

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT FOUNDATION

Board of Directors Meeting Minutes

February 15, 2024

The Board of Directors of the Las Vegas-Clark County Library District Foundation meeting on February 15, 2024, in person and via Zoom at 12:00 p.m.

Board Members In Attendance: Tamar Hoapili, Chair
Shannon Bilbray-Axelrod, Vice Chair
Nicole Rogers, Secretary
Fred James, Treasurer
Elizabeth Foyt, Director
Kelvin Watson, Ex-Officio Director
Keiba Crear, Director
Felipe Ortiz, Director (Zoom)
Pamela Graham, Director

Board Members Absent: Michelle Sanders, Director
Kelly Benavidez, Director

Guests: Barry A. Burns, Partner, Kutak Rock, LLP
Floresto Cabais, CFO, The Library District
Briana Martinez, Esq., Associate, Kaempfer Crowell

Staff in Attendance: Lashea West, Development Coordinator
Julia Gardiner, Development Assistant

Roll Call (Item I.) Chair Hoapili called the meeting to order at 12:01 p.m. All members in attendance listed above represent a quorum.

Public Comment (Item II.) There is no Public Comment for this meeting nor public attending.

Board action to accept proposed Agenda. (Item III.) Chair Hoapili opened the floor for a motion to approve the proposed agenda. Motion made by Secretary Rogers 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 November 16, 2023. Motion made by Secretary Rogers to accept with one correction, where minutes state Secretary James instead of Treasurer James, then so moved. Seconded by Director Foyt. All voted in favor, and the motion carried.

Discussion and possible action to pass New Markets Tax Credit Program Resolutions with Barry Burns of Kutak Rock (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 Resolutions.

Floresto introduced himself, as well as Barry Burns, partner at Kutak Rock, LLP, who is the Special Counsel for the West Las Vegas New Markets project. They are here to recommend the Board sign the resolutions as presented. By doing so, Floresto explained, the Board is formally consenting to the Foundation's participation in the New Markets transaction for the West Las Vegas project.

As a refresher, the Library District sought and secured federal funding to offset the costs of building the new library in the Historic West Side, and as part of the process the Library District will grant \$24M to the Foundation. As the Leverage Lender, the Foundation will loan that amount to what we call the New Markets Fund, and other subsequent loans that will happen throughout the New Market process.

As part of this process, as approved through these Resolutions, the Board will designate and authorize a representative to execute documents to consummate the New Markets transactions. The authorized representative is normally the Board Chairperson, but can be another Director as determined by the Board.

One example of a document that requires signature has been distributed with your Board Packet in draft form. It is called the Beneficial Ownership Certification (the JP Morgan document was presented on screen). JP Morgan is one of our Investor Partners that is required by Federal law to collect this information as part of the "Know Your Client" process that banks must conform to making this review necessary to execute a bridge loan for the Foundation, to complete the loan referred to above.

The Library District's staff will complete documentation throughout the process for the Foundation's signature. The Library District's staff and our Partners meet weekly to go through a checklist of items needed to finalize the New Markets transactions, including signing the Resolutions.

One of these meetings with our Partners was completed earlier today, with everything currently on track. We expect to close this transaction as of the first week in March. There are a number of documents that both the Library District and the Foundation will need to eventually execute. Again, this resolution is to ask the Foundation to approve the Resolutions in order to formally consent to participate in the New Markets program.

Floresto added another update reminding the Board of the upcoming new West Las Vegas Library Groundbreaking coming up later this month, hoping all are able to attend. He stated that once this New Markets transaction is consummated, construction on the new library should begin in earnest sometime in March.

The Library District is also holding a special Board of Trustees meeting in order to authorize the Library District's own resolutions, along with approving contracts in order to begin said construction in March. Thus ended Floresto's update for this agenda item.

Treasurer James asked Mr. Burns had we not signed this Beneficial Ownership Certificate following the last meeting for the Foundation.

