

**MINUTES**  
**LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT**  
**BOARD OF TRUSTEES' MEETING**  
**LAS VEGAS, NEVADA**  
**May 21, 2015**  
**(approved June 11, 2015)**

The Board of Trustees of the Las Vegas-Clark County Library District met in regular session in the Windmill Library, Las Vegas, Nevada, at 6:00 p.m., Thursday, May 21, 2015.

**Present:**

Board:	M. Saunders, Vice-Chair	R. Ence
	Y. Yturralde	S. Moulton
	R. Wadley-Munier	M. Francis Drake
	F. Ortiz	J. Melendrez

Counsel: G. Welt

Absent: K. Crear – excused  
S. Bilbray-Axelrod - excused

Staff: Dr. Ronald R. Heezen, Executive Director  
Numerous Staff

Guests:

M. Saunders, Vice-Chair, called the meeting to order at 6:03 p.m.

**Roll Call and Pledge of Allegiance (Item I.)** All members listed above represent a quorum. Trustee Wadley-Munier arrived at 6:06 p.m. Chair Crear and Trustee Bilbray-Axelrod were unable to attend and had excused absences. Appendix A. Trustee Ence led attendees in the Pledge of Allegiance.

**Public Comment (Item II.)** None.

**Agenda (Item III.)** Trustee Ence moved to approve the Agenda as proposed. There was no opposition and the motion carried.

**Approval of Proposed Minutes Finance and Audit Committee Meeting, April 9, 2015 and Regular Session, April 9, 2015. (Item IV.A-B.)** Trustee Yturralde moved to approve the Minutes of the Risk Management Committee Meeting held April 9, 2015, and the Minutes of the Board of Trustees Meeting held April 9, 2015. There was no opposition and the motion carried.

**Chair's Report (Item V.)** Vice-Chair Saunders reported that Chair Crear had nominated the following Trustees to serve on the Nominating Committee: Trustees Crear (Committee Chair), Bilbray-Axelrod, Ence and Yturralde. The Committee will meet immediately before the next Regular Meeting on June 11, 2015, at 6:00 p.m. The meeting will be held at the West Charleston Library.

Vice-Chair Saunders then asked Trustees who attended Nevada Library Legislative Day on April 13, 2015, to report on their experiences. Trustee Francis Drake said the event was very well attended by Trustees, staff from other libraries and other individuals affiliated with

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libraries in the state. While she did not have much success with meeting legislators as they were out of their offices when she visited, she has followed up with legislative staff.

Trustee Wadley-Munier arrived while Trustee Francis Drake was speaking.

Trustee Moulton attended the event as a member of the state Committee on Libraries and Literacy and connected with her legislators and former District Trustee and current state Senator Mo Denis. Many of the legislators joined the group for lunch and she said it was a good opportunity to make connections. She said that legislators she spoke to would support the funding if revenues could be found.

Trustee Saunders believed that efforts to advocate for libraries in the state were very successful. He reported that Olivia Diaz and Mo Denis have agreed to work on restoring funding to the Nevada State Library and Archives.

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

Before Executive Director Dr. Heezen began his report, Trustee Moulton complimented him on his sensitive and quick response to a new immigrant who had some cultural issues with behavior at one of the District libraries. She thought his response was very professional and timely.

Dr. Heezen reported that he had spoken to the building official in Mesquite working on the proposed transfer of land to the District. Mesquite has been working on their budget until the previous evening and will now work on the proposed contract for the land transfer.

Dr. Heezen then asked the Trustees if they liked his bi-weekly report, *For the Record*, and wanted the format to continue. Trustees commented that they liked the reports and appreciated them.

Trustee Wadley-Munier moved to accept Reports VI.A. 1-7. There was no opposition and the reports were accepted.

**Public Services and Security Report  
(Item VI.A.1.)**

Trustees Yturralde, Saunders and Moulton were very complimentary regarding the recently-completed Food For Thought program. Yturralde was impressed at the large amount of food collected and how the District was able to help patrons and the community in general. Saunders thought the program was amazingly impactful in a positive way and reinforced the District's desire to enter into partnerships with organizations to further its mission. Moulton really appreciated the hard work staff put in to making this program a success by collecting such a large amount and getting it packaged to send out.

**Business Office Report  
(Item VI.A.2.)**

No questions.

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

No questions.

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**Information  
Technology Report  
(Item VI.A.4.)**

No questions.

**General Services  
Report  
(Item VI.A.5.)**

No questions.

**Marketing Report  
(Item VI.A.6.)**

No questions.

**Development Report  
(Item VI.A.7.)**

No questions.

**Unfinished Business  
(Item VII.)**

None.

**Public Hearing on  
the Las Vegas-Clark  
County Library  
District Tentative  
Budget for Fiscal  
Year 2015-2016.  
(Item VIII.A.)**

Trustee Moulton moved to convene the Public Hearing regarding the Las Vegas-Clark County Library District's Tentative Budget for FY 2015-2016.

The presentation on the District's Tentative Budget for FY 2015-2016 is attached as Exhibit B. Executive Director Dr. Ronald Heezen, Deputy Director/CFO Fred James, Human Resources Director Jerilyn Gregory, IT Director Al Prendergast and General Services Director Steve Rice participated in the presentation. Trustees' questions and comments during the presentation are detailed below.

When Mr. James reached slide 10 in the presentation, which showed the old and new organization charts, he turned the mike over to Dr. Heezen. Dr. Heezen explained how the staff reorganization came about. He had asked Azimuth to complete several tasks, of which two are now complete. These are the Human Resources Audit and the organizational review. The organizational review concluded that a reorganization of senior staff was required to tightly focus the District's efforts on program delivery services while support services were to be divided into program support services and administrative support services. This would allow the reallocation of funds allocated to the Deputy Director/Chief Administrative officer position (formally held by Tom Fay) and the Marketing and Community Relations Director position (formally held by Pat Marvel) to accommodate two new positions, the Community Engagement Director and Branding and Marketing Director. He emphasized that no one was losing their position or losing salaries, staff were doing the same jobs as they were before. In some cases, staff would report to new supervisors.

Trustee Mouton wondered about staff input on the reorganization and Dr. Heezen explained that the change dealt mostly about who was reporting to whom, therefore he was receiving and welcomed comments after the fact. He estimated that, of what he had heard, 80% of staff were in favor and 20% were not, which, in his experience, he felt was common.

Trustee Wadley-Munier asked how staff was notified of the change. Dr. Heezen explained that he directly informed those supervisors affected by the new reporting structure in the last week. He then notified the Department Heads at their meeting Wednesday and then Ms. Boyer sent out a District-wide memo during the meeting to inform all staff of the changes.

Trustee Saunders asked about the implementation date which Dr. Heezen said would be Saturday, May 23, as it was the beginning of a new pay period.

