIs of allocation from the CDE's, they received one for \$12 million this past Monday. They are also receiving LOIs from bank investors to buy these tax credits. They received one of these LOIs on Monday as well. They will continue to solicit the LOIs for bank investors over the next 2-3 weeks. Engaging Novogradac at this time allows them to start the modeling process immediately as LOIs are being received.

Secretary James clarified that the Library District has worked with Novogradac previously. Secretary James also asked about the fees and whether the Board had to pay those directly and if the Library District would be reimbursing. Floresto responded that similar to the other partners that the Library District has engaged in for the new markets program, the fees will be taken from proceeds at closing. This question came up with the last engagement that was presented to the Foundation Board a few months ago and the concern was that should these deals not close, the foundation would be paying out of pocket for services already performed. But since that time, a lot has changed, Crescent Growth Capital and our Partners have done a great job of bringing in investors that are ready to commit to the West Las Vegas project so it is highly unlikely that these deals will not close. Because of the LOIs that Mr. Kenter mentioned, while nothing is guaranteed, there virtually is no possibility that the deals on the table will not close; and that could happen in the next few weeks - as early as February or March. These CDEs must spend these funds by a certain time and they are very enthusiastic about the West Las Vegas project, so they are very motivated to close these deals. If the Library District itself needed to get involved in providing some sort of reimbursement or participate in funding the fees then a revision of the Engagement Letter would be required which means that Novogradac's attorney will have to review the revisions and the Library District Board of Trustees will have to approve of their involvement in the agreement, resulting in less time for Novogradac to provide the information to Crescent for closing the deals. Floresto reiterated that this is the process that was followed for the East Las Vegas Library and the Mesquite Library and the concern regarding the fees did not materialize and it is very unlikely that it will materialize for the West Las Vegas Library either.

Secretary James thanked Floresto for responding to his questions, as there are new board members who may be unfamiliar with the process. Secretary James doesn't have a problem with this issue, he just wanted to clarify that this process was done previously with the other two libraries and that this is nothing unusual; and if it closes, all the fees are passed through the new market tax credit.

Chair Hoapili opened the floor for a motion to accept the New Market Tax Credits Forecast Engagement with Novogradac & Company LLP, including discussion with Mr. Kenter. Motion made by Director Sanders and seconded by Secretary James. All voted in favor, and the motion carried.

Chair Hoapili will follow up with JoAnn and sign the Engagement Letter.

**Discussion and Board action to approve the Foundation Audit (Floresto Cabias). (Item VI.)**

Chair Hoapili turned the floor over to Floresto to address the Foundation Audit.

Floresto stated that earlier this year, the Library staff had recommended to the Foundation Board to engage the professional services firm, Hinton Burdick CPAs & Advisors, to perform the Foundation's audit for fiscal year 2023. This firm was recommended because they were already performing audits of the Library District, the East Las Vegas Library and the Mesquite Library. Hinton Burdick took full advantage of these synergies to perform the audits thoroughly and efficiently. The audit provided to the board is final, as opposed to a draft, which has been provided in prior years. The timing improved because of Hinton Burdick's experience and how well they worked with the library staff. When the Board had discussed the audit engagement letter, the Board had concerns about potential additional costs due to delays caused by the Library staff. Floresto is happy to report that no such delays occurred and there were no additional costs. He thanked Mr. Hall for his efforts, his Director, Crimson Singleton, and the Library District's Accounting Manager, Martha Ford, for making this happen.

Floresto turned the floor over to Mr. Hall of Hinton Burdick to share the results of the audit with the Board. Mr. Hall expressed his gratitude to the Library District and the financial staff that assisted with the performance of the audit. The staff handled the disruption of their time with great professionalism and were very accommodating and good to work with, so he wanted to commend them and express Hinton Burdick's gratitude.

Mr. Hall first reviewed the objectives of the audit which are "to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement... Misstatements are considered material if there is a substantial likelihood that, individually, or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements."

