

**MINUTES
LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT
BOARD OF TRUSTEES' MEETING
LAS VEGAS, NEVADA
November 9, 2023
(Approved on December 14, 2023)**

The Board of Trustees of the Las Vegas-Clark County Library District met in regular session at the Centennial Hills Library, Las Vegas, Nevada, at 5:00 p.m., Thursday, November 9, 2023.

Present: Board: N. Waugh, Chair K. Rogers
K. Whiteley E. Foyt
E. Sanchez F. Ortiz
K. Benavidez K. Dutkowski

Counsel: G. Welt

Absent: J. Jiron
C. Shelton

Staff: Floresto Cabias, Chief Financial Officer
Numerous Staff

Guests: None

The meeting began at 5:03 p.m.

Roll Call (Item I.) All members listed present above represent a quorum. Appendix A. Chair Waugh led attendees in the Pledge of Allegiance.

Public Comment (Item II.) None.

Agenda (Item III.) Trustee Benavidez made a motion to accept the proposed agenda. Trustee Sanchez second the motion.

There was no opposition and the motion carried.

Approval of Proposed Minutes of the Finance and Audit Committee Meeting on September 7, 2023 and Regular Board Meeting on October 12, 2023 (Item V.) Trustee Rogers made a motion to approve the Minutes of the Finance and Audit Committee Meeting on September 7, 2023 and the Regular Board Meeting, October 12, 2023. Trustee Benavidez second the motion.

There was no opposition and the motion carried.

**Chair's Report
(Item VI.)**

Chair Waugh reported that Counsel Welt will be honored for his 47 years of service to the Clark County Library District and the Las Vegas-Clark County Library District by the Clark County Commissioners. November 7th in the City of Las Vegas is declared Gerald Welt Day. Chair Waugh invited all Trustees that are available to attend. Chair Waugh also acknowledged Director Watson for being honored at the NAACP Banquet that he attended. Chair Waugh reported that the Executive Committee met to discuss what a new evaluation process and form would look like. The recommendation will be presented to the Board for consideration to be implemented for 2025 performance year, beginning in July. He also announced that the January meeting will be moved from January 18 to January 11 and the May meeting from May 11 to May 23 (due to requirements under NRS) for the public hearing for the budget.

Chair Waugh also ask that everyone have meeting decorum and wait to be recognized to speak. Also, to please notify Ms. Nance if you will or will not be attending the meeting.

Trustee Foyt proposed having a reading room at the new West Las Vegas Library, to be named in memory of the late Harvey Mumford. He was a notable member of the West Las Vegas community as an exemplary educator and legislative leader. Chair Waugh agreed to put that on a future agenda for consideration of the Board.

**Library Reports
(Item VI.)**

**Executive Director's
Report
(Item VI.A.)**

Floresto Cabias, Chief Financial Officer reported on behalf of Executive Director Watson. Mr. Cabias congratulated Director Watson on being honored at the NAACP banquet. Mr. Cabias also congratulated Al Prendergast, Chief Information Officer on his nomination for the 2023 Top Tech Award. Mr. Cabias reported that he received word that one of the community development entities (CDE), made a verbal commitment of an estimate of 1.5 million dollars in funding that will offset the cost of construction of the new West Las Vegas Library. He also thank John Vino, General Services Director for his work towards raising funding. He reported that he and Mr. Vino gave a tour to two CDE's of the West Las Vegas site and East Las Vegas Library. Mr. Cabias also thanked the Library Administration and staff as well for helping out.

**Library Operations,
Security Reports and
Monthly Statistics
(Item VI.A.1.a)**

Trustee Sanchez asked Leo Segura, Library Operations Director to walk her through the Detention Center Library Service report that was given with his report because it is new. Mr. Segura responded that the Library District used to run the Detention Center for the County since the 70's but went with the law library a few years back and the Library District re-contracted with the County last November.

[Mr. Segura read and discussed the attached report on pages 6-9]

Branding and Marketing Report and Electronic Resources Statistics (Item VI.A.2.a.)

Trustee Sanchez asked to have a comprehensive Branding and Marketing strategy presentation. Chair Waugh stated that the request will be given to Director Watson.