Trustee Ortiz asked about the financial impact and whether candidates for the new positions had been selected and hired. Both Dr. Heezen and Ms. Gregory explained the process which would be followed in that, while the effective date of the changes would be May 23, most of the new hires would take place in the next budget year (Fiscal Year 2015-2016) and, aside from some small salary adjustments (increases), a large-scale change to compensation and classification systems would wait upon several issues, the result of a study still to be done on the District's compensation and classification systems and negotiation with the Teamsters. Dr. Heezen reiterated he did not intend to reduce salaries or staff as a result of this organizational reorganization.

Trustee Saunders asked for an explanation of some of the new positions which Ms. Gregory discussed, adding that some of the positions were new to the District and would be defined by the individual who were selected to fill them.

Trustee Yturralde thanked Dr. Heezen for encouraging staff to attend these budget meetings and thanked those who took the time and were present at this meeting. Ms. Gregory said that Dr. Heezen was emphasizing that these meetings were open to staff.

Trustee Wadley-Munier said she does like the new organizational format and felt it was cleaner and made more sense. She hoped that staff would provide input and those who were not in favor would eventually change their mind.

When Mr. James discussed the proposed Materials Budget (slide 20), Trustee Moulton asked whether there had been an increase from the previous year. James explained that the increase came to around \$700,000. Last year the materials budget had been at 11-12% of the operating expenditures while this year the materials budget comes to approximately 15% of the operating expenditures. More digital materials are being purchased, and they are more expensive. Trustee Yturralde asked about the division between digital materials and more traditional materials. Mr. James and Dr. Heezen explained that Collection and Bibliographic Services staff were constantly adjusting and reviewing the materials purchased for necessity and demand. The popularity of digital materials would increase but staff would adjust the purchases to accommodate each branch's needs.

Mr. James then began to discuss the Capital Projects Fund (slides 21-25). Trustee Moulton wanted to confirm that this money was the District's and no other entity could make a claim to the total. Mr.

James confirmed that the money indeed belonged to the District and the state or another entity could not make a claim to it.

Mr. Prendergast discussed the Integrated Library Systems (ILS) program and Technology Replacement and Upgrades program and the funding associated with these programs in the Capital Projects Fund. This program accommodates the funding for the replacement of the current ILS program over the next few years. The Technology Replacement and Upgrades program covers the cost of the annual replacement of 300 computers annually as the District is on a five-year replacement cycle, purchase of the Vocera mobile communication system for use throughout the branches and the replacement and installation of the Financial Services accounting and purchasing software.

Mr. Rice discussed the four General Services programs in the CPF and their purposes. The Building Repair and Maintenance program covers the high-priority work needed at District facilities. This year there are approximately 70 approved projects which cover things from painting projects, repaving parking lots, upgrading and replacement of mechanical systems and others. The Vehicle Purchase and Replacement Program covers the scheduled replacement over a number of years of the District's 34 vehicles. Half of these vehicles are over 10-15 years old. Approximately three to five vehicles are replaced each year and the program will allow the District to continue to fund their replacement on a regular schedule. The Furniture Purchase and Replacement Program allows for the purchase of updated, functional furniture for branches, some of which have furniture dating back to their original opening. This program recognizes that furniture ages as well as a building and functions change.

Mr. Rice then discussed the Capital Construction Program in the Capital Project Fund. The top two projects in this program are the construction of the East Las Vegas and Mesquite Libraries which will take up several years. The money used in the estimates is based upon the best information on current prices and conditions for these buildings. Also in the Capital Construction program is money for Branch Renovation Projects which emerge from the Vision 2020 Plan. The money allocated for this project is an estimate based upon best experience for planning purposes only. There is also money allocated to resolve an outstanding issue at the Mt. Charleston location and build a new library at 95 and Kyle Canyon Road. These last two projects have money allocated as placeholders for planning purposes only.

Trustees Moulton and Wadley-Munier asked about recycling of old computer equipment and furniture. Both Mr. Prendergast and Mr. James said that they first attempt to auction the material off. Mr. James said that some furniture is simply not in a condition to be auctioned and was then donated to Opportunity Village which picked it up. Dr. Heezen added that some of the computers no longer used by the District would probably be used by the upcoming Homeless Drop-In Center that the city of Las Vegas is trying to establish.

Trustee Moulton wanted to confirm that the money budgeted for the East Las Vegas and Mesquite Libraries construction included the cost of furniture for these new facilities and Mr. Rice said that was included.

Trustee Yturralde was happy that staff recognized that furniture becomes as old as well as buildings. She asked where the staff budgeted an upgrade to a branch that not only involves furniture but also safety upgrades, such as the Sunrise Library remodel. Mr. Rice explained that there were several options. Most of the remodels would be done as part of the Vision 2020 plan and would probably fall under the Branch Renovation projects line.

As Mr. James finished the presentation, he emphasized that adjustments must be made from year to year based upon revenue receipts and projections. While staff knows what must be done, they need to revisit the projections every year.

After the presentation was concluded, Trustee Ortiz commented that he fully supported the reorganization and projected budget. He felt it was a judicious spending plan for the next four to five years with a long-term vision that incorporated careful planning for the future. He thanked staff for their contributions and concluded that the proposed budget is sustainable, reasonable and meets community needs. Trustees Ence, Yturralde and other trustees concurred. Trustee Moulton commented that she felt staff were doing this for the generations to come and Vice-Chair Saunders lauded Mr. James' prudent and conservative fiscal management.

Dr. Heezen thanked Mr. James and his assistant Finance Director, Floresto Cabias for their hard work and James thanked his staff, especially Cabias and Administrative Assistant Lynn Lucuara. He said that District staff were very cooperative during the budget process. James said that this budget gives them the money they need to do their jobs.

Trustee Melendrez said he must be the luckiest new Trustee as he voted for the East Las Vegas Library at his first meeting and will be voting for the proposed budget at the second meeting. He is very happy with the establishment of the Community Engagement position as it shows the community that the District has a huge commitment to training, support and development for District staff and patrons.

No one signed up to comment during the Public Hearing.

Trustee Yturralde moved to close the Public Hearing on the Tentative Budget. There was no opposition and the motion carried.

**Discussion and possible Board action to adopt the Las Vegas-Clark County Library District's Final Budget for Fiscal Year 2015-2016.**

Trustee Yturralde moved to adopt the Final Las Vegas-Clark County Library District's Fiscal Year 2015-2016 Budget subject to any modifications as directed by Trustees and instruct staff to adjust estimated Fiscal Year 2015-2016 revenues in accordance with final estimates from the Department of Taxation provided such estimates are received in sufficient time for staff to make adjustments by the June 1, 2015, filing date. There was no opposition and the motion carried.

(Item VIII.B.)

Mr. James requested that all Trustees sign the budget certification letter.

**Discussion and possible Board action authorizing the Executive Director to execute a contract, subject to review by Counsel, with Denovo Ventures LLC and Oracle America, Inc. for the purpose of acquiring a new financial management and procurement system to include software, hardware and professional services for implementation for the amount of \$700,000.**

(Item VIII.C.)

