

**VEGAS PBS  
AND COMPONENT UNIT  
SOUTHERN NEVADA PUBLIC TELEVISION  
(A PUBLIC TELECOMMUNICATIONS ENTITY LICENSED  
TO THE INDIVIDUALS ELECTED TO THE BOARD OF TRUSTEES  
OF THE CLARK COUNTY SCHOOL DISTRICT)**

**JUNE 30, 2019 AND 2018**

**VEGAS PBS AND COMPONENT UNIT SOUTHERN NEVADA PUBLIC TELEVISION  
(A PUBLIC TELECOMMUNICATIONS ENTITY LICENSED TO THE INDIVIDUALS ELECTED  
TO THE BOARD OF TRUSTEES OF THE CLARK COUNTY SCHOOL DISTRICT)**

**JUNE 30, 2019 AND 2018**

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**VEGAS PBS**  
**LETTER OF TRANSMITTAL**  
**FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

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January 15, 2020

Dear Viewers and Donors,

We are pleased to present the audited annual financial statements of Vegas PBS and of its discretely presented 501(c)(3) nonprofit organization, Southern Nevada Public Television(SNPT), for the fiscal year ending June 30, 2018. The statements are presented in accordance with Corporation of Public Broadcasting (CPB) requirements. CPB regulations require that public broadcasting stations receiving CPB funds must file a set of financial statements presented in accordance with generally accepted accounting principles (GAAP) according to pronouncements of the Governmental Accounting Standards Board (GASB) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. These documents fulfill these requirements and include several voluntary statements intended to provide donors a better picture of how Vegas PBS uses their investments to provide public service television services in Nevada.

This Letter of Transmittal includes an extended discussion of the public service accomplishments of Vegas PBS and vision for future services of interest to donors. In accordance with our commitment to donor transparency and accountability, this audit, the SNPT IRS Form 990, and our annual Federal Communications Commission (FCC) Equal Employment Opportunity (EEO) reports are posted online at [VegasPBS.org/about/reports-records/](http://VegasPBS.org/about/reports-records/).

The accounting firm of Eide Bailly LLP, a firm of licensed certified public accountants, was selected to perform the fiscal year 2018 audit. Eide Bailly LLP concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Vegas PBS' financial statements for fiscal year ended June 30, 2018, are fairly presented in conformity with GAAP.

GAAP also requires that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of Management's Discussion and Analysis (MD&A). This

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letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Vegas PBS' MD&A can be found on page 10, immediately following the *Independent Auditor's Report*.

The focus of every day at Vegas PBS is how to use the technologies of television, cable, internet, and mobile to help forge an ever-stronger community through educational, informational and cultural programming and related events. It has been an exciting year for Vegas PBS, and we are pleased to provide readers of this financial audit with updates on the impact of your investments.

### **Viewership**

Southern Nevadans have been busy watching Vegas PBS! Last year, Channel 10 was the 2<sup>nd</sup> most watched PBS station in the country when measured as a percentage of total possible viewers. In addition, two other Vegas PBS channels, **VEGAS PBS KIDS** and **Create**, ended the year ranked second and sixth most watched nationally compared to other similar channels.

As a local broadcaster, we strive to tailor our PBS service to local viewer interests. We achieve this with local productions, supplemental program acquisitions, and extensive outreach events. Thanks to supporters and viewers like you, this is now the 11<sup>th</sup> year in a row that Vegas PBS is in the top five viewed PBS stations nationally. Please continue watching, streaming, downloading, and attending our great programs and sharing local events among your family, friends and neighbors!

During our 50<sup>th</sup> anniversary year, our internet-enabled websites reached a record-shattering 2 million online program views each month. Your support has made additional noteworthy accomplishments possible, including our refreshed public affairs program, **Nevada Week**, which launched in July 2018 and has already grown to more than 30,000 informed, influential and engaged weekly viewers.

### **Awards**

Vegas PBS' local shows have achieved regional and national recognition. In the last 12 months, award-winning local programs included **Power of Love**, which focused on Alzheimer's disease, the local road to a cure and the work of the Cleveland Clinic and Lou Ruvo Center for Brain Health, **Remembering Vietnam: Las Vegas Veterans**, **Nevada Week** and **Outdoor Nevada**. Each program was the recipient of a 2019 Telly Award. In addition, ***Remembering Vietnam: Las Vegas Veterans*** and ***Outdoor Nevada*** were awarded regional Emmy Awards.