Mr. Burns explained that this document is related to opening accounts at Chase Bank, and may appear familiar as it was done with Capital One on East Las Vegas Library as well as with JP Morgan Bank for Mesquite Library. This is a requirement for banks in order to open accounts for the Foundation to leverage funds into the New Market Tax Credit transaction. The account can normally be closed shortly after those funds flow through, in short term the account would remain open.

Treasurer James asked if the Chair can direct any Director to be able to sign these documents. Floresto stated yes, that appointing a designated signer is part of the Resolutions. Although it has been a number of years since our last New Market Tax Credit transaction, we are following the same playbook as we did for East Las Vegas and Mesquite transactions.

JoAnn noted that the document provided by the CFO had Secretary Rogers on the signature line. Floresto pointed out that it is traditionally the Board Secretary that signs off on these types of resolutions.

Briana Martinez, Foundation Legal Counsel, commented that she had not reviewed the presented documents and hoped that the Board had time to review them as needed and feels comfortable in appointing the Chair or Board Secretary to sign them on behalf of the Foundation.

Floresto stated that the Library District will also be reviewing said documents, as well as our partners' Special Counsel, such as Kutak Rock, and our other attorneys, Bailey Kennedy, LLP, and, of course, General Counsel for the Library District, Gerald Welt.

Floresto pointed out that the Foundation should be familiar and feel comfortable enough to sign but assured everyone that the Library District has diligently reviewed these documents. Kutak Rock actually drafted them, and again, same documents that were executed in previous New Market fields.

Briana remarked that she has some concerns as there are environmental indemnities for the Foundation, as well as noting that she has not reviewed these agreements, wanting to make sure the Board had so they can make the decision to move forward or not with the Resolutions.

Director Bilbray-Axelrod thanked Briana for her comments and concerns. She observed that she and many of those on the Board have gone through this before with all parties and that is where her comfort level comes from in regard to the resolutions.

Director asked Briana when she would have a chance to review the documents. Briana stated that she is just seeing them via Zoom now for the first time and could hope to review them within the next week.

Director Ortiz stated he had no problem or issue with signing or in recommending that the Foundation sign the Resolutions. This is the third (3rd.) occurrence, it's administrative, and in regard to the environmental deficiencies, the City already cured that when they transferred the land and that agreement went before a full City Council. He feels we should take care of this today as time is moving so quickly. In its simplest form, Congress created a tax break for people with money to donate. They will get three (3) times the write off, and we get three (3) times less the money. It's free money for us for an area that is impoverished or underdeveloped making it a great way to give the community back money. As for the rest of it. There's a Quality B (QUALICB) board that oversees us. The Library District oversees this, then the banks are going to oversee this, it's a good deal of oversight. That is why he feels comfortable in moving this forward today.

Treasurer James observed that he was also part of the original implementation New Market Tax Credit transactions and reading through these resolutions notes that are very similar to those for East Las Vegas and Mesquite. The only different item is the Beneficial Ownership Certificate but after reviewing the Resolutions, he would be very comfortable signing and recommending that the Board sign without further delay.

Chair Hoapili inquired if there was need for further discussion or additional questions in regard to this item. Chair Hoapili opened the floor for a motion to approve acceptance and signing the Resolutions. It was decided that Secretary Rogers would be the signatory. Motion made by Director Ortiz and seconded by Vice-Chair Bilbray-Axelrod. One opposing vote; motion carried

Discussion and possible action in regard to Consultant's Report (Item VI.)

Chair Hoapili explained that next on the agenda was the recommendation report by the Consultants, as prepared for the Foundation by Amanda E. Standerfer (of Fast Forward Libraries) and Cindy Fesemyer (of Fesemyer Consulting) for Alliance for Library Impact, following the Board Retreat in October 2023, in partnership with the Board of Trustees.

Chair Hoapili gave a brief of the Recommendation Report, touching on a few of the suggestions received to address in the next eighteen (18) months by the Foundation Board. Examples are finalizing Memorandum of Understanding (MOU), hire an Executive Director, create a Foundation budget to include future projections, create and engage a strategic planning process, etc. The entire report is included in the Board Packet.

