

**PROPOSED AGENDA
LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT
BOARD OF TRUSTEES' FINANCE AND AUDIT COMMITTEE
APRIL 11, 2019**

PUBLIC MEETING

DATE: Thursday, April 11, 2019

TIME: 6:00 p.m.

PLACE: Rainbow Library
3150 N. Buffalo Drive
Las Vegas, NV 89128

The Finance and Audit Committee, comprised of Felipe A. Ortiz, Committee Chair; Kelly Benavidez; Robin Wadley-Munier; and Sheila Moulton, ex-officio, all members of the Las Vegas-Clark County Library District Board of Trustees, will meet to discuss the District's Fiscal Year 2019-2020 Tentative Budget in relationship to the year's projected revenues.

I. Roll Call

II. Public Comment

Topics raised under this item must be limited to matters on today's Agenda. Persons wishing to speak in public comment must sign in on the sign-in sheet before this item is addressed.

The public comment period at library district board meetings shall be limited to a maximum of forty-five (45) minutes for both periods of public comment. Remarks by speakers during the public comment period shall be limited to three (3) minutes, each. A speaker may not transfer time to another speaker; although, the chair has the authority to grant additional time to a speaker. When more than fifteen (15) people wish to comment, the chair shall proportionately reduce the time allotted to the forty-five minute maximum.

III. Committee Action to Accept Proposed Agenda

IV. NEW BUSINESS

Discussion regarding the Fiscal Year Ending (FYE) June 30, 2020 Tentative Budget submittal to the Department of Taxation and preparation for the May 23, 2019 Budget Public Hearing. No action will be taken.

V. Public Comment

Topics raised under this item cannot be acted upon until the notice provisions of the Open Meeting Law have been met. Persons wishing to speak in public comment must sign in on the sign-in sheet before this item is addressed.

The public comment period at library district board meetings shall be limited to a maximum of forty-five (45) minutes for both periods of public comment. Remarks by speakers during the public comment period shall be limited to three (3) minutes, each. A speaker may not transfer time to another speaker; although, the chair has the authority to grant additional time to a speaker. When more than fifteen (15) people wish to comment, the chair shall proportionately reduce the time allotted to the forty-five minute maximum.

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VI. Adjournment

NOTE: AT ANY TIME, ANY ITEM ON THIS AGENDA MAY BE TAKEN OUT OF ORDER, COMBINED WITH ONE OR MORE OTHER ITEMS ON THE AGENDA OR REMOVED FROM THE AGENDA, EITHER AT THE DISCRETION OF THE CHAIR OR BY VOTE OF THE COMMITTEE.

NOTE: ALL ITEMS ON THIS AGENDA ARE SCHEDULED FOR ACTION UNLESS SPECIFICALLY NOTED OTHERWISE.

Pursuant to NRS 241.020, written notice of the meeting of the Las Vegas-Clark County Library District Board of Trustees was given on April 5, 2019, i.e., given at least three (3) working days before the meeting, including in the notice the time, place, location and agenda of the meeting:

- A. By delivering a copy of the notice to each Library Trustee;
- B. By posting a copy of the notice at the principal office of the Library Trustees, or if there is no principal office, at the building in which the meeting is to be held, and at least three other separate, prominent places within the jurisdiction of the Trustees, to wit:

1. Clark County Library
1401 E. Flamingo Road
Las Vegas, NV 89119
2. Las Vegas Library
833 Las Vegas Boulevard North
Las Vegas, NV 89101
3. Rainbow Library
3150 N. Buffalo Drive
Las Vegas, NV 89128
4. Sunrise Library
5400 Harris Avenue
Las Vegas, NV 89110
5. West Charleston Library
6301 W. Charleston Boulevard
Las Vegas, NV 89146
6. West Las Vegas Library
951 W. Lake Mead Boulevard
Las Vegas, NV 89106
7. Windmill Library
7060 W. Windmill Lane
Las Vegas, NV 89113
8. Las Vegas-Clark County Library District website
www.lvccld.org

- C. By mailing a copy of the notice to each person, if any, who has requested notice of the meetings of the Las Vegas-Clark County Library District Board of Trustees in the same manner in which notice is requested to be mailed to a member of the Library Board of Trustees.



