

**MINUTES
LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT
BOARD OF TRUSTEES' MEETING
LAS VEGAS, NEVADA
NOVEMBER 8, 2018
(approved January 17, 2019)**

The Board of Trustees of the Las Vegas-Clark County Library District met in regular session in the Enterprise Library, Las Vegas, Nevada, at 6:00 p.m., Thursday, November 8, 2018.

Present: Board: S. Moulton, Chair F. Ortiz
R. Wadley-Munier E. Foyt
S. Bilbray-Axelrod M. Francis Drake
J. Melendrez K. Benavidez
C. Brooks

Counsel: G. Welt – via telephone

Absent: G. Withelder - excused

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

Guests: Arash Ghafoori, Nevada Partnership for Homeless Youth
Kelly Stout, Bailey Kennedy
Martha Ford, Piercy Bowler Taylor & Kern

S. Moulton, Chair, called the meeting to order at 6:00 p.m.

Roll Call and Pledge of Allegiance (Item I.) All members listed above represent a quorum. Trustee Brooks arrived at 6:38 p.m. Counsel Welt attended via telephone. Appendix A. Trustee Wadley-Munier led attendees in the Pledge of Allegiance.

Public Comment (Item II.) None.

Agenda (Item III.) Chair Moulton moved Item IX.B. to come after Item III., then moved Item IX.A. to come after IX.B. Moulton removed Item V.A-E, G, and J. Trustee Benavidez moved to approve the Agenda as changed. There was no opposition and the motion carried.

Discussion and possible Board action regarding the Finance and Audit Committee's recommendation to approve the audit performed by Piercy Bowler Taylor & Kern for the Fiscal Year 2017-2018. (Item IX.B.) Finance and Audit Committee Chair Felipe Ortiz reported on the Committee meeting held earlier today regarding the Fiscal Year 2017-2018 Audit performed by Piercy Bowler Taylor & Kern. Trustee Ortiz moved Motion to approve the Fiscal Year 2017-2018 Audit Report as presented by Piercy Bowler Taylor & Kern, and to incorporate the Opinion Letter into the official minutes of the Board of Trustees' November 8, 2018 meeting. There was no opposition and the motion carried. The Opinion Letter is attached as Appendix B.

Discussion and possible Board action to approve a Attorney Kelly Stout, of outside firm Bailey Kennedy, explained the proposed settlement on the lawsuit brought by Mr. William Deans.

**Settlement and
Release Agreement
with Mr. William
Deans.
(Item IX.A.)**

On October 13, 2016, at the West Charleston Library, Mr. William Deans was soliciting signers for a petition. Mr. Deans was asked to leave because he declined to follow the District's Rules of Conduct (i.e. he would not check in with branch staff or remain in the designated petition zone). After refusing to leave, Mr. Deans was trespassed by branch staff and College of Southern Nevada (CSN) police officer.

On October 15, 2016, Mr. Deans filed a lawsuit against the District in the United States District Court for the District of Nevada. Mr. Deans filed a Complaint against the Library District and CSN alleging violation of his right to free speech under the U.S. and Nevada Constitutions; and violation of his right to substantive and procedural due process under the U.S. and Nevada Constitutions. He sought declaratory relief, injunctive relief, and damages (including attorneys' fees).

When he filed his Complaint, Mr. Deans also filed an Ex Parte Motion for Temporary Restraining Order and Preliminary Injunction ("Motion for TRO") to prevent the Library District from enforcing its Notice of Trespass and Petitioner Guidelines. Although the Court denied Mr. Deans' request for an ex parte order, the Court held an expedited hearing on October 17, 2016.

After the hearing on October 17, 2016, the Court granted, in part, Mr. Deans' Motion for TRO. It also set a briefing schedule on his request for a preliminary injunction and scheduled an evidentiary hearing for November 1, 2016.

At the November 1, 2016 evidentiary hearing, the Court took testimony from Mr. Deans and three Library District employees. At the close of the hearing, the Court issued an oral ruling, which was later incorporated into a written order. The Court issued a preliminary injunction permitting Mr. Deans to return to the West Charleston Library and enlarging the area in which he was allowed to conduct his petitioning activities.

In December 2016, Mr. Deans and CSN entered into a settlement agreement ("CSN Settlement Agreement") under which CSN paid Mr. Deans \$19,900.00. Mr. Deans dismissed all claims against CSN with prejudice.

After the parties concluded the discovery process, Mr. Deans filed a Motion for Summary Judgment on all claims in October 2017. On May 24, 2018, the Court granted, in part, Mr. Deans' Motion for Summary Judgment and held that "the library's designated petitioning zone and check-in policy, and the District's trespass policy as applied to Deans are unconstitutional under the First Amendment." The Court, however, denied summary judgment on any facial challenges to the Library District's policies and his "'void for vagueness' challenge to the petitioning zone." Furthermore, the Court also found that "he has not shown that the District's policy of banning him from libraries for failing to follow staff instructions is unconstitutionally vague."

Before proceeding to trial, the parties requested referral to the court's settlement program. On October 24, 2018, the Parties met and

mediated the case with U.S. Magistrate Judge Peggy Leen.

Executive Director Dr. Ronald Heezen and the District's counsel (Dennis L. Kennedy and Kelly B. Stout) attended the settlement conference. The District's insurance company participated by phone. The Plaintiff's claim for damages exceeded \$220,000.00 (compensatory damages and attorneys' fees and costs).

Ultimately, the parties were able to come to a preliminary agreement. If approved, Mr. Deans will release all claims against the District in exchange for a payment of \$150,000.00.

After discussion, Trustee Wadley-Munier moved to approve the Settlement and Release Agreement with Mr. William Deans as proposed, subject to review by Counsel. There was no opposition and the motion carried.

Presentation and discussion of the partnership between the Las Vegas-Clark County Library District (LVCCLD) and Nevada Partnership for Homeless Youth (NPHY) to implement the Safe Place Program. (Item IV.A.)

Community Engagement Director Matt McNally provided details of the District's recent partnership agreement with the Nevada Partnership for Homeless Youth (NPHY). NPHY is a local expert at providing mobile crisis intervention services for at-risk youth. The Safe Place program that the District will be participating in will allow youth customers to come in to any District branch, identify that they are looking for Safe Place services and the branch staff could call a mobile responder at NPHY. NPHY will respond to any branch and help get the customer to the social service best suited to meet their needs.