Mr. James explained that for well over a decade the District has used Abila MIP as its accounting system. Over the years different systems have been integrated with MIP to provide additional functionality. The integration process is usually challenging and often does not function seamlessly. For example, the District purchased the Sage Fixed Assets system to track and depreciate capital assets. However, to record asset transactions, Business Office staff must first enter the data into Sage, and then enter the information calculated by Sage into MIP for financial reporting purposes.

A similar double-entry process is used to record the purchase of library materials. Collection and Bibliographic Services uses the Integrated Library System (ILS) to purchase library materials and the Business Office enters the same information into MIP for eventual payment. MIP's inability to communicate electronically with the ILS requires both departments to spend additional time reconciling balances when information in MIP does not agree with the ILS.

MIP also lacks an automated procurement solution. The District's current purchasing process is manual and paper intensive. Buyers purchase products and services using sources including: paper catalogs, electronic catalogs, online merchants, or directly contacting vendors. As a mostly decentralized system, each department makes its own purchases after getting the necessary approvals through a paper purchase order or check request document.

In December 2014, the Business Office began evaluating options to create greater efficiencies in accounting and purchasing. In addition to implementing a paperless procurement process, the District seeks to eliminate multiple points of data entry by replacing MIP and Sage with a single system that is better able to interface with the ILS, among other systems.

As a result of the research performed, five vendors were invited to demonstrate their products. Representatives from departments across the District that make significant purchases throughout the year attended the demonstrations and provided feedback. The Business Office met with the District's Senior Purchasing Specialist to evaluate the vendors.

District staff selected Oracle's JD Edwards EnterpriseOne as the preferred system. JD Edwards offered a robust procurement solution as part of a well-rounded financial management system. The system also has existing integrations with other systems already used by the District, such as the Kronos Human Resources Information System and the Questica Budgeting software. Final review of the contract is being conducted by CFO Fred James and the Business Office with subsequent final review by respective legal counsel. After the contract has been finalized an implementation schedule will be developed with the new system expected to be fully operational by Fall 2015.

Oracle is one of the world's largest providers of enterprise software. Oracle develops and supports JD Edwards to serve mid-market companies. Denovo is a technology consulting firm authorized by Oracle to implement and support the JD Edwards system.

Funding for the software cost of a new system was included in the FY 2014-2015 budget and funding for implementation will be included in the FY 2015-2016 budget. Although the software will be purchased in FY 2014-2015, implementation will not begin until FY 2015-2016.

Cost of Software	\$89,040
Cost of Hardware	\$137,775
1 <sup>st</sup> Year Maintenance Support	\$19,589
Professional and Education Services	\$403,156
Travel Costs	50,440
<b>TOTAL</b>	<b>\$700,000</b>

Trustees Wadley-Munier asked about the cost of maintenance support after the first year. Mr. Rice explained that the cost will not rise more than 3% to 5% per year. Mr. Welt added that the District has discovered that Clark County is also using this system so that the District may execute a joinder with them to utilize the system for the remainder of the contract, approximately two years.

Trustee Wadley-Munier then asked how long the system would last. Mr. James explained that MIP has been around for approximately 16 years and talked about the difficulty of integrating the different HR and purchasing systems together. He cannot say how long the new system will last, but feels that the product will be able to perform well for a number of years.

Trustee Moulton noted the large cost for the professional and educational services which Mr. James explained would cover staff training plus transferring data from the old to the new system. She wanted to know what the guarantee from the company entailed as the District is a public entity and she is concerned about the District's liability. Mr. James said that he feels comfortable with the JD Edwards product as well as the support of Oracle. Dr. Heezen also explained that the District had options if staff were not satisfied with the support as there is a local company which provides maintenance for these types of systems. Mr. Welt explained that software company would guarantee only up to the cost of the contract. If the system does not work to the District's needs, we can get that cost back.

Trustee Ortiz asked if, procedurally, the motion would need to include an option for a joinder. Mr. Welt said the motion reads that the contract is subject to his review, plus the parameters include the vendor name and maximum amount. It does not need to specify more



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than that.

Trustee Wadley-Munier moved to authorize the Executive Director to execute a contract, subject to review by Counsel, with Denovo Ventures LLC and Oracle America, Inc. for the purpose of acquiring a new financial management and procurement system to include software, hardware and professional services for implementation for the amount of \$700,000. There was no opposition and the motion carried.

**Introduction of Bylaws Committee recommendations to revise the *Library Board of Trustees Bylaws and Policies* (Articles 5 and 10). Not for action at this time. (Item VIII.D.)**

Vice Chair Saunders reported on the meeting of the Bylaws Committee in the absence of Chair Crear. The Committee met on Tuesday, May 19<sup>th</sup> with Trustees Crear, Saunders, Ence and Moulton present. They voted to recommend to the Board the following changes to Article 10 of the *Library Board of Trustees Bylaws and Policies*:

"In the event that the Library Board Treasurer is unable to perform the duties of Treasurer, or that the position of Treasurer is vacant for any reason, then, in that event, the Secretary of the Library Board of Trustees shall perform all the duties of Treasurer, including, but not limited to, signing all checks issued by the Library District.

In the absence of the Chief Financial Officer of the Library District for any reason, the Assistant Finance Director of the Library District shall sign all checks issued by the Library District."

There is no action required at this meeting. At the next meeting on June 11, 2015, Trustees will vote on the proposed changes to Article 10 only.

**Announcements (Item IX.)**

The next Board Meeting will be held Thursday, June 11, 2015 in the West Charleston Library at 6:00 p.m.

**Public Comment (Item X.)**

None.

**Executive Session (Item XI.)**

Removed from Agenda.

**Adjournment (Item XII.)**

Vice-Chair Saunders adjourned the meeting at 7:50 p.m.

Respectfully submitted,

Randy Ence, Secretary

# 2015 ATTENDANCE

Appendix A

## May 21, 2015 Regular Board Meeting

2015		January 8 Regular Board Mtg	February 12 Regular Board Mtg	March 12 Nominating Committee Mtg	March 12 Regular Board Mtg	April 9 Finance and Audit Cmte	April 9 Regular Board Mtg	May 19 Bylaws Cmte Mtg	May 21 Regular Board Mtg		
Benavidez*	Kelly	P	P	X	X	X	X	X	X		
Bilbray-Axelrod	Shannon	P	P	P	P	P	P		A-E		
Crear	Keiba	P	P	P	P	P	P	P	A-E		
Drake	Marilyn	P	P	P	P	P	P		P		
Ence	Randy	P	P	P	P	P	P		P		
Melendrez**	Jose	X	X	P	P		A-E		P		
Moulton	Sheila	P	P	P	P	P	P	P	P		
Ortiz	Felipe	P	P	P	P	P	P	P	P		
Saunders	Michael	P	P	P	P	P	P	P	P		
Wadley-Munier	Robin	A-E	P	P	P	P	P		P		
Yturralde	Ydoleena	P	P	P	P	P	P	P	P		