AGENDA ITEM

APRIL 11, 2019 MEETING OF THE BOARD OF TRUSTEES' FINANCE AND AUDIT COMMITTEE

Agenda Item # IV.: Discussion regarding the Fiscal Year Ending (FYE) June 30, 2020 Tentative Budget submittal to the Department of Taxation and preparation for the May 23, 2019 Budget Public Hearing. No action will be taken.

Background: The Nevada Revised Statutes require that the Tentative Budget be filed with the State Department of Taxation by April 15, 2019. The Tentative Budget is an administrative report of anticipated expenditures and does not require Board action.

The Tentative Budget is for discussion purposes only, and will be adjusted according to the final revenue estimates expected to be received in early May, as well as subsequent expenditures, for the District's Budget Public Hearing scheduled for May 23, 2019.

FYE 2020 General Fund

The General Fund represents the basic complement of services provided to the patrons of the Las Vegas-Clark County Library District.

Revenues

Total revenues for FYE 2020 are projected at \$71.4 million. As compared to the FYE 2019 Budget, property tax revenue for FYE 2020 is 7.2% higher than last fiscal year. Consolidated Sales Tax (CTX) revenue is estimated to increase by 7.5%, as compared to a 4.0% increase for FYE 2019.

Property tax (63%) and Consolidated Sales Tax (34%) revenues account for 97 percent of all General Fund revenues. The remaining three percent of the General Fund's revenues are generated from library fines, programming and rental charges, revenue from contract libraries and investment income.

The District's operating tax rate will remain at 9.42 cents per \$100 of assessed valuation. This rate includes the District's Supplemental City-County Relief Tax (SCCRT) Loss Tax rate (NRS 354.59813) of .61 cents in the District's base operating rate.

Expenditures

The proposed preliminary General Fund budget amounts to \$72.2 million, a \$3.9 million increase as compared to FYE 2019.

The FYE 2020 Tentative Budget proposes \$10.8 million in library materials expenditures, an increase of 5.8% over current levels. The proposed appropriation amounts to 15% of the total General Fund budget.

A \$7.5 million transfer is proposed in the FYE 2020 Tentative Budget from the General Fund to the Capital Projects Fund. See the section for the Capital Projects Fund below for further discussions regarding the anticipated transfer.

The General Fund’s ending fund balance is projected at \$8.1 million and amounts to 11% of the total budget, which is slightly higher than the minimum management requirement of 10%.

Las Vegas-Clark County Library District FYE 2020				
	FYE 2019 Budget	Preliminary FYE 2020 Budget	Variance FYE 2020 vs. FYE 2019	Percent Increase (Decrease)
General Fund	68,266,415	72,174,938	3,908,523	5.73%
Special Revenue Funds:				
Gift Fund	815,000	815,000	-	0.00%
Grant Fund	1,800,000	1,800,000	-	0.00%
Capital Projects Fund	13,526,603	13,314,200	(212,403)	(1.57%)
Debt Service Fund	7,658,250	10,000	(7,648,250)	(99.87%)
Total	92,066,268	88,114,138	-3,952,130	-4.29%

Special Revenue Funds

Activity in the Gift, Expendable Trust, and Grant Funds are accounted for in Special Revenue Funds. The Gift and Expendable Trust Funds account for donations to the District and expenditures are estimated to be \$815,000 in FYE 2020. The Grant Fund of \$1,800,000 accounts for revenues and expenditures for monies received from state and federal grants. All grants are budgeted as funding is approved by the State.

Capital Projects Fund

A \$7.5 million transfer is proposed from the General Fund to be appropriated to the different programs within the Capital Projects Fund. The transfer is designated for major building repairs and maintenance, technology replacements and upgrades, library materials, and construction projects.

Debt Service Fund

The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general obligation bonds. Currently, the District has no outstanding debt obligations requiring repayment of bonds.

Pending Board direction for any additional changes, staff will prepare a FYE 2019 Proposed Budget that incorporates any necessary adjustments subsequent to the administrative filing of the FYE 2020 Tentative Budget with the Department of Taxation. Staff will be available to answer questions.

Recommended Action:

This is for discussion only as the basis for preparing the Tentative Budget for submittal to the State Department of Taxation by April 15, 2019.