Mr. McNally introduced Arash Ghafoori, Executive Director of NPHY, to explain the services they provide to youth and answer questions from Trustees.

Trustees were thrilled the District was entering into this partnership. They asked questions about the number of customers who were not local, how they addressed obtaining medical attention for minors, citizenship issues, aging out of the service, partnerships with other local social service organizations, use of volunteers, and how the usage of service would be reported.

Approval of Proposed Minutes Regular Session, October 13, 2016; Regular Session, January 12, 2017; Regular Session, February 9, 2017; Regular Session, May 18, 2017; Regular Session, July 13, 2017; Regular Session, October 12, 2017; Regular Session, November 9, 2017; Regular

Items V.A-E, G, and J were removed from the Agenda.

Trustee Bilbray-Axelrod moved to approve the Minutes of the Board of Trustees Meeting held October 12, 2017. There was no opposition and the motion carried.

Trustee Ortiz moved to approve the Minutes of the Regular Session held May 24, 2018. There was no opposition and the motion carried.

Trustee Wadley-Munier moved to approve the Minutes of the Regular Session held September 20, 2018. There was no opposition and the motion carried.

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Session, May 24, 2018; Regular Session, September 20, 2018; and Regular Session, October 11, 2018. (Item V.A-J.)

Chair's Report (Item VI.)

Chair Moulton, Trustees Francis Drake and Ortiz reported on the Nevada Library Association Conference, which took place in October in Las Vegas.

Chair Moulton passed out information on Trustee Resources available through the Nevada State Library. There was interest in an Ethics Course offered by the State Ethics Commission.

Chair Moulton congratulated Trustee Bilbray-Axelrod on her reelection to the Nevada Assembly.

Library Reports (Item VII.)

Trustee Brooks moved to accept Reports VII.A. 1-3. There was no opposition and the reports were accepted.

Executive Director's Report (Item VII.A.)

Executive Director Dr. Heezen thanked staff who planned and work the Trustee meeting and highlighted several areas of his report.

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

Trustee Foyt noted the statistics on the Mesquite Library, noting that she had visited in August and it was very busy.

Branding and Marketing Report and Monthly Statistics (Item VII.A.2.a.)

Trustee Moulton congratulated the Branding and Marketing staff for getting the Highlights publication in grocery stores.

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

Trustee Ortiz thanked Mr. McNally for helping arrange school visits for Las Vegas Book Festival author Luis J. Rodriguez as part of his appearances for the Festival.

Trustees also congratulated Mr. McNally and his team on receiving two "Best of Vegas" Awards this year, including Gold for Best Galleries and Bronze for Best Culture and Events.

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

Trustee Francis Drake congratulated Volunteer Coordinator Leslie Valdes who was honored for her philanthropic work at a recent Las Vegas Knights game.

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

No questions.

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Financial Services Report (Item VII.A.3.a.) No questions.

General Services Report (Item VII.A.3.b.) No questions.

Human Resources Report (Item VII.A.3.c.) No questions.

Unfinished Business (Item VIII.) None.

Discussion and possible Board action to approve proposed revisions to the District's Diversity Action Plan, last revised September 13, 2012. (Item IX.C.)

Human Resources Director James Bean explained that, on October 14, 1999, the Las Vegas-Clark County Library District Board of Trustees voted to create a Diversity Competitive Workplace Committee. This was an important first step in this critical area. However, the diversity conversation has evolved over the years and there is new thinking about how best to approach this topic.

The Las Vegas-Clark County Library District's current Diversity Action Plan was approved by the Trustees on February 8, 2001 and updated on September 13, 2012.

Four reporting goals have remained consistent throughout the Plan's evolution; Advocacy, Recruitment and Retention, Training and Professional Development, and Reporting. These goals have been retained under the new Diversity and Inclusion Plan, and have been refined to reflect the Vision 2020 Strategic Plan initiatives.

The staff committee, formed under the Diversity Action Plan when it was adopted in 2001, met regularly and presented reports to the Board of Trustees on an annual basis until recently. With the approval of this updated Plan, the staff committee will be reformed and restart the annual report to the Board.

After a brief discussion Trustee Ortiz moved to approve the revised Diversity and Inclusion Plan. There was no opposition and the motion carried.

Discussion and possible Board action to authorize the Executive Director to execute a contract for an Automated Materials Handling Replacement System with EnvisionWare and Lyngsoe Systems.

IT Director Al Prendergast explained the proposed contract. In May 2007, the District completed a Request for Proposal for an Automated Materials Handling (AMH) and Radio Frequency Identification (RFID) solution and selected a solution from EnvisionWare, partnering with P.V. Supa. This project included AMH equipment, security gates, and tags the collection. EnvisionWare provided the RFID readers and tags, security gates, and related solutions and P.V. Supa supplied the AMH equipment. The primary contractor, EnvisionWare, was responsible for maintaining the entire system. In addition to the EnvisionWare RFID solutions, the District also uses a PC Reservation System from

(Item IX.D.)

EnvisionWare and will also be deploying a new self-check solution from EnvisionWare for the new East Las Vegas Library.

Between 2008 and 2010, the District installed the majority of our AMH equipment, with the exception of the Distribution Center (2015) and Mesquite Library (2018) equipment. The contract required the equipment to be operational for 10 years. In 2017, EnvisionWare and PV Supa terminated their business relationship. While the equipment that is less than 10 years old will still be covered, all of the equipment that is over 10 years old will need to be replaced.