Community Engagement Report and Monthly Statistics (Item VI.A.2.b.)

Chair Waugh asked Matt McNally, Community Engagement Director about the Historic Westside parade that staff participated in. He wanted to know how staff chooses the parade events to participate in. Mr. McNally explain that the Historic Westside Parade was a joint effort between Community Engagement and Library Operations to have library staff represented in the community. He explained that future commitments are dependent on considerations such as staffing ability, but finds great value in being able to support the community when available.

Development and Planning Report (Item VI.A.2.c.)

No questions.

Information Technology Report (Item VI.A.2.d.)

No questions.

Financial Services Report (Item VI.A.3.a.)

No questions.

General Services Report (Item VI.A.3.b.)

John Vino, General Services Director presented a video to keep the Board members up to speed on the new West Las Vegas project.

[Video can be viewed here: <https://www.youtube.com/watch?v=s-5hUOhHynA>]

Trustee Benavidez asked if there will be outdoor seating at the new West Las Vegas Library. Mr. Vino responded that there will be outdoor seating and is still being worked on.

Trustee Ortiz asked what is the estimated square foot cost for construction. Mr. Vino responded that it will be a little under 41,000 square feet (no exact amount) by 35 million dollars is the current estimate. Trustee Ortiz also asked when the CMAR will go out. Mr. Vino responded that it will probably go out after the holiday on January 3rd. Mr. Ortiz wanted the public to hear that they tried to have the property closer to the inner Westside on J street but went with the land that was sufficient to build a large sized library.

Human Resources Report (Item VI.A.3.c.)

No questions.

Unfinished Business None.
(Item VII.)

New Business
(Item VIII.)

Consent Agenda
(Item VIII.A.)

Discussion and possible Board action regarding the Finance and Audit Committee's recommendation to accept the audit performed by HintonBurdick, CPAs and Advisors for the Fiscal Year 2022-2023 (Item VIII.A.1.)

Mr. Cabias asked for this agenda item to be pulled and stated: [copied from transcript]

The results of June 30th, 2023 Financial Statement Audit and I'm glad to report that it was a clean audit, which is our goal. I'm stealing McKay Hall's thunder here. He's a partner with HintonBurdick. Thank you, McKay and your director, Crimson Singleton and the rest of your team. I also have to thank Martha Ford, the District's Accounting Manager for all of her hard work, working with the auditors to make sure this audit was completed timely. HintonBurdick is not just auditing the financial statements of the Library District, but also its three component units, which are nonprofit corporations including the Las Vegas Library Foundation, the East Las Vegas QALICB, and the Mesquite QALICB. So that's four libraries total and it's HintonBurdick's job, along with my accounting manager to ensure they get completed effectively and timely, which they did. Those reports are signed, sealed and delivered. And I'll invite Mr. Hall to present the results of his audit. And it's a summarized version of what the Finance and Audit Committee heard on Monday.

MR. HALL: Thank you. I'm grateful for the opportunity to be here. Real quick, I told -- I believe I told your audit committee this last year, but I spent the first ten years of my career life in IT and then I decided that I just wasn't a very interesting fellow, so I thought I'd spice up my personality by becoming a CPA. Neither of those industries are really known for their public speaking abilities, so if I seem to hesitate at all, it's just the sheer terror of public speaking. I am grateful for the opportunity to be here and work with the District. Quick summary, as Mr. Cabias said. I'm going to go ahead and read this real quick. This is what we do when we perform an audit. When we come in as auditors, our objectives 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. So we come in and through various test work that we perform, we confirm with external parties, we run various analytics, we tie to supporting documentation. And so we test the activity in your accounting system and then follow that through to the financial statements. And we test the financial statements to make sure that