FY 2019-20 Tentative Budget Overview

Finance and Audit Committee

April 11, 2019

Presented by
Fred James, Deputy Director/CFO
Floresto Cabias, Assistant Finance Director

**Las Vegas-Clark County Library District
FYE 2020**

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Revenues – General Fund

Revenue = \$66.7M

- **Taxes = 97% of General Fund revenue**
 - **Property Tax – 7.2%↑, \$3.0M**
 - **Consolidated Sales Tax – 7.5%↑, \$1.7M**
- **Other Revenue:**
 - **Fines**
 - **Charges for Services (contract libraries)**
 - **Rentals**
 - **Miscellaneous**

General Fund Expenditures = \$72.2M

- **Salaries and Benefits = \$2.7M↑**
- **Supplies and Services = \$653K↑**
- **Library Media Materials = \$589K↑**



Financial Forecast

Las Vegas-Clark County Library District Budget Projections FY 2020-21 Through FY 2024-25

General Fund	5 Years							
	Actual 2017-18	Estimated 2018-19	Tentative Budget 2019-20	Projected 2020-21	Projected 2021-22	Projected 2022-23	Projected 2023-24	Projected 2024-25
Revenue	64,567,920	69,541,044	71,390,000	74,352,685	77,512,674	81,000,744	84,645,778	88,539,484
Expenditures	58,073,676	62,115,188	72,174,938	74,799,741	77,806,380	81,046,723	84,434,063	87,975,350
Excess (Deficiency) of Revenues over Expenditures	6,494,244	7,425,856	(784,938)	(447,056)	(293,706)	(45,979)	211,715	564,134
Less transfers out	7,400,000	6,200,000	7,500,000	12,851,000	8,300,000	8,400,000	8,600,000	8,800,000
Excess (Deficiency) of Revenues over Expenditures & Transfers Out	(905,756)	1,225,856	(8,284,938)	(13,298,056)	(8,593,706)	(8,445,979)	(8,388,285)	(8,235,866)
Fund balance, beginning of year	16,073,788	15,168,032	16,393,888	15,413,905	9,695,850	8,991,708	8,770,753	8,958,136
Fund balance, end of year	15,168,032	16,393,888	8,108,950	2,115,850	1,102,144	545,729	382,468	722,270
Projected Savings			7,304,955	7,580,000	7,889,564	8,225,024	8,575,668	8,944,448
Fund balance, end of year Adjusted	15,168,032	16,393,888	15,413,905	9,695,850	8,991,708	8,770,753	8,958,136	9,666,717
	26.12%	26.39%	21.36%	12.96%	11.56%	10.82%	10.61%	10.99%
Capital Project								
Beginning Balance	32,903,223	16,745,482	10,030,017	4,265,817	3,167,995	58,049	1,153,420	50,281
Misc Revenue	23,362		50,000					
Proceeds from sale of Capital Assets	1,034,254							
Transfers-In From Gen Fund	7,400,000	6,200,000	7,500,000	12,851,000	8,300,000	8,400,000	8,600,000	8,800,000
Total available for the year	41,360,839	22,945,482	17,580,017	17,116,817	11,467,995	8,458,049	9,753,420	8,850,281
Less Budgeted/Projected Capital expenditures	24,615,357	12,915,465	13,314,200	13,948,822	11,409,946	7,304,629	9,703,139	7,999,693
Available Fund Balance For Construction Program at 6-30	16,745,482	10,030,017	4,265,817	3,167,995	58,049	1,153,420	50,281	850,588

Capital Projects Fund Projected Expenditures Projected FY 2020-21 Through FY 2024-25

-To Capital Project Programs	2019-20 Budeted Expenditures	2020-21 Projected Expenditures	2021-22 Projected Expenditures	2022-23 Projected Expenditures	2023-24 Projected Expenditures	2024-25 Projected Expenditures
Integrated Library System Replacement Program		300,000	300,000	300,000	300,000	300,000
Technology Replacements & Upgrades Program	1,927,000	950,000	950,000	950,000	950,000	950,000
Building Repair & Maintenance Program	2,702,500	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Vehicle Purchase & Replacement Program	200,000	100,000	100,000	100,000	100,000	100,000
Library Materials Program		-	-	-	-	-
Furniture Purchase & Replacement Program	200,000	100,000	100,000	100,000	100,000	100,000
Financial Services Program	305,000	305,000	305,000	305,000	305,000	305,000
Programming & Venues Program	479,700	500,000	500,000	500,000	500,000	500,000
Capital Construction Program*	7,500,000	10,193,822	7,654,946	3,549,629	5,948,139	4,244,693
Total Capital Project Expenditures	13,314,200	13,948,822	11,409,946	7,304,629	9,703,139	7,999,693



Questions?