Branch	Sorter Size	Installed Date	Replace-ment Date	Purchase Cost
Centennial Hills	Three inlet, 9-bin	Dec-08	Dec-19	\$156,999
Clark County	Three inlet, 9-bin	Oct-09	Oct-20	\$156,999
Distribution Center	One inlet, 3-bin	Nov-15	Nov-26	\$44,800
East Las Vegas	Three inlet, 10-bin		Mar-19	\$118,150
Enterprise	Three inlet, 7-bin	Jan-09	Jan-20	\$130,999
Mesquite	One inlet, 3-bin	May-18	May-29	\$44,800
Rainbow	Three inlet, 9-bin	Mar-09	Mar-20	\$156,999
Sahara West	Three inlet, 9-bin	Aug-09	Aug-20	\$156,999
Spring Valley	Three inlet, 7-bin	Jul-09	Jul-20	\$130,999
Summerlin	Three inlet, 7-bin	Jun-09	Jun-20	\$130,999
Sunrise	Three inlet, 7-bin	Jun-09	Jun-20	\$130,999
West Charleston	Three inlet, 9-bin	Nov-09	Nov-20	\$156,999
West Las Vegas	Two inlet, 7-bin	Sep-08	Sep-19	\$96,299
Windmill	Three inlet, 9-bin	Apr-11	Apr-22	\$156,999
Central Sort (located at Windmill)	Three inlet, 42 bin	Jun-09	Jun-20	\$376,755
Whitney	Three inlet, 7-bin	Oct-09	Oct-20	\$130,999
Total Investment				\$2,277,793

The Information Technology Department prepared and advertised a Request For Proposal on July 30, 2018. Eleven leading vendors in the industry were invited to submit proposals. Four responses were received and two vendors were selected for interviews between October 16 and 17. After a thorough review of the proposals and interview responses, the AMH Selection Team (composed of staff from General Services, Information Technology, and Library Operations) met to discuss the pros and cons of each vendor's proposal. After a rigorous analysis, the AMH Selection Team selected a preferred vendor. EnvisionWare, in partnership with Lyngsoe Systems, was selected.

Both EnvisionWare and Lyngsoe Systems have agreed to accept the District's Form of Contract, in Section 8 of the RFP, with one request

for modification. Their request was to modify item 14.1: Termination for Cause, to include a "30-day cure period."

Staff is requesting the authority to contract with EnvisionWare and Lyngsoe Systems, with the final Agreement language subject to review by Counsel. The contract language will include provisions for the following:

- Both firms will be signatories to the final Agreement, with EnvisionWare as prime contractor and Lyngsoe Systems as the sole subcontractor.
- Contract execution across multiple fiscal years.
- The equipment is modular and has an anticipated minimum life of 10 years. Lyngsoe has agreed to provide maintenance support as long as we own the equipment.
- Both firms will be required to file copies of the software source code and manufacturer specifications for equipment in separate escrow accounts, similar to the previous agreement between the District and EnvisionWare and P.V. Supa.
- In the event that EnvisionWare should cease to provide service and equipment, the District will have authority to negotiate and contract directly with Lyngsoe Systems. Similar language will address any potential failure of Lyngsoe Systems to provide necessary services during the life of the contract.
- There is no requirement for performance bonds, but contractors will be required to install equipment or meet specified performance benchmarks prior to payment by the District.
- Provisions for the development of custom equipment are included in the Agreement, as requested by the District.
- The Agreement will include price commitments for current and future branches.
- A Master Price List will be used for the acquisition of major components. The Master Price List will include prices for some software and hardware components that were not a part of the original RFP.
- The Master Price List is necessary because the District may decide to reassess the existing equipment configuration at each branch during the replacements.
- All replacement costs are inclusive and there are no additional "hidden" charges.
- The Contractor agrees to provide a 12-month warranty (parts and labor) from the time of System Testing and Acceptance.
- Annual maintenance costs will be 10% of the purchase cost, with provisions for an annual increase.

Trustee Wadley-Munier moved to authorize the Executive Director to

execute a contract, subject to the approval by Counsel, with EnvisionWare and Lyngsoe Systems, for an Automated Materials Handling Replacement System with pricing based on the negotiated Master Price List, not to exceed \$2,277,793 plus 10% contingency. There was no opposition and the motion carried.

Discussion and possible Board action regarding authorization to purchase a projector, lens, interface board, and tester/analyzer for the Windmill Library auditorium. (Item IX.E.)

General Services Director Funds are allocated in the Fiscal Year 2018-2019 Capital Projects Fund to replace the auditorium projector at the Windmill Library. The current projector fails intermittently and is increasingly unreliable. Attempts to repair it have been unsuccessful. The specified replacement projector is the latest in projector technology which will provide high quality 4K projection and does not require lamps to be regularly replaced. The replacement projector will provide the best presentation and movie experience for staff and customers at the Windmill Library where such programs are very popular.

An Invitation to Bid was advertised in the Review-Journal, posted on the District's website, emailed to minority Chambers of Commerce and posted on the Nevada Government eMarketplace (NGEM). The bid opening was held on October 25, 2018 and a total of four (4) bids were received. The bid results follow:

<u>Bidder</u>	<u>Total Bid Amount</u>
Mojave Electric	\$83,717.00
CCS Presentation Systems	\$81,518.00
B & H Photo and Video	\$80,051.00
CCS Presentation Systems	\$71,199.00*

*Bid rejected. Bidder submitted on an alternative product that was not comparable to product specified.

The lowest responsive and responsible bidder is B & H Photo and Video.

After a brief discussion, Trustee Wadley-Munier moved to authorize staff to purchase a projector, lens, interface board, and tester/analyzer for the Windmill Library auditorium in accordance with Bid No. 19-06 from B & H Photo and Video for the amount of \$80,051.00. There was no opposition and the motion carried.

Announcements (Item X.)

The next Board Meeting will be an all-day Workshop on the Facilities Master Plan Framework on Monday, December 10, 2018 starting at 10:00 a.m. and ending around 4:00 p.m. at the Clark County Library, 1401 E. Flamingo Road, Las Vegas, Nevada 89119.

The next Board Meeting will be held Thursday, December 13, 2018, at 6:00 p.m. in the Windmill Library, 7060 W Windmill Lane, Las Vegas, Nevada 89113.

Public Comment (Item XI.)

None.

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Executive Session Removed from Agenda.
(Item XII.)

Adjournment Chair Moulton adjourned the meeting at 7:27 p.m.
(Item XIII.)