The Chair asked for ideas and feedback from the Board members.

Treasurer James stated there was no issues basically with the recommendations but in implementing them as a volunteer nonworking board. Treasurer James suggested that some things need to be done before these recommendations can be addressed and implemented, i.e., such as possibly the hiring of a consultant. He feels the eighteen (18) month projection is more in line with an eighteen (18) to twenty-four (24) month timeline.

Treasurer James also professed the need to align with the Library District to access costs for current in-kind services the Foundation receives from the Library District to budget and plan for before any Foundation operational monies could be used for donations to programs and services. He stated that these expenses would have to be paid from any fees the Foundation collects such as the book sales and Endowment Fund. He feels that this will be a two (2) year process, a reserve will be needed, a two (2) year budget reserve before bringing on an ED, etc. The reserve in alignment with the future projections would notify the Board ahead of time if future revenue projections were not met for some reason, this person could look for another position before the ED position was terminated. If the Foundation is going to be a standalone, it must be determined and discussed where the money is coming from before they can do that. Also, what will be the Library District's obligations up to that standalone point?

Director Foyt proposed an alternative suggesting that the ED job posting task the applicants to share how they would address the Foundations future needs and wants as part of their application. UNLV does this. Could save monies spent on a consultant as well as having staff coming onboard with a deeper knowledge and understanding from day one (1).

Ex-Officio Director Watson suggested that rather than hire a consultant, he would offer the services of the Library District's HR department to assist in drafting a job description to be shared and tweaked by the Board as desired, the Library District could post the position and coordinate interviews for the Board as needed in supporting this initiative.

Discussion and possible action to accept proposed creation of three (3) committees (Item VII.)

Chair Hoapili stated that based on the report recommendations and in accordance with what the Board has been discussing, she proposes forming three (3) subcommittees: 1) Executive Director Search Committee, 2) Budget Committee, and 3) MOU Committee. Chair Hoapili feels this is the first step toward encompassing these recommendations.

Director Crear believes the special working committee should come prior to finalizing these as the only committees needed, and what that looks like, etc., establish the path of the Foundation and then establish which committees are needed.

In agreement with Director Crear on this point were Treasurer James, Secretary Rogers, Vice Chair Bilbray-Axelrod, and Director Foyt who mentioned the main focus should be the ED search and then focus on the other two items if time allowed.

Chair Hoapili stated there was no action to be taken at this time in regard to establishing these subcommittees; Development Director Prevetti urged getting Counselor Martinez's opinion in regard to if a motion is needed, if this meeting is to last several hours is it required to be an open meeting, does it need to be recorded, etc.?

Counselor Martinez advised that this special meeting would still have to abide by Open Meeting laws, the chair can call this meeting but must be posted at least seven (7) days in advance but not more than 30 days. She suggested that while everyone is together the meeting could be set up now.

It was suggested that March 19th as a possible date, half a day should be blocked, a Doodle Poll will be sent to the Directors to settle on a date.

Discussion and possible action to the Las Vegas review Journal inquiry. (Item VIII.)

Chair Hoapili asked for background in regard to the Review Journal Inquiry received by Counselor Martinez.

Counselor Martinez was contacted by David Wilson, a reporter with the RJ, requesting comment regarding comments made by Chair Hoapili following a Board of Trustees meeting in which the Library District announced approving a contract for a consulting firm, the Schaefer Company, LLC, in regard to raising money for naming rights for the new WLV Library.

Mr. Wilson felt these statements raised some concerns that the Library District Foundation was not included in the decision and asked if this was standard that the trustees contracted with third (3rd) parties to raise money for naming rights as well as what the role of the Foundation was in raising money for the Library District. Counselor Martinez believes Chair Hoapili's comments were taken out of context and did not think it was appropriate to supply comment

without this being brought to the Board's attention.