attended Committee meeting but not a member

A-E Excused Absence

A-U Unexcused Absence

\* Term expired March 6, 2015

\*\* Appointed for a term beginning March 6, 2015

as of May 21, 2015

# TENTATIVE/PROPOSED BUDGET

Fiscal Year 2015-2016



# FY 2015-2016 Budget Strategy

## Building For the Future

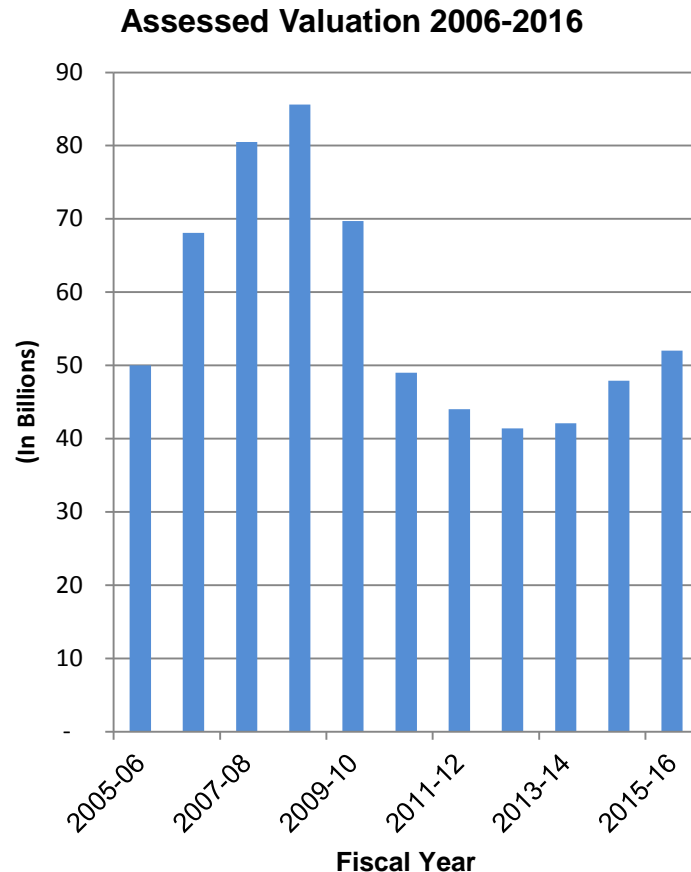
# Las Vegas-Clark County Library District Proposed FY 2015-2016 Budget

Presented by

- Dr. Ronald Heezen, Executive Director
- Fred James, CPA, Deputy Director/CFO
  - Al Prendergast, IT Director
- Steve Rice, General Services Director



# Assessed Value

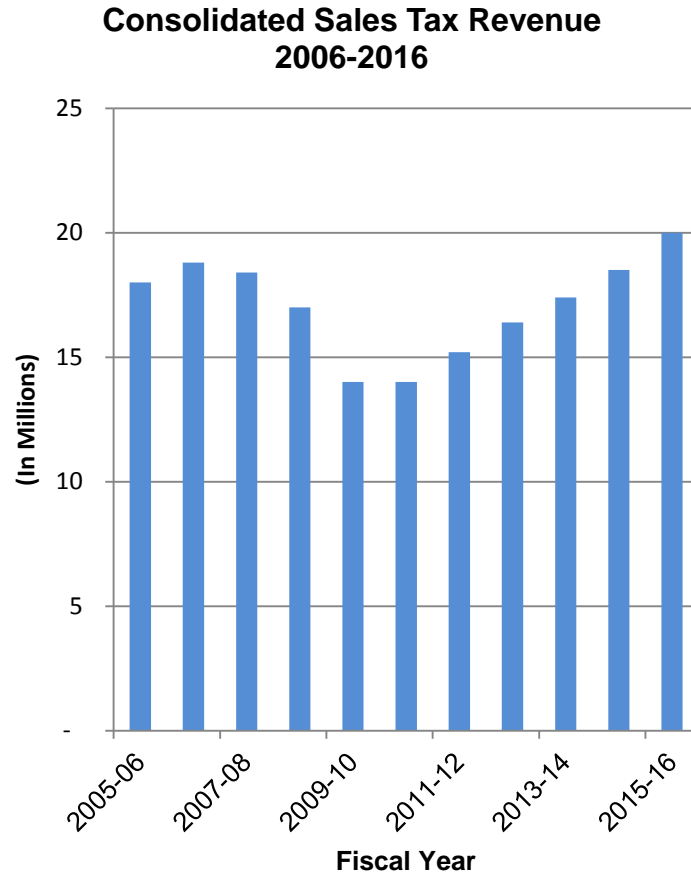


- Property tax is based on assessed valuation (AV) of property
- 2015-2016 AV: **\$52.0 billion, a 8.3% increase over 2014-2015**
- Property tax represents 61% of total revenues (\$37.7M)

# The District's Property Tax Bill

- Tax rate: General Fund .0942
- Total tax rate: \$.0942 per \$100 AV
- Property tax rate per \$100K pays about \$32.97 yearly or \$2.75 monthly

# Consolidated Sales Tax Revenue 2006-2016

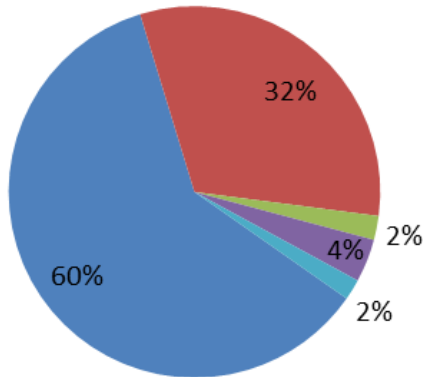


- CTX is a combination of City/County Relief (sales) and miscellaneous taxes distributed to most Clark County municipalities according to State formula
  - 2015-2016 estimate: \$19.8M, an increase in amount of \$1.3M
  - CTX revenue accounts for 33% of General Fund revenue, higher than the prior year
  - CTX revenue is volatile
- All other revenues account for \$4.8M
  - Fines & Forfeits, Interest, Contracts



# Total Expected Revenues - All Funds

Total Revenues - All Funds  
\$62,265,000

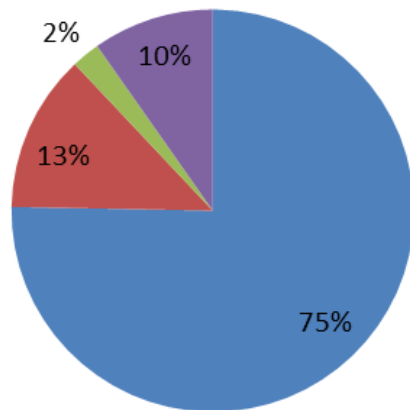


- Property Tax - 60%
- Consolidated Sales Tax - 32%
- Intergovernmental Revenue - 2%
- Fines and Forfeits/Misc. - 4%
- Charges for Services - 2%