Mr. Hall explained generally what they do when they perform a financial audit as audits are conducted in accordance with the auditing standards generally accepted in the United States. Essentially, they take a look at the financial statement and follow that back through to the accounting system and then they'll go through the various analytics, including various confirmations with external parties, and tie that back to supporting information. They will test the information in the financial system and the accounting system. They will then form an opinion as to whether there is a material weakness or significant deficiency. They look at the internal controls to gain an understanding of the financial information and whether or not it appears to be materially correct and properly stated, they do not audit the internal controls, the controls are reviewed only to

understand them and determine if they are operating effectively. If any material weaknesses or significant deficiencies are identified, they will provide a letter. Sometimes they come across other items and will make recommendations or suggestions to the management team. Mr. Hall touched on the results of the audit, a couple of key numbers that the Board will want to keep an eye on over time. and a few 5-year trends.

Mr. Hall is happy to report that the audit was an unmodified or a clean opinion, based on the test work that was performed and the information that they reviewed. The information in the financial statements is materially correct and the Board can rely on that information to make decisions moving forward. He also stated that there were no material weaknesses or significant deficiencies that were noted in the course of the audit.

Mr. Hall also covered the assets and expenses as of June 30, 2023. The total net assets (equity) as of June 30<sup>th</sup> were \$21,933,047, an increase of \$85,491 from the beginning of the year. Net assets are broken down into two particular categories for non-profit organizations. There are net assets without donor restrictions, which are the resources that you have the most flexibility in using, and that amount is \$162,352. Net assets with donor restrictions are often tied up and very focused in the way in which they can be used, as of June 30<sup>th</sup> that amount was \$21,770,695. These are good numbers to watch because over time they can be good indicators of the health of the organization. In other words, if this number is decreasing over time, it becomes an area of concern.

Organizations have a little more control over expenses than revenues, therefore, the net assets amount will increase or decrease based upon the amount of expenses. The largest expense is Contractual Services in the amount of \$454,199. It is a good idea to keep an eye on your largest expenditures over time. The total Cash increased by \$40,740, in fiscal year 2023. The unrestricted cash as of June 30<sup>th</sup> was \$500,431.

The Balance Sheet Trends noted that liabilities remained fairly low for the past 5 years in comparing \$165,000 in 2019 to \$141,000 in 2023. In comparing the assets with the net assets, the assets have been a little higher over 5 years, which is a pretty good trend to see in an organization because that shows that the equity has remained fairly consistent, but keep in mind that equity includes both restricted and unrestricted assets. Another trend to consider is the revenue and expenses which give rise to the amount of net income, which directly impacts the net assets over time. Generally, we want to see the expenditures remain lower than the amount of revenues because this is how resources are increased and will allow the Board to address its obligations. In fiscal year 2023, the expenses exceeded the revenues, although it is not necessarily a concerning trend going forward. Overall, the Board's revenue and expense trend is good, it is something to watch over the next couple of years.

Chair Hoapili opened the floor for a motion to approve of the audit report. Motion made by Secretary Rogers and seconded by Secretary

James. All voted in favor, and the motion carried.

**Chair's Report,  
Tamar Hoapili  
(Item VII.)**

Chair Hoapili thanked the Board members for their dedication, passion and support. She also extended a huge thank you to Kelvin, JoAnn, and staff of the Library District. She has worked so closely with them over the past few months and is at awe at all the work that the district does for the community. Chair Hoapili wished everyone a great and heartfelt Thanksgiving. She reminded the board of the Foundation and District Retreat on December 12, 2023, from 3pm – 6pm. This Retreat has been moved from the Windmill Library to the Rainbow Library. She encouraged everyone to clear their schedules to attend. She had a chance to see the agenda and it is quite robust, together we can move the Foundation to the next level.

Chair Hoapili thanked Secretary James in his Treasurer role and JoAnn for helping her and their work in getting things completed and put in place, i.e., signature cards. She also reminded the board members to subscribe to the library's newsletter, if they don't already receive it through their email. Chair Hoapili also reminded the board to join the library's Facebook and Instagram sites; in addition to, getting a library card. She encouraged the board to spend time on the district's website and make themselves familiar with all the library does because she is proposing for the foundation to have a Strategic Plan for 2024, which will be discussed at the Retreat. She also wants to start strategizing and move forward together with the District for 2024.