In the December Trustees' meeting, during Public Comment portion of the meeting, Chair Hoapili shared that she was excited by the engagement of the consultant but stated that the Foundation Board was unaware of the search and hiring and of the possibility of raising funds via naming rights for the new library. She wanted to make sure they worked in partnership with the Library District and that the Foundation Board was there to assist in any way they could on their quest for this consultant. There was discussion on the subject following this comment (can be accessed online in the recorded meeting on the LVCCLD website), a very robust conversation ensued and the motion was passed by the Board of Trustees.

Chair Hoapili stated that Ex-Officio Director Watson received the same request call from the reporter as did she. Mr. Wilson is asking for a comment from the Foundation; Counselor Martinez and Chair Hoapili did not feel comfortable supplying said comment without addressing this Board first.

Ex-Officio Director Watson shared more details about the approach chosen explaining it was not an effort to leave the Foundation out of the process but in terms of financing, the Library District recognized that what the consultant would be doing fell under the vision of the Board of Trustees. There were reasons to pay for a consultant and get this done; Ex-Officio Watson felt this was the best approach and the Board of Trustees agreed.

Director Foyt was also contacted for comment but unavailable at the time and Mr. Wilson did not follow up with her again.

Counselor Martinez stated that she had been contacted again this week by Mr. Wilson asking for a comment by the Foundation.

Treasurer James added that he was okay with the approach used by the Library District and the Board of Trustees. This does not fall under the Foundation's oversight; it belongs under the Library District's umbrella. He would have preferred the foundation was made aware before it was announced publicly, but finds no issue.

Secretary Rogers suggested a joint statement issued by both boards to which Ex-Officio Director Watson agreed made sense. Counselor Martinez stated she had drafted a response but it was not written as a joint response. Chair Hoapili can bring this up in the Board of Trustees meeting later this afternoon during the Foundation Report portion.

Chair Hoapili opened the floor for a motion to recommend a joint statement on behalf of the Library District Board of Trustees and the Foundation Board of Directors to issue a joint statement to the Las Vegas Review Journal via Mr. Wilson. Motion made by Vice Chair Shannon Bilbray-Axelrod and seconded by Treasurer James. All in favor with three (3) opposed, and after some discussion the motion was redacted by Vice Chair Bilbray-Axelrod then reinstated the motion with the only change being it be held in abeyance until

contacted again by Mr. Wilson. Motion seconded by Treasurer James.

An individual vote was taken:

Chair Hoapili – Y
Vice Chair Bilbray-Axelrod – Y
Secretary Rogers – Y
Treasurer James – Y
Director Foyt – Y
Director Crear – N
Director Ortiz – N

Five (5) yeases and two (2) nays; motion passes.

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

Chair Hoapili shared a list of forms she has signed on behalf of the Foundation since the last meeting with copies in the Board packet; including a grant application for a Super Bowl Grant which we sadly didn't receive.

In reference to an earlier item discussed at a previous meeting in regard to the one thousand dollar (\$1,000) in board dues, she has researched and gone back to 2015 looking for references to this. In the minutes of the Foundation Board minutes for June 16, 2021, it was referenced by then-Chair Sanchez there was an agenda item #6 (these minutes included in packet as well) on briefing and discussion on foundation work for year ahead. It addresses Board Member expectations which was discussed and showed the mention of the one thousand dollars (\$1,000) does exist at least somewhere. However, when picking up this topic of "briefing and discussion on foundation work for year ahead" again in the September 20th minutes, it was not brought up again. No motion, no vote, no approval, etc.

Director Foyt explained it was her understanding that this Board was charged with this money as part of "the bones" of this organization, so that there would not have been a vote or mention.

Vice Chair Bilbray Axelrod was approached to join the Foundation when the switch from Friends of the Library became the Library District Foundation (circa 2010-2011) and it was never mentioned to her.

Chair Hoapili understands the concept of Board Members "Give/Get" is pretty standard for foundations. In reference the proposed special working meeting, this should come back to the floor.

Treasurer James agrees this is something that the Foundation Board should be doing for the new way the Foundation would be operating.

Director Crear stated this subject should be shelved for now with so many other more important issues for the special working meeting.

