

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

January 25, 2011

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

Chairwoman Cathy Lynch
Trustee Monica Beasley
Trustee Vernie Borgersen
Trustee Aaron Hegji
Trustee Delbert Leavitt
Trustee Nona Whipple

EXCUSED

Vice Chairwoman Rita Langford

STAFF PRESENT

City Clerk Karen L. Storms
Library Director Kathy Pennell
Chief Deputy City Clerk Jennifer Snyder

WELCOME

Chairwoman Cathy Lynch

VERIFICATION

Karen L. Storms, CMC
City Clerk

AGENDA

1. APPROVAL OF THE NORTH LAS VEGAS LIBRARY DISTRICT BOARD OF TRUSTEES REGULAR MEETING AGENDA OF JANUARY 25, 2011.

ACTION: APPROVED

MOTION: Trustee Borgersen

SECOND: Trustee Whipple

AYES: Chairwoman Lynch, Trustees Beasley, Borgersen, Hegji, Leavitt and Whipple

NAYS: None

ABSENT: Vice Chairwoman Langford

ABSTAIN: None

BUSINESS

2. APPROVAL OF NORTH LAS VEGAS LIBRARY DISTRICT BOARD OF TRUSTEES REGULAR MEETING MINUTES OF SEPTEMBER 28, 2010.

ACTION: APPROVED

MOTION: Chairman Lynch

SECOND: Trustee Hegji

AYES: Chairwoman Lynch, Trustees Beasley, Borgersen, Hegji, Leavitt and Whipple

NAYS: None

ABSENT: Vice Chairwoman Langford

ABSTAIN: None

3. UPDATE ON THE CITY OF NORTH LAS VEGAS' LEGISLATIVE EFFORTS REGARDING CONSOLIDATED TAX.

Councilwoman Anita G. Wood explained consolidated tax was a critical issue for the City which affected both the City and Library District. The City Council would seek support from the Legislators regarding an interim consolidated tax study on behalf of the City.

Councilwoman Wood explained the City had two methods to generate revenue; property taxes and consolidated taxes. Consolidated taxes consisted of sales, liquor, cigarette, real estate property transfer and government service taxes. Government service tax was included in vehicle registration fees. She explained tax revenue was collected by the State and reallocated to counties and cities based on two parts. The first part was the base allocation which was guaranteed to each entity and adjusted each year by the consumer price index. The problem was the allocation was based on how the City was in 1981. At that time, the population was approximately 40,000 residents. Due to the base allocation, the City was penalized on how the revenue was collected. The second part was revenue in excess of the base allocation which was distributed in accordance with a growth related formula. Councilwoman Wood explained the City experienced an increase in growth over the last ten years which helped the growth of consolidated tax. Due to the base allocation, the City did not receive a fair share. Councilwoman Wood said the City experienced the same growth as the City of Henderson with less consolidated tax revenue to deal with the growth which resulted in an increase in property tax.

Councilwoman Wood reviewed the following per capita statistics:

1999

| | |
|-------------------------|-------|
| City of Henderson | \$313 |
| City of Las Vegas | \$348 |
| City of North Las Vegas | \$260 |

2009

| | |
|-------------------------|-------|
| City of Henderson | \$299 |
| City of Las Vegas | \$373 |
| City of North Las Vegas | \$188 |

Councilwoman Wood discussed how consolidated tax affected the library. Consolidated tax was 23% of the City's revenue. The City had the only library district in the State that did not receive consolidated tax. The Library District funding was at the 2005 level when the City had one library. Currently there were three libraries operating at the same level as one. In FY2009-2010 there was a positive amount in the Library District funding. A positive amount remained for FY2010-2011, based on current projections. For FY2011-2012, the library would have a deficit. Councilwoman Wood said the City needed to look at the General Fund to subsidize the Library District funding.

Councilwoman Wood showed a graph which depicted FY2009-2010 Property Tax and C-Tax by Library District per Capita with the following results:

| | |
|-------------------------|-------------|
| City of Boulder City | |
| Property Tax | \$50 |
| <u>Consolidated Tax</u> | <u>\$31</u> |
| Per Capita Total | \$81 |
| | |
| City of Las Vegas | |
| Property Tax | \$35 |
| <u>Consolidated Tax</u> | <u>\$12</u> |
| Per Capita Total | \$47 |
| | |
| City of Henderson | |
| Property Tax | \$19 |
| <u>Consolidated Tax</u> | <u>\$ 7</u> |
| Per Capita Total | \$26 |
| | |
| City of North Las Vegas | |
| Property Tax | \$18 |
| <u>Consolidated Tax</u> | <u>-0-</u> |
| Per Capita Total | \$18 |

Councilwoman Wood said the figures were unacceptable for the third largest city in the State.

Councilwoman Wood explained consolidated tax resembled a pie. There was no method to increase the City's share of the pie without decreasing another entity's share. In current economic times, no entity was willing to give up a portion of their share. In the past the City requested a base adjustment from the Legislature for additional funds. In preparation for the upcoming Legislative Session, the City submitted a bill draft request asking for a consolidated tax interim study to be completed during 2012, when the Legislative Session did not meet, to review the formula and determine if there was a better method to divide the money fairly. She explained the City requested that entities who did not receive their fair share, receive compensation as growth improves.

Councilwoman Wood explained the consolidated tax interim study would accomplish the following:

- Review the effects of economic recession on the distribution formula
- Review the impact of consolidated tax revenue that fell short of the base allocation on funding for future growth versus re-establishment of base allocation

- Assess compliance of current distribution with original legislative intent
- Support future growth

Councilwoman Wood explained the City Council requested support from the Library District Board of Trustees to inform the Legislature the consolidated tax funding was critical for the Library District. She explained the City's intent was to request immediate correction to the consolidated tax for the library but was concerned if the issue arose during the upcoming Legislative Session, the Legislature could possibly take funds away.

Chairman Lynch stated the Library Board of Trustees would support the City Council in their efforts.

ACTION: UPDATE GIVEN

STAFF REPORT

Library Director Kathy Pennell spoke about the effects mandatory furlough days had on library services. She recommended placing the issue on a future agenda for discussion. She showed statistics of a downward trend in usage due to reduced hours. Chairman Lynch felt the issue should be placed on a future agenda to develop a plan regarding possible use of volunteers to assist staff during furlough days.

BOARD ITEMS

There were no additional items.

PUBLIC FORUM

Bob Borgersen, 7617 Island Rail Drive, North Las Vegas, spoke in support of the consolidated tax interim study. He questioned whether information could be distributed to library patrons regarding the consolidated tax interim study and urge them to contact Legislators in support of the study.

ADJOURNMENT

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

MOTION: Chairwoman Lynch

SECOND: Trustee Whipple

AYES: Chairwoman Lynch, Trustees Beasley, Borgersen, Hegji, Leavitt and Whipple

NAYS: None

ABSENT: Vice Chairwoman Langford

ABSTAIN: None

APPROVED: May 3, 2011

/s/ Cathy Lynch

Cathy Lynch, Chairwoman

ATTEST:

/s/ Jennifer Snyder

Karen L. Storms, CMC

City Clerk