**Treasurer's Report,  
Fred James.  
(Item VIII.)**

Chair Hoapili turned the floor over to Treasurer James to give the Treasurer's report. Treasurer James wanted to briefly go through the statement of the board's financial position. He stated that we had a great audit and it's great that we are doing everything correctly. We have to continue to do that. He liked the trend analysis provided by Hinton Burdick, that's what he would like to work off of today in his report. There are two things that the audit talks about, current assets and liability. Even though the audit showed that we have \$3.1 million dollars in assets, about \$3.05 million is restricted dollars. At the upcoming Retreat he intends to discuss how the library foundation looks at funding projects/programs, and to consider a strictly "cash in and cash out" type of control. We would then only budget for the actual cash that we have and the cash that we receive will go into the next fiscal year which will help control the expenditures. As the audit showed, we want our revenue above our expenditures to build up our fund balance.

Secretary James pointed out that the \$21.9 million dollars in equity is primarily the East Las Vegas Library and the Mesquite Library. We are turning one over next Summer (2024) and the next one around December 2024 and we will be adding the new West Las Vegas

Library. Our financial statements will look pretty much the same at the end of this fiscal year but next year we will see a huge change in the assets and the fund balance.

Secretary James then highlighted the Statement of Activity by Class. These numbers are through September 30, 2023, the finance department has been extremely busy working on the audits and we have had a difficult time getting information from the investment funds and the banks. This statement shows pretty much what we have in this fiscal year. Secretary James noted that we only had \$99,000 coming in for the fiscal period, but we spent about \$157,000. He's not too concerned with this right now, it's just how we have revenue coming in. We do have sufficient cash flows from the endowment fund, bookstore sales and other unrestricted cash flows. Secretary James wanted the board to know about last year's grant from the City of Las Vegas for the Homework Help Center. JoAnn explained that we have \$20,000 left from the funding from last year and that we are bringing on new donors this year to supplement that but that we haven't hit the \$380,000 mark yet but we are getting close. Her report will show funds that we have secured. Secretary James stated that we are a little behind but he expects to be caught up by February, we have enough fund equity to cover expenditures. We are pretty strong right now, but if we had to pay for everything for ourselves and if no one else were to donate to us this year then we would use up our cash flows. JoAnn mentioned that we receive donations daily from the digital "Did You Know" marketing campaign that we have in partnership with the Las Vegas Review Journal. They provide free digital campaigns for us and it goes directly to the foundation website where individuals can make contributions. We are also partnering with a Latino Marketing Group that will be further discussed in her report, this has two of the largest radio stations in Southern Nevada, so the message is getting out to that community as well.

Secretary James agreed that we are getting a lot of donations directly to the account. He further stated that although we are a little behind on collections, we have enough to maintain financial integrity of the foundation.

Trustee/Director Foyt asked Secretary James if his financial report included the mandatory \$1,000 annual contributions by the board members and whether the board members are up to date.

JoAnn stated that the foundation has received donations from some of the board members and the groups in which the board members represent. For instance, Michelle Sanders, represented the Rogers Foundation and they made a significant donation to the Library District this past June or July. Cox has been very philanthropic to the foundation in their donations and a former board member's law firm provided "in kind" legal services to the board. Director Crear also responded that she brought in funding from Switch for the West Las Vegas Library and Ms. Elaine Wynn also gave us a donation as well. She will have to follow up on when these donations came in

but JoAnn can check on Switch's donation to the West Las Vegas library. Secretary James responded by stating that there is not a category for board member contributions and the board is out of compliance if that is a requirement. Director Crear asked what the purpose of Director Foyt's question was, since she is new to the board. In her opinion, the board has been very dedicated with their service and time. We are just coming out of COVID, and we have been working through some issues with the Library District and so I think some grace and time should be given to us to get back up and running.

