

**NORTH LAS VEGAS LIBRARY DISTRICT  
BOARD OF TRUSTEES  
SPECIAL MEETING MINUTES**

May 4, 2010

Website - <http://www.cityofnorthlasvegas.com>

**CALL TO ORDER**

5:00 P.M., Council Chambers, 2200 Civic Center Drive, North Las Vegas, Nevada

**ROLL CALL**

**PRESENT**

Vice Chairwoman Rita Langford  
Trustee Vernie Borgersen  
Trustee Aaron Hegji  
Trustee Delbert Leavitt  
Trustee Nona Whipple

**EXCUSED**

Chairwoman Cathy Lynch  
Trustee Monica Beasley

**STAFF PRESENT**

City Clerk Karen L. Storms  
Library Director Kathy Pennell  
Deputy City Attorney Noel Eidsmore  
Finance Director Phil Stoeckinger  
Finance Budget Manager Tom Baker  
Chief Deputy City Clerk Jennifer Snyder

**WELCOME**

Vice Chairwoman Rita Langford

**VERIFICATION**

Karen L. Storms, CMC  
City Clerk

**BUSINESS**

**2. RESOLUTION NO. 110; A RESOLUTION AMENDING A COOPERATIVE AGREEMENT BETWEEN THE CITY OF NORTH LAS VEGAS AND THE NORTH LAS VEGAS LIBRARY DISTRICT; AND PROVIDING THE EFFECTIVE DATE HEREOF.**

Resolution No. 110 as introduced by the Library Director:

RESOLUTION NO. 110; A RESOLUTION AMENDING A COOPERATIVE AGREEMENT BETWEEN THE CITY OF NORTH LAS VEGAS AND THE NORTH LAS VEGAS LIBRARY DISTRICT; AND PROVIDING THE EFFECTIVE DATE HEREOF.

Library Director Kathy Pennell explained that the Library Board approved Resolution No. 109 which authorized the refunding of the medium-term bond for the Aliante Library. She explained that Bank of America, who funded the bond, had concerns about the loan agreement with the City for the Alexander Library. Resolution No. 110 amended the agreement to address Bank of America's concerns. The amended agreement was scheduled for City Council approval on May 19, 2010. Director Pennell explained that the changes included language which made the loan with the City subordinate to Bank of America's agreement. Bank of America was concerned that the medium-term bond was an obligation of the Library District, but the City had the authority to levy the tax for the District. The amendment stated the City would agree to levy a tax for the Library District in an amount minimally sufficient to pay the debt service on the bond. The existing tax levied by the City, in support of the library, was sufficient to repay the bond and no increase to the tax levy was necessary. Finance Director Phil Stoeckinger explained that the agreement stated "to take such actions on the levy of taxes." The agreement was reviewed by the City's Bond Counsel who submitted an opinion that the City had made reductions. If the contributions from the City were not sufficient, a tax levy would be required. Director Stoeckinger explained that Bank of America was attempting to secure their payments since the Aliante Library was built prior to the Alexander Library.

ACTION: PASSED AND ADOPTED

MOTION: Trustee Borgersen

SECOND: Trustee Whipple

AYES: Vice Chairwoman Langford, Trustees Borgersen, Hegji, Leavitt and Whipple

NAYS: None

ABSENT: Chairwoman Lynch and Trustee Beasley

ABSTAIN: None

**1. APPROVAL TO ADOPT THE NORTH LAS VEGAS LIBRARY DISTRICT TENTATIVE BUDGET FOR FISCAL YEAR 2010-2011.**

Library Director Pennell explained that the City Council approved the reduction in force initiative in April and the Tentative Budget was not available for distribution at the March 23, 2010 Library Board meeting. The final budget would be presented to the City Council on May 18, 2010 and any changes would be presented to the Library Board at the May 25, 2010 meeting.

Budget Manager Tom Baker provided a financial update and explained that the City Council approved a budget reduction program on April 1, 2010 which included 204 layoffs. The tentative budget was reviewed with the City Council on April 7, 2010. He explained the budget was required to be filed with the State by April 15, 2010. A hearing to adopt the FY2010-2011 budget was scheduled for May 18, 2010.

Manager Baker discussed actions taken by the City which included a reduction in the book collection in the amount of \$100,000; deletion of vacant positions; budget reduction program in the amount of \$585,000; and Aliante Library debt restructuring.

Manager Baker reviewed service cuts as they related to the library and explained there were four categories the City sought when attempting to balance the budget which included cost recovery, workload decline, service cuts and streamlining.

Manager Baker discussed the debt restructuring impact on the Aliante Library. He showed a graph with the projected savings over the next five years. He explained there would be a net impact of approximately \$700,000 for the debt restructuring.

The Library District's three-year financial trend showed that expenditures outpaced revenues and the fund balance declined each year. The amounts were based on the current contractual commitments.

Manager Baker said the City's General Fund showed a deficit of approximately \$28 million for FY2012 and special revenue funds were projected to be at a deficit which included the Public Safety Fund. He explained that an additional budget reduction program was needed and would be developed in July 2010. Only recurring increases to revenues or recurring reductions to expenditures should be considered.

Manager Baker recommended that the Library Board approve the FY2010-11 Final Budget in the amount of \$3,648,320.

Director Pennell explained that approximately \$2.6 million of the budget related to salaries and benefits and \$500,000 was debt service. The remaining funds of approximately

\$650,000 would have to cover materials, utilities, janitorial services, automation contract, technology, and supplies for all three libraries. Manager Baker explained there was a savings from the construction of the Alexander Library which would be used to repay the library debt.

ACTION: APPROVED

MOTION: Trustee Hegji

SECOND: Trustee Whipple

AYES: Vice Chairwoman Langford, Trustees Borgersen, Hegji, Leavitt and Whipple

NAYS: None

ABSENT: Chairwoman Lynch and Trustee Beasley

ABSTAIN: None

### **PUBLIC FORUM**

There was no public participation.

### **ADJOURNMENT**

ACTION: THE MEETING ADJOURNED AT 5:23 P.M.

MOTION: Trustee Whipple

SECOND: Trustee Borgersen

AYES: Vice Chairwoman Langford, Trustees Borgersen, Hegji, Leavitt and Whipple

NAYS: None

ABSENT: Chairwoman Lynch and Trustee Beasley

ABSTAIN: None

**APPROVED: July 27, 2010**

/s/ Rita Langford

Cathy Lynch, Chairwoman

**ATTEST:**

/s/ Karen L. Storms

Karen L. Storms, CMC  
City Clerk