Respectfully submitted,

Elizabeth Foyt, Secretary

2018 ATTENDANCE

Appendix A

November 8, 2018 Regular Board Meeting

2018		JANUARY	February 8 Regular Board Mtg	March 8 Regular Board Mtg	April 12 Finance & Audit Cmte	April 12 Regular Board Mtg	May 24 Regular Board Mtg	June 14 Risk Mgmt Cmte	June 14 Nominating Cmte	June 14 Regular Board Mtg	July 12 Regular Board Mtg	AUGUST	September 20 Regular Board Mtg	October 11 Regular Board Mtg	November 8 Finance & Audit Cmte	November 8 Regular Board Mtg		
Benavidez	Kelly	P	P	P	P	P	P	P	P	P	P	NO MEETING	P	A-E	P	P		
Bilbray-Axelrod	Shannon	P	P	P	P	P		P	P	P		NO MEETING	P	P		P		
Brooks*	Constance	X	X	X	X	X	X	X	X	X	X	NO MEETING	X	P		P		
Drake	Marilyn	P	P	A-E	A-E	P	A-E		A-E	P		NO MEETING	P	P		P		
Ence**	Randy	A-E	P	P	P	P	P	P	P	P	P	NO MEETING	X	X	X	X		
Foyt	Elizabeth	P	P	P	P	P	P	P	P	P	P	NO MEETING	P	P	P	P		
Melendrez	Jose	P	P	A-E	A-E	P	P	P	P	P		NO MEETING	P	A-E		P		
Moulton	Sheila	P	P	P	P	P		P	P	P		NO MEETING	P	P	P	P		
Ortiz	Felipe	P	P	P	P	P	P	P	P	P		NO MEETING	P	P	P	P		
Wadley-Munier	Robin	P	P	P	P	P		P	P	P		NO MEETING	P	P	P	P		
Withelder***	Geno	X	X	X	X	X	X	X	X	X	X	NO MEETING	A-E	P		A-E		
Yturalde****	Ydoleena	P	P	P	P	A-E		P	P	P		NO MEETING	P	X	X	X		

attended Committee meeting but not a member

A-E Excused Absence
 A-U Unexcused Absense

*Appointed to replace Trustee Yturalde for a term beginning October 2018
 **Resigned, took effect after the July 12 Regular Board Meeting
 ***Appointed to replace Trustee Ence for a term beginning August 2018
 ****Resigned, took affect after the September 20 Regular Board Meeting

as of November 8, 2018



LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

**REQUIRED
COMMUNICATIONS
LETTER**

**TO THE
FINANCE AND AUDIT COMMITTEE
AND BOARD OF TRUSTEES**

**FOR THE YEAR ENDED
JUNE 30, 2018**

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT
REQUIRED COMMUNICATIONS LETTER

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Finance and Audit Committee
and Board of Trustees
Las Vegas-Clark County Library District
7060 West Windmill Lane
Las Vegas, Nevada 89113

RE: Required Communications

Ladies and gentlemen:

As part of our engagement to audit the basic financial statements of the Las Vegas-Clark County Library District (the District) as of June 30, 2018, and for the year then ended, we are required under applicable auditing standards to communicate certain matters to those charged with governance responsibilities for the District for the purpose of assisting them in meeting their responsibilities with regard to the financial reporting process. This report contains those required communications.

The matters reported herein were considered in forming our opinion on the District's basic financial statements contained in our report dated November 2, 2018, and these matters do not change that report.

The purpose of this communication, among other things, is to describe the scope of our testing of internal control over financial reporting and compliance, and the result of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. This communication is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record, and its distribution is not limited.

November 2, 2018

Copies provided to:
Dr. Ronald R. Heezen, Executive Director
Fred James, Chief Financial Officer/Deputy Director
Floresto Cabias, Assistant Finance Director

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MANAGEMENT'S RESPONSIBILITY

It is management's responsibility to provide those charged with governance responsibilities, prior to issuance of the District's annual basic financial statements and our report thereon, with detailed information related to the District's 1) initial selection of, and changes in, significant accounting policies and practices, 2) significant estimates, 3) significant unusual transactions, and 4) corrected and uncorrected misstatements, if any.

Appended to this communication is a copy of the letter of representation, requested by us, to be executed by management with regard to our audit services.

**SIGNIFICANT AUDIT ADJUSTMENTS
(CORRECTED MISSTATEMENTS)**

Our audit resulted in no significant adjustments to the District's basic financial statements.

**WAIVED ADJUSTMENT
(UNCORRECTED MISSTATEMENT)**

Management requested us to waive as immaterial one proposed adjustment, as follows:

Waived Adjustment Number	Primary Financial Statement Line Item Affected and Explanation	Debit	Credit	Effect on Operations Debit (Credit)
1	Culture and recreation expense Claims payable To record, in the entity-wide financial statements, a settlement agreement that was proposed on October 24, 2018, which requires approval of the District's Board of Trustees.	\$ 150,000	\$ 150,000	\$ 150,000

We agreed to waive the adjustment, listed above, because we concurred with management's materiality assessment and it does not appear indicative of management bias (masking of a change in earnings trends, undisclosed of instances noncompliance with contracts, laws and regulations, improper offsetting misstatements, etc.) that might be misleading and, accordingly, would not be considered significant to the intended users of basic financial statements.

**DIFFICULTIES OR CONTENTIOUS MATTERS ENCOUNTERED
IN PERFORMING THE AUDIT**

Management cooperated fully, and no significant difficulties or contentious matters were encountered in completing the June 30, 2018, audit.

MATTERS INVOLVING INTERNAL CONTROL

We planned and performed our audit of the basic financial statements of the District as of June 30, 2018 and for the year then ended, in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* issued by the Comptroller General of the United States. We considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the District's basic financial statements. Such

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procedures were not performed for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

The principal objectives of effective internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that all transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of basic financial statements in accordance with accounting principles generally accepted in the United States. The concept of reasonable assurance requires that management, in fulfilling its responsibility, make estimates and judgments to assess the expected benefit and related costs of control procedures. Because of inherent limitations in any internal control, errors or fraudulent acts, particularly when involving forgery and collusion, may occur and not be detected. In addition, there is a risk that procedures may become inadequate in future periods because of changes in conditions and the degree of compliance with the procedures may deteriorate.

Definitions. A *deficiency* in internal control over financial reporting exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's basic financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control, that is less severe than a material weakness yet important enough to merit attention by those with governance. Our consideration of internal control would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

Findings. Our procedures did not identify any internal control deficiencies that we consider to be a material weakness.

We have reported other matters and/or made certain recommendations in a separate letter to management, dated November 2, 2018, which matters we believe do not constitute significant deficiencies or other matters required by applicable auditing standards to be included herein.

OTHER GOVERNANCE MATTERS

Auditors' responsibility under applicable professional standards. As stated in our report on the District's basic financial statements, our responsibility as independent auditors, under applicable professional standards, is to express an opinion, based on our audit, on the District's basic financial statements, which are the responsibility of the District's management. Our responsibilities, as contrasted with management's, are spelled out more fully in our letter of engagement.