Director Foyt stated that she has served on a number of charitable boards and worked with nonprofits and board member contributions has always been a standard. In her opinion, in order to have an effective board and to be in compliance with the foundation's mission then all board members should contribute accordingly.

Director Crear stated that she is out of compliance (if each board member is required to contribute \$1,000). Previously, the board members had been asked to bring in either personal donations or to bring folks to the table that will help with our mission. This is an item to discuss at the Retreat and we will hold ourselves accountable to any newly enacted bylaws resulting from the Retreat but that we should move forward positively. She appreciates the question and Director Foyt's experience but asks that we have some time to work through these issues.

Director Foyt believes that the board has been out of compliance and the lack of contributions since the foundation began is a lot of money but agrees that we need to discuss at the Retreat.

Chair Hoapili informed the board that she will do her research and have the legal counsel review the bylaws she received when she became Chair, but that she doesn't recall any such requirement by the board members and the Board's legal counsel confirmed that the current bylaws do not have this requirement. This could have been language in prior bylaws or board policies that was later removed, her research will include whether this was the case and whether the language was removed in a legal manner. Chair Hoapili will be prepared to further discuss at the Retreat.

**Library District  
Executive Director  
report, Kelvin  
Watson  
(Item IX.)**

Chair Hoapili turned the floor over to Ex-Officio Watson to give the Executive Director report.

Mr. Watson shared that he has submitted his reports regarding the activities from the overall Library District, for the past 3 months: August, September and October and specifically, the work that he has been involved in. We as a Library District continue to work inside of the community and attended a number of meetings, both Director Prevetti and himself. They have connected with a number of organizations such as, the NBA summer league, the Golden Knights, the Raiders, and just this week, F1 - In Schools. In addition to, the Nevada State Treasurer's office. The Golden Knights lots of



meetings, and this week F1 – In Schools since they are going to be doing the race this week. We are looking at partnerships with them. We are also working on to have an event during the Super Bowl week, February 7<sup>th</sup>, in partnership with the NFL and Barbershop Books. Barbershop Books provides library books inside of barbershops. This is a nationwide program that the Library District is proud to bring to Southern Nevada.

Vice Chair Bilbray-Axelrod applauds all of the work being accomplished and Chair Hoapili echoed her comments.

**Development  
Report, JoAnn  
Prevetti.  
(Item X.)**

Director Prevetti reported on the Development Department’s work in the Community. The Foundation has been awarded in-kind and cash donations in the amount of \$111,232 and we have \$533,000 in pending grants. The pending grants include the Nevada Commission on mentoring grant and a grant with the black futures lab with NCAAP. The Development Department is working closely with the Nevada State Bank on funding for tutors. We’re seeking to continue the partnership that we have with Intermountain healthcare on the health and wellness programs that we have and also with our sports teams, as Executive Director Watson discussed. The Development Department alone in the past quarter has had over 75 meetings out in the community and Executive Director Watson attends most of those meetings as well. People are really excited about what’s going on at the library, and they want to know how they can help. Many people that we meet with really aren’t aware that the library needs funding for various programs. They just assume everything comes through the tax dollars and when we tell them the stories and show them the data of the lives that these funding opportunities touch, it’s really engaging. On January 9<sup>th</sup>, we’ll be having a check presentation from Vegas Tickets, one of our newest donors. Vegas Tickets is funding the “Lil Learner’s Program” for the next 3 years, exclusively at the Enterprise Library. This partnership will help us engage with other community leaders to expand this program. We bolster our library programs by meeting with the branch managers regarding programs or activities that they would like to provide and work with the leaders here at the Library to seek funding opportunities. When the funding comes in it really elevates everyone.

On the District side, we still have a lot of pending funding. We have \$15 million pending in Federal appropriations, that hopefully will be getting on Congress’ agenda soon. Additionally, we met with the Governor’s office regarding a program that provides a 50% financial match for federal grants. This will help us secure more funding since our match is “in-kind.”