- Property Tax - \$37.7M
- Consolidated Sales Tax - \$19.8M
- Intergovernmental Revenue - \$1.3M
- Fines & Forfeits/Misc. - \$2.3M
- Charges for Services - \$1.1M

# Total Expenditures – All Funds

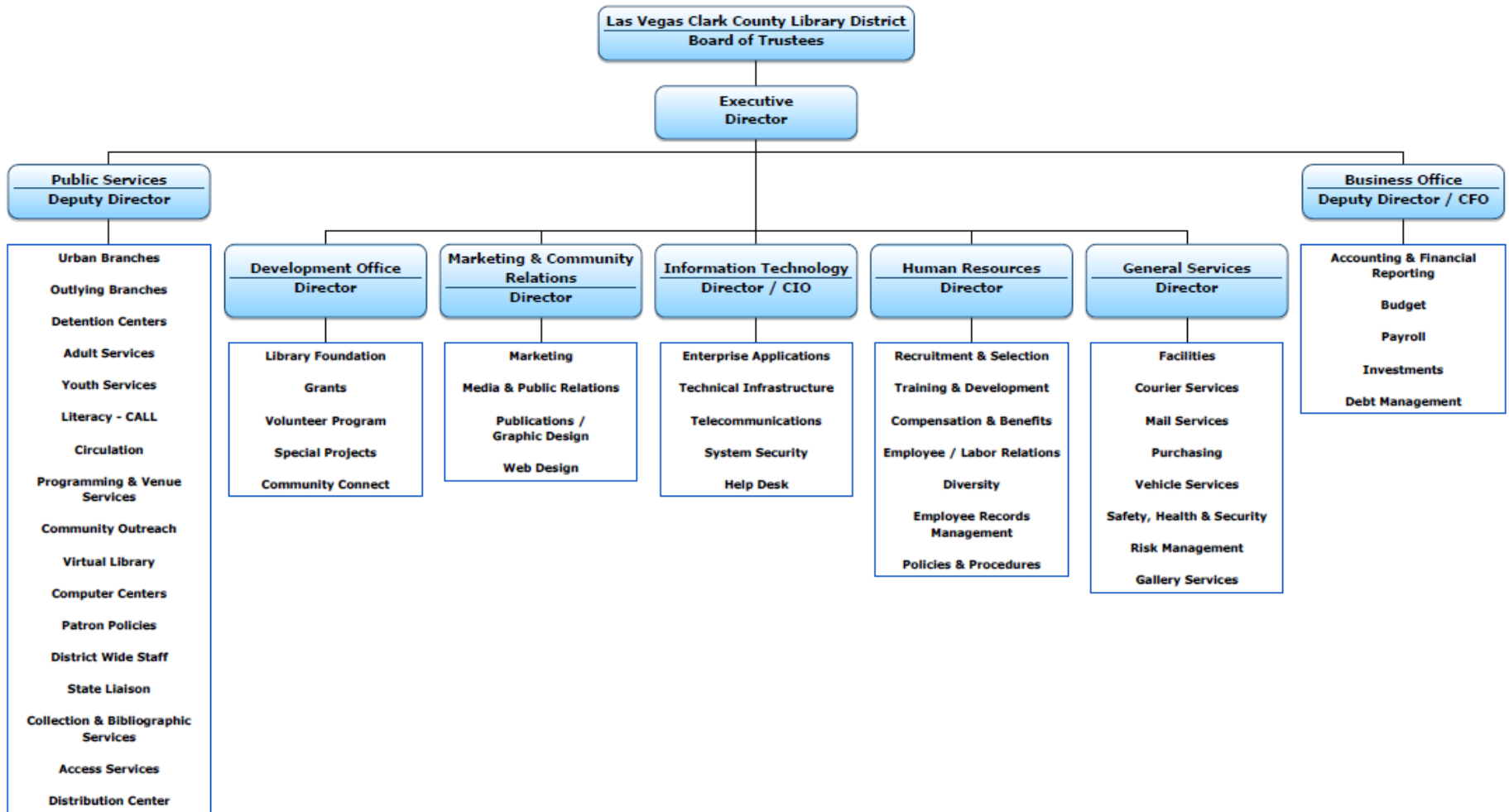
**Total Expenditures - All Funds**  
**\$78,969,383**