they are compliant with the applicable accounting standards. And so that's what we do in the course of the audit. And when we perform the audit, we perform it according to the auditing standards that are generally accepted in the United States of America. And since the District is a local government, we also use the standards applicable to financial audits contained in the governmental auditing standards as issued by the Comptroller General of United States. We are happy to note that for Fiscal Year '23, the Independent Auditors Report, which is on pages one through three of the bound financial statements that annual financial report, it's an unmodified or a clean opinion, which is to say that we did not find any material misstatements and therefore you, as a Board, are able to rely upon that information in your considerations and your judgment. We also take a look at your processes and your procedures to gain an understanding of what they are and to gain an understanding of whether or not they appear to be operating. If we find in those processes and procedures a condition or a set of conditions that make it highly likely that a material misstatement would be processed through the system without being caught, addressed, corrected in the course of operations, that would be a material weakness or a significant deficiency depending on the likelihood of that being processed through. And so if we look at those processes and it looks like an error could be processed without being caught, we'd issue a finding. We're happy to note that we did not find any such conditions and there are no material weaknesses or significant deficiencies issued with the financial statement audit this year for the District. There was also a single audit that was performed. Anytime that the District gets 750,000 or more federal funds, then there's a single audit that has to be performed. We go in and we take a look at what the major program is or programs are, and then there are additional compliance auditing process of steps that are performed for that single audit. We're happy to note that there is an unmodified or clean opinion on the single audit this year as well. A couple of things to consider as a Board just in total. So in the government wide financial statements, they're called, it's a full accrual set of financial statements, the first set that you come across in your annual financial report. The first statement is a statement of net position. It's kind of like the balance sheet for the District. And it goes through and talks about what your assets, your liabilities are and what your net position is, which would be the equity. And that equity is an important number to watch. It gives an indication as to the health of the District overtime. It's worth noting that the total net position for the District at the end of Fiscal Year '23 was 215 million. That was an increase of 19.8 million from the prior year and that equity, that net position is broken out between three categories in that statement. There is a net invested in capital assets. That's an important number to watch because that's your infrastructure. That's your buildings, that's your books, that's your stuff that you can't really turn into cash. And so it's fairly nonliquid. And of the total equity, the net position for the District,

158 million of that is tied up in your infrastructure. Another 23 million is restricted, which means that either through laws or grants or some sort of external enforcement, the District has a very limited use, that it can put those funds to. If a grant is awarded, you have to use the funds for the purpose of the grant, and so it's restricted to that purpose. And the District had that 23.7 million restricted net position at the end of the year. That leaves an unrestricted net position of 33.6 million, which are the funds that the District has in order to meet its general obligations and requirements. Which may sound like a lot right off, but out of that 33.6 million, you've got to take care of all your normal operating costs. For example, utilities, payroll, all those sorts of things. So it's worth noting that this last year, if you look in those government wide statements, the cost of operation -- the District's costs for the year were 75 million. So you've got 33.6 million worth of unrestricted net position. If all money stopped coming in, you might be able to run for about four or five months before you would be out of money, just to kind of put it in context. 33 sounds like a big number, but with the operations, it's the context you have."

Mr. Cabias also stated that he recommended HintonBurdick for auditing the District because of his firm's expertise in local government finance and nonprofit corporations. And so the result of this audit are really a reflection of all the hard work that our finance team puts in all year long to ensure that we're properly managing and reporting the financials of the Library District.

Trustee Sanchez asked if there was limit to having to potentially raise the amount from 40 million dollars, how it works for the New Market Tax Credit, and what would the cost savings be. Mr. Cabias responded that the target for New Markets funding is approximately four to six million dollars, and that is based on the total cost of the West Las Vegas Library project. At 40 million dollars, assuming that's the total construction cost, that would be a net benefit from New Markets of about six million dollars. There is no limit to the amount of funding the District would receive from New Markets. It's only limited by the amount of CDEs or investors that the District on boards. But as far as the cost of the West Las Vegas Library project, the Board has authorized the building of this Westside library regardless of the cost of it. It's limited by cost, but we build reserves with the assumption that we'll need as much as possible to fund construction of a new library. Mr. Vino's current budget is anywhere between 35 to 40 million dollars, as discussed. But if for some reason cost of construction escalated to higher than that, this is where the Library District would like to maximize all sources of funds to build the library.

Trustee Ortiz will like to be given exact numbers of the cost per square footage.