Chair Hoapili reminded the Board that the next meeting on May 16th is the Annual Meeting; including end of some board terms and elections of new officers. She also stated that if anyone needed a

copy of the by-laws to let her know.

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

Treasurer James shared that the report included in the Board packet is the financial position before the period ending December 31, 2023. While it may appear that we have approximately nineteen million dollars (\$19M) in funding, in actuality we do not. As it shows under "Other Assets" there are monies classified as "Long-term Note Receivables" showing almost eighteen million dollars (\$18M). This is part of the New Market Tax Credit. We are the Lenders; the Library District will be the recipients as explained earlier in regard to upcoming twenty-four million dollars (\$24M) Ex-Officio Watson will be signing over shortly. The Foundation will be assisting the Library District in receiving approximately five point six million dollars (\$5.6M) back, which will go a long way in the West Las Vegas new building project.

These numbers will drop off as these programs come to an end. For example, the Mesquite Library will drop off in July, after this fiscal year, and the long-term receivables will come off in December. Same for East Las Vegas at some point, so these monies will be going away. Then the West Las Vegas New Market Tax Credit monies will be coming on, that we discussed earlier with CFO Cabias.

The Schwab accounts above for long-term portion of our investments are coming due in the future after one (1) year; the short-term portion will come due this year. All of this is part of the Endowment and that's the only funds we have, so if separate from the Library District, our projections will try to figure within the current interest rates, the current economy, etc., how much money we have.

If we could count on a ten percent (10%) return on three point one million dollars (\$3.1M) that would be three hundred thousand dollars (\$300,000) for operational costs. That can't be guaranteed, more likely five, six, or seven percent (5, 6, or 7%) return which would provide us operational funds in the one hundred fifty to two hundred thousand (\$150-200,000) range. That is not enough.

Treasurer James brought attention to the bank accounts which pay out for all obligations, making the money raised through the book donations and any unrestricted donations as fluctuating. With the bank account balances, these funds are always fluctuating as some of those dollars you see on the reports are restricted monies and cannot be used for operational expenses.

Next, Treasurer James shared the Statement of Activity sheet showing the division of restricted and unrestricted donations. He went on to explain how book sales are unrestricted but a donation by Best Buy for the Teen Center at Clark County Library is restricted for just that.

Most of our costs, while aligned under the Library District, are minute, very attainable. This does not contain the in-kind services we get from Marketing, Development, and Financial Services for example. These are all considerations when planning to separate

**Library District
Executive Director
Report, Kelvin
Watson
(Item XI.)**

and operate on our own.

Planning on a tighter budget for next fiscal year, building up a reserve fund so the Foundation can go out on their own having to pay for the current in-kind services they now receive by Library District staff.

Ex-Officio Watson shared that this coming Friday the 16th is his three (3) year anniversary with the Library District as the Executive Director.

A few of the initiatives he has spearheaded since his arrival are:

- #FreeToBe Public Education Campaign
- Building Signage – no more complaints that public can't find the libraries
- Green Our Planet – providing food and food growing skills and reinforces the importance of access to fresh food
- Memory Preservation Labs – in 17 branches
- Book Vending Machines – in Boulevard Mall and soon in Sunrise Hospital
- West Las Vegas Library Groundbreaking this month
- My First Library in hospitals – in conjunction with the Foundation
- Barbershop Books – in partnership with the NFL and Microsoft
- Hope for Prisoners
- Casa Grande Program
- Nevada State "I Love My Library" auto license plates coming soon
- Cox WiFi cards, cell phone lending programs, ROTC On Board
- Hip Hop Architecture Camp(s) – repeating in summer
- Summer and Winter Reading Challenges
- Lil Learners Activity Kits
- STEAM Truck

Our circulation continues to increase our programs. Numbers are up fifty-six percent (56%) from 2019 to fiscal year 2023. Our website has experienced a twenty-four percent (24%) jump in traffic from 2022 to 2023.