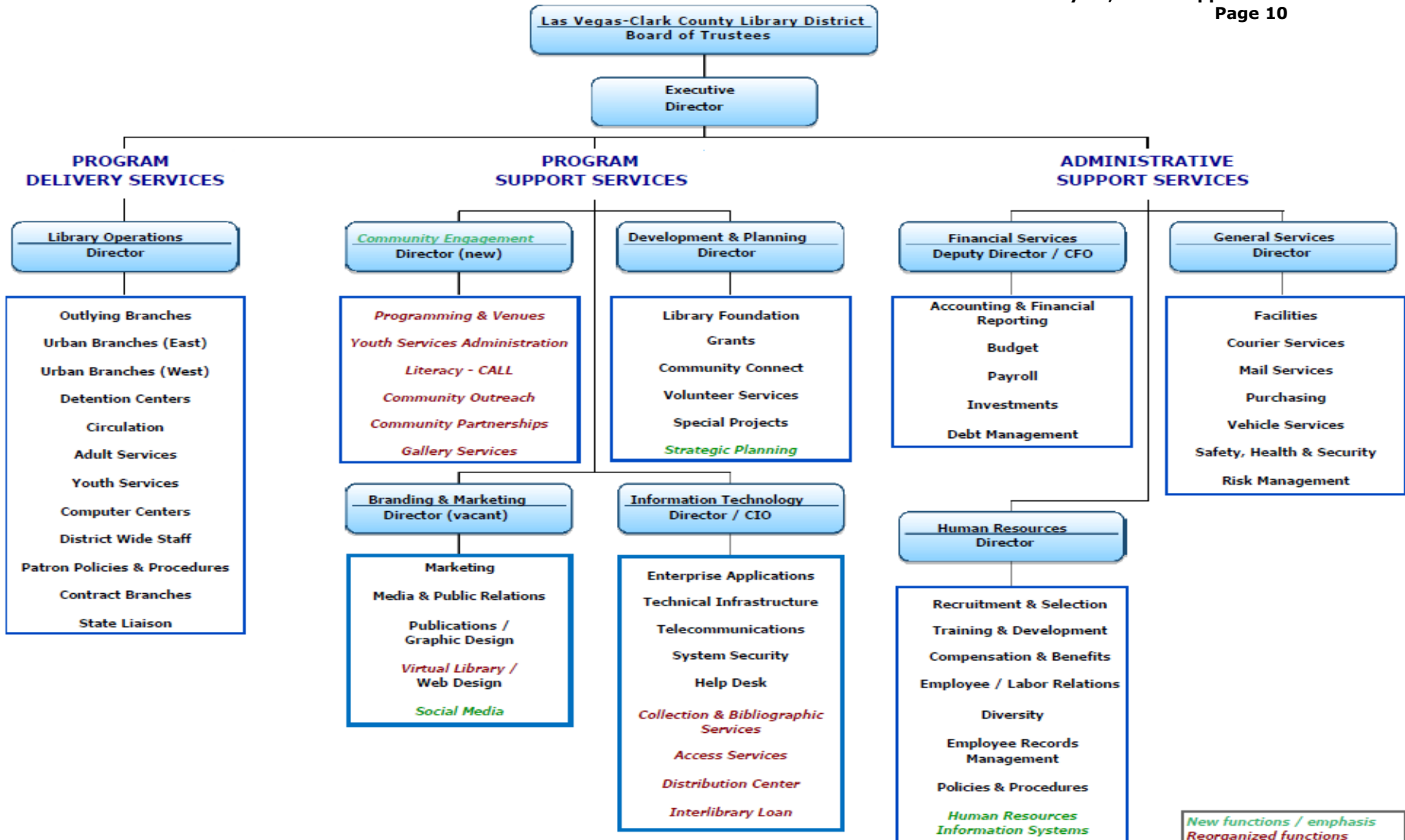


- General Fund - 75%
- Capital Projects Fund - 13%
- Special Revenue Funds - 2%
- Debt Service Fund - 10%

- General Fund - \$59.4M
- Capital Projects Fund - \$10.0M
- Special Revenue Funds - \$1.8M
- Debt Service - \$7.7M

**Current Organizational Structure**





*New functions / emphasis*  
*Reorganized functions*



# Other Financing Sources & Uses

## Transfers to Other Funds

**\$18.1M** proposed transfers from the General Fund to the **Capital Projects Fund** –

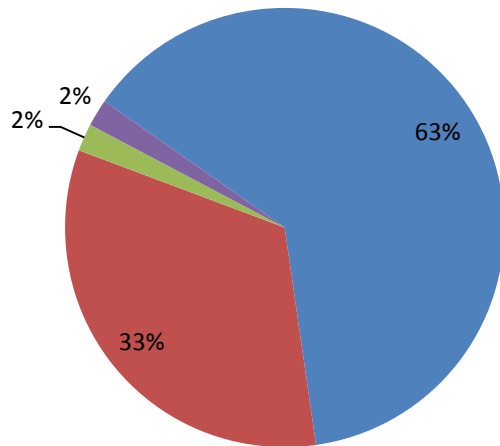
- Vehicle Purchase and Replacement Program - \$0.2M
- Technology Replacements and Upgrades Program - \$1.3M
- ILS Replacement - \$0.5M
- Building Repair & Maintenance - \$3.0M
- Capital Construction - \$12.6M
- Library Materials Program - \$0.1M
- Furniture Purchase and Replacement Program - \$0.4M

# General Fund

The General Fund is the operating fund for the District. It is used to account for all financial resources except for those required to be accounted for in another fund.

# General Fund Revenues

Total Revenues - \$60,215,000

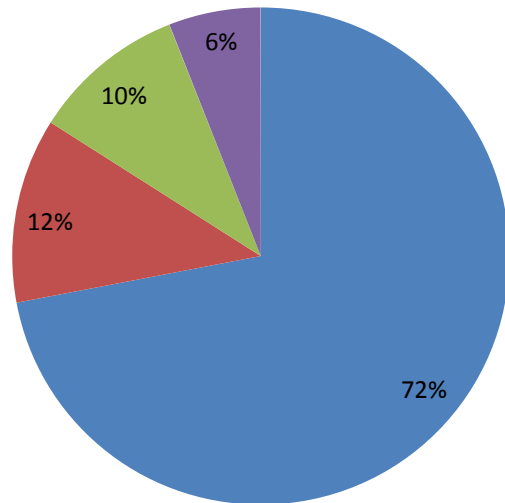


- Property Tax - 63%
- Consolidated Sales Tax - 33%
- Fines and Forfeits/Misc. - 2%
- Charges for Services - 2%

- Property Tax - \$37.7M
- Consolidated Sales Tax - \$19.8M
- Fines and Forfeits/Misc. - \$1.6M
- Charges for Services - \$1.1M

# General Fund – By Function

Total Expenditures by Function -  
\$59,467,633



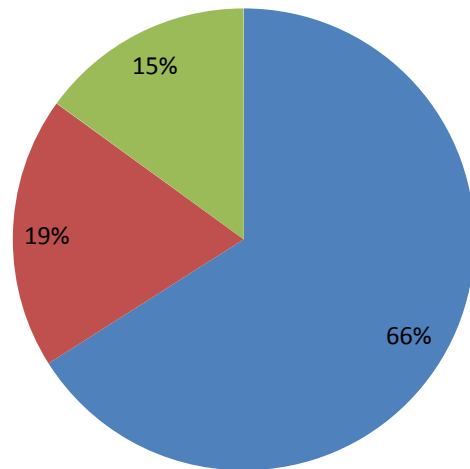
- Public Services - 72%
- General Services - 12%
- Administration - 10%
- Information Technology - 6%

- Public Services - \$42.7M
- General Services - \$7.2M
- Administration - \$6.2M
- Information Technology - \$3.4M



# General Fund – By Activity

Total Expenditures by Activity -  
\$59,467,633



- Salaries and Benefits - 66%
- Services and Supplies - 19%
- Library Materials - 15%

- Salaries and Benefits - \$39.0M
- Services and Supplies - \$11.6M
- Library Materials - \$8.8M

# Ending Fund Balance FY 2015-2016

General Fund budget includes Ending Fund Balance of \$6.5M or 11.1% of FY 2015-2016 expenditures

- Necessary to provide liquidity for cash outflows
- Acts as a cushion during economic downturns

# Delivery & Support Services

**Program Delivery Services** include the Library Operations Department which provides Branch Services, Adult & Youth Services, Contract Libraries Services, Computer Centers, Patron Policies, and State Liaison

**Program Support Services** include the departments of Community Engagement, Branding & Marketing, Development & Planning, and Information Technology