Trustee Rogers commended the team for a success audit and made a motion to accept the 2022-2023 audit report as presented by HintonBurdick CPAs and advisors, and to incorporate the opinion letter into the official minutes of

the Board of Trustees November 9th, 2023 meeting. Trustee Sanchez second the motion.

There was no opposition and the motion carried.

**Regular Agenda
(Item VIII.B.)**

None.

**Discussion and possible Board action regarding award for Early Electrical Equipment Procurement for the new West Las Vegas Library.
(Item VIII.B.1.)**

[Mr. Vino read Agenda Item VIII.B.1. into the record]

Trustee Sanchez made a motion to authorize staff to proceed with Amendment No. 01 to the current PreConstruction Agreement between the Clark County Library District ("Owner") and CORE West, Inc. ("CMAR") for the Procurement of Electrical Single Line and Generator Equipment only, for the new West Las Vegas Library in the amount of \$323,177, subject to final review and approval by Counsel. Trustee Rogers second the motion.

There was no opposition and the motion carried.

**Executive Session
(Item IX.)**

None.

**Announcements
(Item X.)**

The Adult Learning Programing Graduation Ceremony is Thursday, November 16, 2023 at 6pm at Clark County Library Theater, 1401 E. Flamingo Rd., Las Vegas, NV 89119.

West Las Vegas Library Groundbreaking Ceremony will be held on December 11, 2023 at 10:00am. Location: 1861 North MLK Boulevard, Las Vegas, NV 89106.

The December Board meeting will be held on Thursday, December 14, 2023, at 5:00pm. Location: East Las Vegas Library, 2851 E Bonanza Road, Las Vegas, NV 89101

**Public Comment
(Item XI.)**

None.

**Adjournment
(Item XII.)**

Vice- Chair Rogers adjourned the meeting at 5:55 p.m.

Respectfully submitted,

Jennifer Jiron, Secretary

2023 ATTENDANCE

2023		January 19 Regular Board Mtg	February 9 Regular Board Mtg	February 23 Finance and Audit Comm. Mtg	March 9 Regular Board Mtg	April 4 Special Board Mtg	April 12 Finance and Audit Comm. Mtg	April 20 Regular Board Mtg	May 18 Regular Board Mtg	June Nominations Comm. Mtg	June 1 Regular Board Mtg	June 28 Special Board Mtg	July - Finance and Audit Comm. Mtg-	July 13 Risk Management Comm. Mtg	July 13 Regular Board Mtg	AUGUST	September 7 Finance and Audit Comm Mtg	September 14 Regular Board Mtg	October 12 Regular Board Mtg	November 1 Executive Comm. Mtg	November 6 Finance and Audit Comm. Mtg	November 9 Regular Board Mtg	December 14 Regular Board Mtg
Benavidez	Kelly	A-E	P	P	P	P	P	A	P		P	P		P	P		A-E	P	A	P	P	A	
Foyt	Elizabeth	P	P		P	P		P	P	P	P	A-E		P	P		A-E	P	P		A-E	P	
Meléndrez (Term ended 9/8)	José	P	P		P	P		A	P	P	P	P		P	P								
Ortiz	Felipe	P	P		P	P		P	P	P	P	P			A-E		A	A-E	P		A-E	P	
Wilson (Term Ended 5-15-2)	Brian	P	P	P	P	P		P	P														
Rogers	Keith	P	P	P	P	P	P	P	P		A-E	A-E			P		P	P	P	P	P	P	P
Waugh	Nathaniel	P	P	P	P	P	P	P	P	P	P	P		P	P		P	P	P		P	P	
Jiron	Jennifer	P	P		P	P	P	P	P	P	P	P		P	P		A-E	P	P	P	A	A-E	
Turner Whiteley	Kate	P	P		P	A		P	P	P	P	A-E			P		P	P	P	P	P	P	
Sanchez (Term Began 5-15)	Elaine								P		P	P		P			A-E	P	P	P	P	P	
Dutkowski (Term Began 7/)	Karen																		P	P	P	P	
Shelton (Term Began 9/19/)	Chris																		P	P		A	

P	Present
A-E	Excused Absence
A-U	Unexcused Absence
	attended Committee meeting but not a member
X	Term Ended/ New