Despite any limited assistance we may have provided to management in its preparation, our responsibility for information accompanying the District's basic financial statements is limited to 1) reading such information to ascertain that it is materially consistent with information presented in the District's basic financial statements 2) considering whether any statements contained therein may appear to be materially misstated, and 3) assuring the satisfactory resolution of our concerns, if any. In this instance, we performed the required procedures, and any changes requested by us in this process were satisfactorily made and all questions satisfactorily resolved.

In considering the matters reported herein, you should be cognizant of your responsibility for oversight of the

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financial reporting process and management's responsibilities for establishing and maintaining an effective internal control subject to regulatory and ownership approval, and for the District's basic financial statements.

Fraudulent or other illegal or abusive activities. We did not become aware of any possible fraudulent or other illegal or abusive activities or any significant complaints or concerns regarding the District's accounting and financial reporting.

Significant accounting policies. The significant accounting policies employed by the District are disclosed in the notes to the District's basic financial statements and are essentially as prescribed, recommended or permitted under applicable authoritative literature for, or commonly used by, other entities in your industry. The accounting policies have been consistently applied and are not controversial or lacking in authoritative guidance or consensus.

Significant estimates. The basic financial statements do not contain any significant management estimates except with regard to the useful lives of the capital assets and valuation of the other postemployment benefit obligation and net pension liability.

Significant unusual transactions. Significant unusual transactions are those that occur outside the normal course of business or that otherwise appear to be unusual due to their timing, size, or nature. We are not aware of any significant unusual transactions.

Related parties. No significant audit issues were encountered in connection with the District's related party transactions, for example, nondisclosure by management or questionable authorization/purpose.

Disagreements or pre-retention discussions with, and consultations with other accountants by, management. We are also required by professional standards to communicate any significant disagreements with management, consultations by management with other accountants that we become aware of, or discussions with us prior to our retention regarding any major issues, over the application of accounting principles, management's judgments about accounting estimates, disclosures to be made in the District's basic financial statements, the scope of the audit or the wording of the auditors' report, regardless of whether the matter was satisfactorily resolved. No such disagreements were encountered in our audit, nor are we aware of any consultations with other accountants, nor were we consulted prior to retention, regarding any such matters.

Licensing and independence. This will confirm that we are duly licensed to perform this engagement. In addition, in our professional judgment, we are independent of the District and, when applicable, its affiliated entities under all applicable rules, regulations, and interpretations, and we represent that we know of no relationships that a reasonably informed person might consider an impairment of our independence under such requirements with regard to this engagement.

Management consulting services. We have not provided the District with any management consulting services.

Compliance with laws, regulations, contracts and grants. Compliance with laws, regulations, contracts and grants applicable to the District is the responsibility of the District's management. As part of obtaining reasonable assurance about whether the District's basic financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grants. However, our objective was not to provide an opinion on overall compliance with such provisions.

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In accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, we have issued our report dated November 2, 2018, on our consideration of the District's internal control over financial reporting and on our tests of the District's compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and should be considered in assessing the results of our audit.

In accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance), auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, we have issued our report dated November 2, 2018, on our consideration of the District's compliance with requirements applicable to major programs and on internal control over compliance. The purpose of that report is to describe the scope of our testing of compliance and internal control over compliance and the results of that testing, and to provide an opinion on the District's compliance with such requirements, but not to provide an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance. This report is an integral part of an audit performed in accordance with the requirements of the Uniform Guidance, auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and should be considered in assessing the results of our audit.

Material instances of noncompliance are failures to follow requirements or violations of prohibitions contained in laws, regulations, contracts and grants, that when aggregated, in our judgment, are material to the District's basic financial statements or a major grant program. The results of our tests of compliance and internal control over compliance did not disclose material instances of noncompliance or material weaknesses in internal control over compliance.

**REPRESENTATIONS SOUGHT
FROM MANAGEMENT**

November 2, 2018

Piercy Bowler Taylor & Kern
Certified Public Accountants
6100 Elton Avenue, Suite 1000
Las Vegas, Nevada 89107

To the Firm:

In this letter, the use of the phrase "financial statements" refers to the basic financial statements and related disclosures of the Las Vegas-Clark County Library District and its blended component units (the District), including any accompanying or supplemental information, as of June 30, 2018 and for the year then ended. It is in relation to these financial statements and in connection with the professional audit services that you provided that we make the representations contained herein.

Certain representations in this letter are described as referring or being limited to matters that are "material" to, or that could have a "material effect" on, the financial statements. We understand that items are considered qualitatively material, regardless of size, if they involve an omission or misstatement of information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. However, such materiality considerations do not apply to those representations contained herein that are not directly related to amounts included in the financial statements. For purposes of these representations, any matters having a possible effect of \$8,000 individually or \$15,000 in the aggregate, on the financial statements are considered quantitatively material.

GENERAL REPRESENTATION OF TRUTHFULNESS

We have responded fully and truthfully to all inquiries made to us by you and confirm, to the best of our knowledge and belief, all representations we have previously made (or should have made) including, but not limited to, those specifically stated in this letter.

We reconfirm, to the best of our knowledge and belief, those representations previously made with respect to all comparative prior period information presented with the current period financial statements updated as necessary in this letter.

We agree to hold you harmless and indemnify you for any costs incurred as a result of your reliance on any false representations made to you by management personnel in connection with your services.

TRANSACTIONS, RECORDS, ESTIMATES, ADJUSTMENTS, AND FINANCIAL REPORTING

1. We are responsible for authorizing, initiating, processing, and reporting transactions only in connection with the legitimate business purposes and best interests of the District, including, but not limited to, all related party and other transactions outside the normal course of business, if any. It is also our responsibility to ensure that such transactions comply with various laws, regulations,

and contractual agreements applicable to the District and the District has complied with all such requirements that would have a material effect on the financial statements in the event of non-compliance.

The District has complied with all restrictions on resources, including donor restrictions, and all aspects of contractual and grant agreements that would have a material effect on the financial statements.

We are responsible for evaluating the classification of contract and grant revenues as either contributions or exchange transactions in accordance with the provisions of applicable standards and for ensuring that all such revenues are appropriately reported.

We have properly classified and reported the District's equity and changes therein, in accordance with the provisions of applicable standards.