**Administrative Support Services** include Financial Services, General Services, and Human Resources

# Delivery and Support Services Budget Highlights:

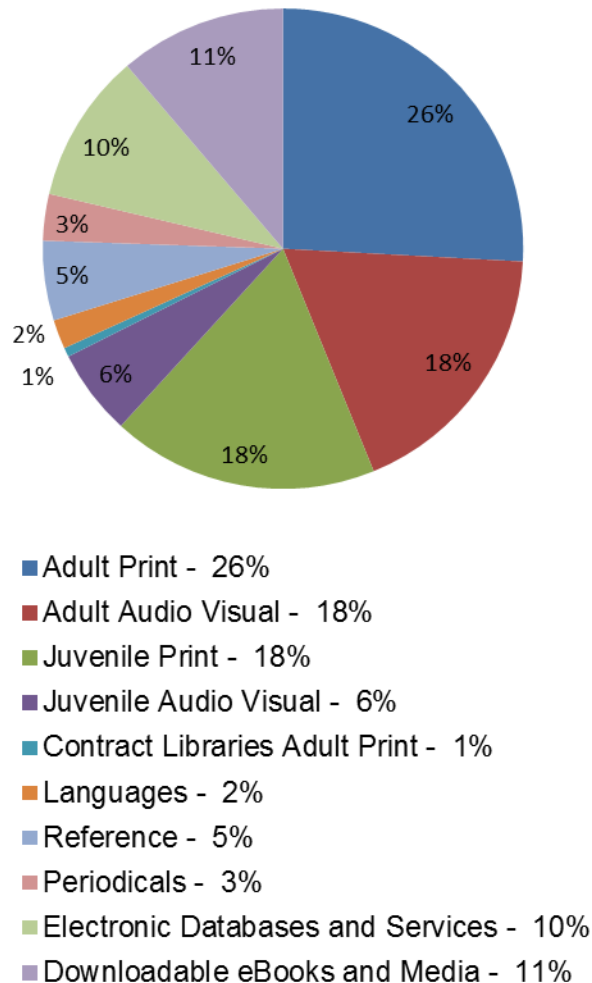
- Staffing levels are stabilized to meet service demands
- Long-deferred support in areas of General Services and Information Technology addressed
- Comprehensive Services and Facilities Master Plan on hold until 2020 Vision is completed to determine additional funding needs
- Planning and construction funding for East Las Vegas and Mesquite
- \$8.8M for Library Materials at 15% of operating expenditures
- Transfers to Capital Projects Fund for future identified repairs, maintenance, and other district wide projects
- This budget level is sustainable using conservative expenditure and revenue estimates over the next 15 years

# Library Materials

Library Materials are considered to be one collection, which is physically and electronically distributed among District branches.

# Proposed Materials Budget

**Materials Allocation**  
**\$8,766,753**



- Adult Print - \$2,266,000
- Adult Audio Visual - \$1,576,500
- Juvenile Print - \$1,575,000
- Juvenile Audio Visual - \$508,000
- Contract Libraries Adult Print - \$54,400
- Languages - \$172,000
- Reference - \$470,000
- Periodicals - \$275,000
- Electronic Resources - \$885,000
- Downloadable Ebooks and Media - \$984,853

# Capital Projects Fund

The Capital Projects Fund accounts for the acquisition, replacement or construction of major capital projects and facilities.

# Capital Projects Programs

- \$40.5M available resources:
  - Integrated Library Systems - \$2.5M
  - Technology Replacement and Upgrades - \$2.6M
  - Building Repair & Maintenance - \$5.3M
  - Capital Construction - \$28.8M
  - Vehicle Purchase & Replacement - \$0.5M
  - Library Materials - \$0.3M
  - Furniture Purchase & Replacement - \$0.5M



# Capital Projects Programs Continued

- \$10.1M Budgeted Expenditures:
  - Integrated Library System Replacement - \$1.6M
  - Technology Replacement and Upgrades - \$2.4M
  - Building Repair and Maintenance - \$3.9M
  - Capital Construction - \$1.7M
  - Vehicle Purchase & Replacement - \$0.1M
  - Furniture Purchase & Replacement - \$0.3M
- \$30.4M Remaining Fund Balance is reserved to cover Capital Projects programs over the next 5 to 6 years

# Las Vegas-Clark County Library District Capital Projects Fund Transfer and Budgeted Expenditures FY 2015-16

	06-30-2015 Est. Ending Funding Balance	2015-16 Transfers	2015-16 Budgeted Revenues	Total	2015-16 Budgeted Expenditures	06-30-2016 Est. Ending Funding Balance
<b>From General Fund to the Capital Projects Fund</b>						
Integrated Library System Replacement Program	2,006,234	500,000	-	2,506,234	(1,600,000)	906,234
Technology Replacements & Upgrades Program	1,267,797	1,300,000	5,000	2,572,797	(2,355,000)	217,797
Building Repair & Maintenance Program	2,344,296	3,000,000	10,000	5,354,296	(3,864,000)	1,490,296
Vehicle Purchase & Replacement Program	250,000	200,000		450,000	(150,000)	300,000
Library Materials Program	150,000	150,000		300,000	-	300,000
Furniture Purchase & Replacement Program	119,200	400,000		519,200	(300,000)	219,200
Capital Construction Program*	9,239,673	12,550,000	7,015,000	28,804,673	(1,740,000)	27,064,673
<b>Total FY 2015-16</b>	<b>15,377,200</b>	<b>18,100,000</b>	<b>7,030,000</b>	<b>40,507,200</b>	<b>(10,009,000)</b>	<b>30,498,200</b>

\*Includes \$7M cash from sale of Las Vegas Library to the City of Las Vegas

# Capital Project Fund Projected Expenditures

## Projected FY 2016-17 Thru FY 2022-23

	2015-16 Budgeted Expenditures	2016-17 Projected Expenditures	2017-18 Projected Expenditures	2018-19 Projected Expenditures	2019-20 Projected Expenditures	2020-21 Projected Expenditures	2021-22 Projected Expenditures	2022-23 Projected Expenditures
<b>-To Capital Project Fund</b>								
Integrated Library System Replacement Program	1,600,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Technology Replacements & Upgrades Program	2,355,000	1,195,000	1,370,000	3,700,000	3,100,000	1,070,000	1,070,000	1,070,000
Building Repair & Maintenance Program	3,864,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Vehicle Purchase & Replacement Program	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Library Materials Program	-		850,000					
Furniture Purchase & Replacement Program	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Capital Construction Program*	1,740,000	17,210,000	5,750,000	1,750,000	2,750,000	8,250,000	8,250,000	1,750,000
<b>Total Capital Project Expenditures</b>	<b>10,009,000</b>	<b>20,955,000</b>	<b>10,520,000</b>	<b>8,000,000</b>	<b>8,400,000</b>	<b>11,870,000</b>	<b>11,870,000</b>	<b>5,370,000</b>
<b>*Capital Construction Program Detail:</b>								
East Las Vegas Library	1,000,000	11,000,000	2,000,000					
Mesquite Library	540,000	4,460,000	2,000,000					
Mt. Charleston - Purchase Access Parcel	200,000							
Branch Renovation Projects ( 2020 Vision Master Plan)		1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000
Kyle Canyon Gateway Library					1,000,000	6,500,000	6,500,000	
<b>Total Capital Construction Program</b>	<b>1,740,000</b>	<b>17,210,000</b>	<b>5,750,000</b>	<b>1,750,000</b>	<b>2,750,000</b>	<b>8,250,000</b>	<b>8,250,000</b>	<b>1,750,000</b>



# Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources, which are the Grant Fund and Gift Fund.