We have received many awards and acclamations during his tenure:

- American Library Association (ALA), Library of the Future Award two (2) years in a row.
- American Library Medal of Excellence Award (twice).
- Urban Library Council (ULC) has recognized us for innovation, anti-racism, digital equity, and inclusion.
- Urban Library Council (ULC) has recognized us as an Honorable Mention as a Top Innovator.
- Russo has recognized us for best emerging technology.

Ex-Officio Watson stated he had enjoyed his last three (3) years here and looks forward to the next couple of years to continue the growth and innovation path we are currently on within this community

**Library District
Development
Director Report,
JoAnn Prevetti
(Item XII.)**

following the Library District's Strategic Playbook for 2026.

Treasurer James complimented Ex-Officio Watson on all he has accomplished and thanked him for his contributions.

Director Prevetti congratulated Ex-Officio Watson on his upcoming third (3rd) year anniversary with the Library District and coincidentally, February 16th is also her two (2) year work anniversary a year to the day after. She stated what a pleasure it was working here and being out in this community.

Director Prevetti provided reports for the last three (3) months. We list all our appointments and she normally has three to five (3 to 5) appointments a week with partners and donors.

When this report was written in December, it shows that the Foundation was awarded approximately one hundred twelve thousand and two hundred twenty-two dollars and thirty-seven cents (\$112,222.37). As of this morning, that figure is two hundred and ten thousand dollars (\$210k).

We received a grant from best Buy for the Teen Center, as well as a commitment from KNE Architecture to help us expand the Pop Architecture program.

The report shows pending grants in the amount of two hundred eighty-three thousand dollars (\$283k) in December but that number is now nine hundred thirty-eight thousand (\$938k) in impending grants and demand for the Foundation.

Under the Library District Awarded column in December the amount was sixteen thousand five hundred dollars (\$16,500) as of today the awarded amount is one hundred forty-one thousand dollars (\$141k).

We still have the impending fifteen million (\$15M) and we are hoping to hear about ten million (\$10M) of that by June.

Director showed some images of events, partner and speakers. She also shared several new donors as included in her report in the Board packet including:

- Meow Wolf
- The Rogers Foundation
- Vegas Tickets
- USAC
- San Manuel Tribe – Band of Mission Indians (and Owners of the Palms Casino and Hotel)
- Latino Media Network
- The Mob Museum
- Formula One – F1
- Humana
- Summerlin Rotary Foundation
- Vegas PBS
- The Just One Project
- BF Foundation
- A few anonymous bequests and donations

- Shaw Contract Carpet
- San Francisco Human Rights Commission
- Microsoft
- The Hip Hop Architecture Camp
- Latino Beats ZonaMX 103.5 radio

Director Prevetti shared some images from our grants at work, such as the twenty-five-thousand-dollar (\$25k) grant from the National Library of Medicine and the #GetCarded for Health initiative and our partner Roseman University of Health Sciences, college of Medicine.

Director Prevetti shared an image of the ceremonial check presentation of the three point eight million dollar (\$3.8M) federal award for use with the Cox WiFi card. Treasurer James asked for more detail about this funding.

Director Prevetti explained that these funds went directly to the Library District because it was general funding. We partner with Cox Communications, people come in to a branch and check out the Cox digital WiFi card. Based on the number of checkouts, we receive a bill from Cox that we submit to USAC, then USAC reimburses us for paying the bill from Cox. We can spend up to three million dollars (\$3M) amount and we hope to do so.

Some of the events attended include the Latin Chamber of Commerce where we debuted our new Library District business ad with the Governor and his wife as well as many other dignitaries in attendance. Attended the Workforce Summit event with Ex-Officio Watson.

Director Prevetti updated the Board on the tutoring project stressing its importance; discussed the refresh of the Whitney Library Teen Zone with new carpet, paint and furniture donated by Shaw Contract Carpet and Microsoft came on and donated ninety-five thousand in laptops for use in our libraries.

There is no Public Comment at this time.

**Public Comment
(Item XI.)**

**Adjournment
(Item XII.)**

With 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 1:26 pm, Secretary James seconded the motion. All voted in favor and the motion carried.