Some other partnerships include: the Mob Museum that allows for discounted admission with your library card; Meow Wolf is now a funder so we are looking to expand our partnership with them; and JetBlue and Councilman Knudsen’s office to support summer reading

programs.

Director Foyt, asked if we have alliances with any other airlines besides JetBlue as Southwest is very generous. JoAnn stated that we are working with Allegiant who came to the Library and did a tour; but have not had much success connecting with Southwest as they have a lot of people knocking on their doors.

Director Sanders asked about the Emergency Connectivity Fund (ECF). JoAnn explained that the kickoff was held August 18<sup>th</sup>, we were awarded \$3.8 million to provide \$50,000 hotspots. We just hit the 9,000 mark this week. People in community have access to internet that they would not have had otherwise. Library staff are at the Boulevard mall every Saturday signing people up with wi-fi cards, in addition to, our Community Engagement Team and Library Operations team attend various events to sign up people. The Palms invited us on November 1<sup>st</sup> and 2<sup>nd</sup> into their employee dining room to sign up their employees up for these cards. We are working with other employers to get into their employee dining rooms so that we can implement this. We partnered with the Culinary Union and Boyd Gaming to help push this out as well. We have sent information to all of the large employers in town to help them get the message and push it out. We also have public service announcements which the urban community has been very supportive. JoAnn has a meeting with the President of the Urban Chamber next week. People are not understanding "free," so the messaging has changed a few times and now it's very simple in layman's terms. The Community is starting to understand that they can come in without a library card and just sign up for the program. Each card allows 3 devices to be connected, with 9,000 people signed up it's easy to see that a lot of people are being connected to the Internet and benefiting through this grant funding that we received.

Chair Hoapili thanked JoAnn for wonderful work and making differences in our community.

Director Crear had some comments before the meeting ends. She stated that she was pretty optimistic when this meeting started and appreciated Chairman Waugh attending and giving his comments. She was excited seeing the agenda with the updates from Secretary James, Executive Director Kelvin and Director JoAnn and she echoed Vice Chair Bilbray-Axelrod's comments about everyone doing a wonderful job. She appreciates the partnership with the Library District but she is highly disturbed by comments made by Director Foyt. The Board of Trustees appointed Director Foyt to the Board and her comments confirmed Director Crear's apprehension from the last Retreat in that the Board of Trustees not fully supporting the Foundation. Folks have been working really hard for this foundation over the years, and dedicating their time and services and trying to believe in the vision that this is going to be a partnership with the Library Districting moving forward, and it just appears that focusing on noncompliance of the Board is not the type of partnership that we should be fostering within this group. Director Crear stated that she

is not just going to sit back and take those type of comments, if we are going to have this partnership, everyone needs to be positive and we need to go into that spirit together as a partnership but if it is not going to happen then she has other things to do with her time. She hopes that everyone on the board shares the same vision in moving forward together in a positive manner.

Chair Hoapili thanked Director Crear for her feedback.

Director Sanders stated that maybe there are two different versions of the understanding of the bylaws, because when she came in, she is sure that she read and she is sure that she was told, the same information that was stated today. Whether there's a version that's had been voted on, she doesn't know. However, she asked Chair Hoapili to recirculate the most up to date version so that everyone is on the same page.

Chair Hoapili said she would as that is part of her homework in preparing for the retreat. Chair Hoapili said that Director Sanders was the first person who told her about the board contributions and now Director Foyt is the second. The legal advisor has the documents so once Chair Hoapili does her research she will get back to everyone.

Director Foyt asked that part of Chair Hoapili's research include whether any changes to the bylaws were legal and appropriate. Chair Hoapili agreed to include that in her research as well and will report back to the Board accordingly.

**Public Comment  
(Item XI.)**

None.

**Adjournment  
(Item XII.)**

Being there is no further business before the board, Chair Hoapili, opened the floor for a motion to adjourn. Vice-Chair Bilbray-Axelrod made the motion to adjourn the meeting at 1:04 pm, Secretary James seconded the motion. All voted in favor and the motion carried.