The District has complied with all applicable laws and regulations in adopting and amending the budget, and the budget information presented in financial statements includes all approved amendments.

The funds established by the District are in the required form and are being used expressly for the purpose(s) for which they were created in accordance with all applicable statutory and regulatory requirements, including specifically the provisions of Nevada Revised Statutes 354. In addition, reserves, if any, in each fund are limited to an amount that is reasonable and necessary to carry out the purpose(s) of the fund.

We have determined that there are no component units or joint ventures that require disclosure under applicable *Governmental Accounting Standards*.

2. We are unaware of any material transactions that have not been recorded in the financial records underlying the financial statements including, but not limited to, related party transactions, (such as sales or purchases of goods or services, loans, transfers, leasing arrangements or guarantees) and related amounts receivable or payable or illegal transactions.
3. We have made available to you all financial records and related data underlying the financial statements of which management is aware of and believes are relevant to the preparation of the financial statements and any additional items that you requested, including but not limited to, 1) the names of all related parties and all relationships and transactions with related parties, and 2) minutes of and related resolutions (or accurate and complete summaries of discussions held and actions taken at) all meetings of those charged with governance through the date of this letter. Such minutes or summaries include and fairly describe all decisions made and actions taken by the respective bodies that bear significantly on the financial statements. Furthermore, we have provided you with unrestricted access to persons within the District that you have selected to obtain audit evidence from.
4. We are responsible for and have identified all fair value and other accounting estimates that materially affect the financial statements including, specifically, those that are susceptible to material revision during the first year subsequent to the end of the most recent period presented as a result of evolving events that have a reasonable probability of occurrence. We have informed you of the key factors and significant assumptions that underlie those estimates.

We understand that the service(s) provided by you did not include preparing, or assisting in the preparation of, any fair value estimates contained in the District's financial statements.

5. We are responsible for all recorded accounting estimates, including all asset valuation allowances. Such estimates reflect management's best judgment considering all reasonably available facts,

including management's knowledge and experience about past events and current circumstances, and expected courses of action and are not materially misstated.

6. We have evaluated and have recorded (or will record) adjustments to the books of account for all financial statement misstatements identified by us or by you, if any, during the course of your engagement, except for those listed in the attached Schedule of Unadjusted Differences, which includes all adjustments and disclosures that we have concluded are immaterial, both individually and, if applicable, in the aggregate.
7. We are responsible for the fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States. In other words, it is our responsibility to ensure that the financial statements and related disclosures are free of material misstatements in relation to the requirements of accounting principles generally accepted in the United States, which financial reporting framework we have evaluated and determined to be acceptable and appropriate.

We are responsible for the fair presentation of the accompanying supplemental information.

We are responsible for the financial statements including all disclosures required by laws and regulations or other applicable standards to which the District is subject.

We are responsible for performing a search for agreements, including those of other governments, that may affect the District's tax revenues and determining which agreements meet the definition of "tax abatements" under GASB Statement No. 77. We have performed such a search, identified all agreements that we believe meet such definition, and believe the financial statements contain all required disclosures.

We are responsible for the proper classification of revenues in the statement of activities and reporting of all inter-fund, internal, and intra-entity activity and balances in accordance with Governmental Accounting Standards Board Statement No. 34, as amended.

We are responsible for identifying all funds that meet the quantitative criteria in Governmental Accounting Standards Board Statement No. 34, as amended for presentation as a major fund and for ensuring that all qualifying funds are reported as such. In addition, any fund presented as a major fund that does not meet the quantitative criteria has qualitative significance to users of the financial statements.

Any assistance that you provided to us in connection with the preparation of the financial statements and/or analysis of accounts including that which resulted in proposed adjustments was evaluated, reviewed, and approved by Fred James, Chief Financial Officer/Deputy Director, a member of the District's management team, who possesses suitable skills, knowledge, and/or experience to do so, meaning that this individual understands the services performed sufficiently to oversee them, but is not required to possess the expertise to perform or re-perform the services.

8. There have been no significant changes in business activities, accounting practices or internal controls that might affect the financial statements.
9. We have reviewed and approved what we intend to be the final draft of the financial statements.

SPECIFIC DISCLOSURE REPRESENTATIONS

1. **Delayed adoption of new accounting principle(s).** As indicated in the notes to the financial statements, management has opted to delay the adoption of certain new accounting principle(s)

until required to do so, and the expected future effect of adoption is disclosed therein.

2. **Related party transactions and balances.** Except as disclosed in the financial statements or an attachment to this letter, there are no material related party transactions and related amounts receivable or payable.
3. **Concentrations, risks and uncertainties.** Except as disclosed in the financial statements or an attachment to this letter, there are no concentrations of credit or other business or economic risks (including, but not limited to, customers, suppliers, lenders, products, services, sources of labor or materials, franchise or other licenses, operating areas, markets, *etc.*) that make the District vulnerable to a severe impact within the first year subsequent to the end of the most recent period presented. In addition, we are not aware of any undisclosed matters regarding the financial stability of depository banks or other financial institutions that might affect your judgment about the significance of any risk of loss to the District associated with uninsured deposits.
4. **Receivables.** All material receivables recorded in the financial statements represent valid claims arising as a result of sales, loans or advances or other transactions occurring within or before the end of the most recent period presented and have been reduced to their estimated net realizable value by appropriate collection and/or other applicable valuation allowances.
5. **Investments in marketable securities.** All material investments in marketable debt and equity securities are classified and valued appropriately, in accordance with the District's intent and ability, and futures contracts, held as hedges, if any, are accounted for pursuant to applicable standards. There are no significant concentrations of market risk associated with such investments.
6. **Financial instruments.** Management has used the methods and assumptions disclosed in the financial statements, and taken all reasonable, appropriate and practical steps in the circumstances, to ascertain the appropriate accounting for and objectively estimate the fair value of material financial instruments and other assets carried or reflected in the financial statements or disclosures, if any, including instruments that do not have readily determinable market values, pursuant to applicable standards.
7. **Fair value measurements.** All assets and liabilities recorded in the financial statements at estimated fair value are appropriately segregated into fair value measurement input categories ("Level 1", "Level 2" or "Level 3") subject to any applicable and disclosed practicability exceptions. Such fair value measurements are based upon the methods and assumptions disclosed in the financial statements, and management has taken all reasonable, appropriate and practical steps in the circumstances, to objectively estimate the fair value of such assets and liabilities including those that do not have readily determinable market values and all such fair value measurements are supported by appropriate documentation.
8. **Title, carrying values and classification of assets.** There are no management plans or intentions that may materially affect the carrying value or classification of any District assets and the District has satisfactory title to such assets. All recorded carrying costs are recoverable, net of any impairment write-downs and other recorded valuation allowances and provisions, which are adequate, and we are unaware of any undisclosed value impairment indications, including those relating to long-lived assets, liens, encumbrances or other title impairments as of the end of the most recent period presented.
9. **Inventories.** There are no material amounts of obsolete, damaged, slow-moving, excessive or otherwise unsaleable or overvalued inventories, or commitments to purchase inventory quantities in excess of normal requirements or at a price in excess of market that have not been appropriately written down (or reserved).