# Special Revenue Funds

- Special Revenue - \$1.8M
  - Literacy (CALL) and Other Grants - \$1.3M
  - Donations in the Gift Fund - \$0.5M

# Debt Service Fund

The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general obligation bonds.

# Debt Service Fund

- **\$30.4M** available resources
  
- **\$7.6M** - Ten-year Medium-Term Bond is payable from reserved funds established from previous transfers
  - \$30.3M Bond payable outstanding at June 30, 2015
  
- **\$22.8M** - Remaining fund balance is reserved to pay the outstanding bond balance over the next several years beginning FY July 1, 2016 through June 30, 2019

# Fiscal Budget Impact

- Materials budget increased to 15% of operating budget
- Increase staffing by 13.28 FTEs (2.9% overall in staffing)
- 3% salary adjustment increase/4% merit increase per collective bargaining agreements
- Organizational realignment to enhance efficiency
- Ending fund balance maintained at a minimum of \$6.5M
- Budget is sustainable with proposed spending
- Transfer from the General Fund is to replenish the Capital Projects Fund and to fund future capital construction



# Service Impacts

- Staffing levels are stabilized to meet service demand
- Reorganization to support future growth and enhanced services
- Distribution Center implementation to ensure that materials move throughout the District to meet customer needs
- Reopening existing theater venues (Windmill, Whitney) for public use and increased library programming (Rainbow Amphitheater)
- Increased Library Materials budget to support increased demand for digital media
- Improved teen services (Sahara West) and computer labs (Rainbow and West Las Vegas)
- Addition of new CALL classroom (Clark County) to support the demand for increased ESL and adult literacy classes

# Las Vegas-Clark County Library District Budget Projections FY 2016-17 Through FY 2022-23

General Fund Revenue and Expenditures Analysis												
				4.66%	4.20%	4.20%	4.50%	4.50%	4.50%	4.60%	4.60%	
	Actual	Actual	Curr Budget	Preliminary	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	
Revenue	57,004,507	57,178,239	57,535,000	60,215,000	62,744,030	65,379,279	68,321,347	71,395,807	74,608,619	78,040,615	81,630,484	
Expenditures	47,504,528	48,338,486	50,403,814	59,467,633	62,140,034	64,763,477	67,510,838	70,459,373	73,546,795	76,779,877	80,165,727	
Excess (Deficiency) of Revenues over Expenditures	9,499,979	8,839,753	7,131,186	747,367	603,996	615,803	810,509	936,434	1,061,824	1,260,739	1,464,756	
Less transfers out	17,479,036	6,600,000	8,100,000	18,100,000	6,700,000	6,800,000	6,900,000	7,300,000	7,800,000	8,100,000	8,600,000	
Excess (Deficiency) of Revenues over Expenditures & Transfers Out	(7,979,057)	2,239,753	(968,814)	(17,352,633)	(6,096,004)	(6,184,197)	(6,089,491)	(6,363,566)	(6,738,176)	(6,839,261)	(7,135,244)	
Fund balance, beginning of year	23,632,545	15,653,488	17,893,241	16,924,427	6,571,794	6,575,790	6,591,593	6,802,102	7,138,536	7,400,360	7,761,099	
Fund balance, end of year	15,653,488	17,893,241	16,924,427	(428,206)	475,790	391,593	502,102	438,536	400,360	561,099	625,855	
Projected Savings				7,000,000	6,100,000	6,200,000	6,300,000	6,700,000	7,000,000	7,200,000	7,500,000	
Fund balance, end of year Adjusted	15,653,488	17,893,241	16,924,427	6,571,794	6,575,790	6,591,593	6,802,102	7,138,536	7,400,360	7,761,099	8,125,855	
				11.05%	10.58%	10.18%	10.08%	10.13%	10.06%	10.11%	10.14%	
<b>Capital Project Revenue and Expenditures Analysis</b>												
Total available for the year				40,507,200	37,198,200	23,043,200	19,723,200	19,123,200	18,823,200	15,353,200	11,083,200	
Less Budgeted/Projected Capital expenditures				10,009,000	20,955,000	10,520,000	8,000,000	8,400,000	11,870,000	11,870,000	5,370,000	
After General fund transfers at 6-30			15,377,200	30,498,200	16,243,200	12,523,200	11,423,200	10,323,200	6,253,200	2,483,200	5,713,200	



# Las Vegas-Clark County Library District Budget Projections FY 2023-24 Through FY 2030-31

<b>General Fund Revenue and Expenditures Analysis</b>									
	4.60%	4.60%	4.60%	4.60%	4.60%	4.60%	4.60%	4.60%	4.60%
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	2023-24	2024-25	2025-26	2026-27	2026-27	2026-27	2026-27	2028-29	2030-31
Revenue	85,385,486	89,313,218	93,421,626	97,719,021	102,214,096	106,915,944	111,834,078	116,978,445	122,359,454
Expenditures	83,711,808	87,425,948	91,316,366	95,391,688	99,660,966	104,133,702	108,819,868	104,133,702	113,729,932
Excess (Deficiency) of Revenues over Expenditures	1,673,678	1,887,270	2,105,260	2,327,333	2,553,130	2,782,243	3,014,210	12,844,744	8,629,522
Less transfers out	9,150,000	9,900,000	9,600,000	11,400,000	11,400,000	11,400,000	11,400,000	12,200,000	12,500,000
Excess (Deficiency) of Revenues over Expenditures & Transfers Out	(7,476,322)	(8,012,730)	(7,494,740)	(9,072,667)	(8,846,870)	(8,617,757)	(8,385,790)	644,744	(3,870,478)
Fund balance, beginning of year	8,125,855	8,649,533	8,936,803	9,942,063	9,869,396	10,022,526	10,404,768	11,018,978	21,163,722
Fund balance, end of year	649,533	636,803	1,442,063	869,396	1,022,526	1,404,768	2,018,978	11,663,722	17,293,244
Projected Savings	8,000,000	8,300,000	8,500,000	9,000,000	9,000,000	9,000,000	9,000,000	9,500,000	10,000,000
Fund balance, end of year Adjusted	8,649,533	8,936,803	9,942,063	9,869,396	10,022,526	10,404,768	11,018,978	21,163,722	27,293,244
	10.33%	10.22%	10.89%	10.35%	10.06%	9.99%	10.13%	20.32%	24.00%
<b>Capital Project Revenue and Expenditures Analysis</b>									
Total available for the year	14,863,200	24,763,200	34,363,200	45,763,200	57,163,200	68,563,200	79,963,200	92,163,200	104,663,200
Less Budgeted/Projected Capital expenditures									
After General fund transfers at 6-30	14,863,200	24,763,200	34,363,200	45,763,200	57,163,200	68,563,200	79,963,200	92,163,200	104,663,200



# Questions?