10. **Debt covenants.** No debt covenants have been violated and/or no events of default have occurred through the date of this letter. Furthermore, the District has not received any correspondence from lenders related to possible debt covenant violations or events of default.
11. **Commitments, contingencies and accruable liabilities.** Except as disclosed in the financial statements or an attachment to this letter, there are no matters of pending or threatened litigation, asserted or unasserted claims or assessments that our lawyers have advised or that we are aware of that are probable of assertion, that could have a material effect on the financial statements, including, but not limited to, 1) environmental remediation obligations, 2) gain or loss contingencies that require recognition or disclosure in accordance with applicable accounting standards, 3) guarantees (written or oral) or "in-substance" guarantees of the obligations of other entities or individuals (including, for example, general partnership interests) or for which the District is contingently liable to a bank or other lending institution, 4) warranties or rights of return, 5) arrangements with financial institutions involving compensating balances or other restrictions on cash balances, 6) lines-of-credit or similar arrangements, 7) unconditional promises to contribute or otherwise transfer cash or other assets, 8) conditional promises to contribute or otherwise transfer cash or other assets that would require accrual or disclosure under applicable standards, 9) potential losses from unfavorable sales commitments, 10) other commitments requiring disclosure in the financial statements (including for the issuance of capital stock or partnership or other equity units, asset repurchase agreements, capital stock reserved for options, warrants, conversions or similar rights), 11) side agreements or other arrangements (either written or oral) with others, or 12) other unrecorded liabilities.
12. **Multiple-employer cost-sharing defined healthcare benefit plan(s).** We have no intention to terminate or materially modify the District's defined healthcare benefit plan(s). Although it is possible that a liability would be incurred by the District in the event of its withdrawal from participation in, or the termination of, such plan(s), the liability is not subject to reasonable estimation based on available information. Adequate provision has been made for the defined benefit obligations using actuarial assumptions and methods that reflect the conclusions of qualified actuaries as stated in actuarial report dated September 28, 2018, which are appropriate in the circumstances.
13. **Multiple-employer cost-sharing defined pension benefit plan(s).** We have no intention to terminate or materially modify the District's defined pension benefit plan(s). Although it is possible that a liability would be incurred by the District in the event of its withdrawal from participation in, or the termination of, such plan(s), the liability is not subject to reasonable estimation based on available information. Furthermore, all contributions required for the District's defined benefit plan(s) have been made or recorded as liabilities as of the end of the most recent period presented.

The District records its proportionate share of the net pension liability of the Nevada Public Employees' Retirement System in accordance with applicable standards. Management has agreed its contributions to the amounts and allocation metrics used by the Nevada Public Employees' Retirement System in determining the the District's proportionate share, which is appropriate in the circumstances.
14. **Solvency.** We understand that you have neither determined nor will opine as to whether the District is solvent or insolvent for bankruptcy or other purposes since such would be a legal determination that may be made only by a court.
15. **Use of a specialist and/or reliance on government pension plan auditors in connection with the valuation of assets or liabilities.** For assets and liabilities valued with the assistance of a valuation specialist and/or government pension plan auditor, we made an objective evaluation of

their qualifications, objectivity or independence to perform the assignment and did not do anything that might have materially biased or influenced their conclusion(s).

16. **Subsequent events.** We are responsible for evaluating events or transactions that have occurred subsequent to the end of the most recent period presented, but before the financial statements are issued or available for issuance (subsequent events), through the date of this letter, for recognition and disclosure. We have performed appropriate subsequent events evaluation procedures, which are sufficient in the circumstances. There have been no significant events subsequent to the end of the most recent period presented that, in our judgment, would materially affect and, therefore, require adjustment to, or disclosure in, the financial statements.

INTERNAL CONTROL OVER FINANCIAL REPORTING AND FRAUD

1. We are responsible for designing, implementing, establishing and maintaining effective internal control over financial reporting that provides reasonable assurance that 1) the financial statements are fairly presented in conformity with accounting principles generally accepted in the United States, 2) the District's resources are adequately safeguarded, 3) the District is in compliance with all applicable laws, regulations and contractual requirements, and 4) fraudulent and other illegal acts are detected and prevented, including those involving both fraudulent financial reporting and misappropriation of assets possibly leading to financial statement misstatements.
2. We are responsible for evaluating the qualifications of all service organizations employed by the District including, but not limited to, computer service bureaus, financial institutions, investment advisors, brokers and other agents that we engage, particularly as to their integrity and ability to perform the services requested in accordance with management's authorization(s), and do not use or rely upon any services that your Firm performs in making these evaluations.
3. We are unaware of any fraud that is either material, probably material or that, although not material, involves management or other employees who have a significant role in internal control over financial reporting.
4. There has been no communication from or action by law enforcement or regulatory agencies concerning possible, alleged or suspected fraud, deficiencies in financial reporting practices or other noncompliance with laws, regulations or contractual requirements or any other illegal acts that should be considered for disclosure or for recording a loss contingency.
5. We are responsible for assessing the expected benefits and the related costs of all control procedures, including any additional or alternative procedures recommended by you.
6. We are responsible for considering and have considered the cause(s) of proposed adjustments (whether or not made and without distinction between those proposed by us or you), if any, including those that may have resulted, in whole or in part, from deficiencies in the design and operation of related controls.
7. There have been no changes in internal control over financial reporting or any other factors subsequent to the end of the most recent period presented that might significantly affect internal control over financial reporting, including any corrective actions taken by management with regard to any identified material weaknesses and other significant deficiencies.
8. We understand that a *deficiency* in internal control over financial reporting exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A

material weakness is a deficiency, or combination of deficiencies, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected. A *significant deficiency* is a deficiency, or combination of deficiencies, that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

9. We are responsible for and continually assess the effectiveness of internal control over financial reporting including disclosure controls, and do not use or rely upon procedures performed by your Firm for this purpose.
10. We have disclosed to you all known deficiencies in the design or operation of internal control over financial reporting, including disclosure controls, that were identified as part of management's assessment or otherwise, specifically identifying all such deficiencies that are material weaknesses and other significant deficiencies as defined above, if any.
11. All control deficiencies identified by management, or by you during or as a result of previous engagements, if any, have been communicated to those charged with governance of the District and resolved to management's satisfaction.

COMPLIANCE WITH AND INTERNAL CONTROL OVER FEDERALLY FUNDED PROGRAMS

1. We are responsible for complying, and have complied, with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance), various other laws, regulations, and provisions of contracts, including grant agreements applicable to each of the District's federal programs and represent that the District has complied, in all material respects, with all such requirements.

We have specifically identified and disclosed to you the provisions of contracts and grant agreements that have a direct and material effect on each of the District's federal programs.

We have identified and disclosed to you all amounts questioned and any known instances of non-compliance with the requirements of federal awards, including the results of, or current status of, other audits or program reviews through the date of this letter.

We are responsible for tracking the status of all audit and program review findings and have identified and disclosed to you all such findings. In addition, we are responsible for the preparation and implementation of the corrective action plan and a copy thereof has been provided to you.

2. We have made available to you all records and related data for our federal programs, including but not limited to: 1) a schedule of expenditures of federal awards prepared in accordance with the Uniform Guidance, which includes all expenditures made during the most recent period presented for all awards provided by federal agencies (including those passed through other entities) in the form of grants, federal cost reimbursement contracts, loans, loan guarantees, property, donated surplus property, cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations and other assistance; 2) all contracts and grant agreements, including amendments, if any, and other correspondence with federal agencies or pass-through entities related to the District's federal programs; and 3) all documentation related to the compliance requirements, including information related to federal program financial reports, and claims for advances and

reimbursements.

3. We have specifically identified and disclosed to you all amounts that have been awarded to us under the authority of the *American Recovery and Reinvestment Act of 2009*, including any such amounts expended or received by us.
4. All federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared. The copies of federal program financial reports provided to you are true copies of the reports submitted (including electronically transmitted) to the applicable federal agency or pass-through entity.
5. We are responsible for and have monitored subrecipients compliance with applicable laws and regulations including the Uniform Guidance, reviewed and issued decision(s) as to subrecipient audit findings, if any, and ensured that corrective action was taken timely. In connection with reviewing the subrecipients' audit findings, we have considered the possible need for adjustment to our own books and records and made such adjustments as determined to be necessary.
6. All costs charged to federal programs, including allocated indirect costs, if any, are in compliance with applicable cost principles.
7. We are responsible for the accurate preparation of the summary schedule of prior audit findings, which includes all findings required to be included by the Uniform Guidance. We are also responsible for the completion of the "data collection form" and the submission of our "reporting package" as required by the Uniform Guidance.

Furthermore, we understand that if we fail to submit the "data collection form" and "reporting package" timely, it will preclude us from being classified as a "low-risk" auditee in each of the subsequent two years and may result in increased audit fees for each of those years.

8. We are responsible for designing, implementing, establishing and maintaining effective internal control over compliance for federal programs that provides reasonable assurance that we are managing federal awards in compliance with all applicable laws, regulations, and provisions of contracts, including grant agreements, which could have a material effect on our federal programs.
9. There have been no changes in internal control over compliance for federal programs subsequent to the most recent financial reporting period presented that might significantly affect internal control over compliance or have a direct and material effect on any of the District's federal programs. In addition, there have been no known instances of non-compliance occurring subsequent to the most recent financial reporting period presented through the date of this letter.

INTENDED USERS OF THE FINANCIAL STATEMENTS

The financial statements are intended solely for the third party users specified in the District's letter of engagement with you or in a supplemental written communication to you and no others without your prior written approval.

There are no current plans for the issuance of public debt (*i.e.*, municipal bonds including revenue bonds) during the first year subsequent to the end of the most recent period presented; and therefore, the financial statements are not expected to be included in any offering documents.

NATURE AND PURPOSE OF THE PROFESSIONAL SERVICE YOUR FIRM PROVIDED

Purpose of audit. We understand that your audit of the District's financial statements was made for the purpose of enabling you to express an opinion as to whether the financial statements are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States.

We understand that the required supplementary information (management's discussion and analysis, budgetary comparison schedules and other required information) presented with the financial statements is not a required part of the financial statements, but is required by applicable standards to be presented and that although you applied limited procedures to this information you did not audit it; and therefore, you will express no opinion on the required supplementary information.

We understand that the other supplementary information (introductory section, combining and individual fund financial statements and schedules and statistical section) presented with the financial statements is not a required part of the financial statements.

We understand that the introductory section and statistical section were not subjected to the procedures applied in the audit of the District's financial statements; and therefore, you will express no opinion on this information.

We understand that the combining and individual fund financial statements and schedules were subjected to the procedures applied in the audit of the financial statements; and therefore, you will express an opinion on this information in relation to the financial statements taken as a whole.

We understand that the nature of the service that you provided requires that your service team exercise professional judgment in connection with virtually every aspect of and throughout the engagement, and that such judgment(s) might vary from those of another professional in the same or similar circumstances.

Very truly yours,

Las Vegas-Clark County Library District and its blended component units

Dr. Ronald R. Heezen, Executive Director

Fred James, Chief Financial Officer/Deputy Director

SCHEDULE OF UNADJUSTED DIFFERENCES

WAIVED ADJUSTMENTS (UNCORRECTED MISSTATEMENTS)

Waived Adjustment Number	Primary Financial Statement Line Item Affected and Explanation	Debit	Credit	Effect on Operations Debit (Credit)
1	Culture and recreation expense	\$ 150,000		\$ 150,000
	Claims payable		\$ 150,000	
	To record, in the entity-wide financial statements, a settlement agreement that was proposed on October 24, 2018, which requires approval of the District's Board of Trustees.			