### **Education**

Vegas PBS was founded in 1968 by educators who had a strong commitment to improving children's education and providing lifelong learning for adults. In the 2018/2019 school year, Vegas PBS content was streamed more than 772,000 times. With average classroom sizes of 35 students, it can be estimated that

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this content had aggregate classroom viewership of more than 27 million views. Teachers understand and value the impact of these educational resources to support and reinforce their curriculum.

Supplementing our broadcast television content, the Vegas PBS literacy outreach program, Ready To Learn, facilitated more than 800 community workshops reaching more than 156,000 parents, teachers and children. At these events, Vegas PBS distributed more than 100,000 grant-funded books to low income families eager to build at-home libraries.

PBS pioneered the broadcast of closed captions for the deaf and hard of hearing and audio descriptions for the blind and vision-impaired. Building on these broadcast services, a statewide grant-funded Special Needs Resource Library was developed on our campus. Last year, it loaned more than 23,000 physical items, helping to support the growth and development of those with special needs.

Healthy and successful adults are lifelong learners. Fifty years ago we broadcast GED courses on Saturday and Sunday mornings for adults seeking a high school diploma. Today our courses are delivered through the internet 24 hours a day, 7 days a week. Vegas PBS offers over 320 online career certification courses to support local employer workforce needs and an additional 600 online skills classes to support personal career advancement. This audit reflects the station's economic revenue from more than 4,500 online course enrollments, and an additional 3,000 life-changing career certification tests that were administered in our campus computer lab. It does not measure the profound economic impact of a well-trained workforce, or the security felt by families with higher personal income due to increased education. Whether a high school diploma, Praxis teaching certificate, pharmacy technician, or ASE technician, Vegas PBS is pleased to use its evolving educational technology to support workers, retirees, and local employers quench their thirst for continuing education.

### **Unique Experiences**

Educational television stimulates viewers to experience what they see on the screen. Vegas PBS likes to meet the people who love our programs, and our viewers love to meet each other while extending their program interests on a guided trip, educational seminar or cultural performance. This year more than 2000 attendees participated in financial planning seminars, international journeys, regional bus trips, local concerts and events, cooking demonstrations, and celebrity visits. For some upcoming experiences click [here](#).

### **Broadcast Quality & Emergency Response**

Our facility, and much of the equipment in it, is 10 years old. With technology changing quickly, our broadcast Engineering Department has completed an audit of equipment and developed a future replacement timeline as well as a preventive maintenance checklist to ensure that the programs you love will continue to reach you in your living room and on your streaming devices. Additionally, Vegas PBS

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secured funds to support first responders in our community through an upgrade of our public safety Datacast systems, which transmit digital media to emergency responders and emergency messages to your personal mobile devices.

### **Community Support**

All of us at Vegas PBS are grateful to our members for demonstrating their continued support of our television programs, internet services, and outreach events. Individuals donated over \$2,950,000 in annual support revenue plus an additional \$658,000 in testamentary gifts which were placed in the endowment funds. We know many who use our programs are too young or lack the resources to support the station, so those who are able are especially treasured. Corporations and foundations provided over \$3,059,000 for program and event sponsorships or spectrum leases. Competitive government grants yielded almost \$973,000 and instructional services earned almost \$3,324,000. These diversified revenue sources help to insure the financial stability and editorial independence of the station.

### **The Year Ahead**

There is an exciting year ahead including the introduction of *Spotlight Series*, a regular and ongoing series of forums, community, member and donor events tied to local and national programs, as well as the new season of *Outdoor Nevada* next fall and, of course, the 2020 election cycle. You can also expect to see an updated look on all branding and marketing elements, as well as on-air presence. This brand refresh will impact PBS at the national and local levels and will help mark the 50<sup>th</sup> anniversary of PBS's national mission of connecting people and community with trusted, quality programming and educational services. This year Vegas PBS achieved industry-leading audience ratings, high classroom and internet media usage, significant adult education enrollments, and healthy growth in private sector support. We are pleased to present this financial audit for the investors in these services.

Respectfully submitted,



Thomas Axtell

General Manager



## Independent Auditor's Report

To the Board of Trustees  
of the Clark County School District and  
The Southern Nevada Public Television Board of  
Vegas PBS  
Las Vegas, Nevada

### **Report on the Financial Statements**

We have audited the accompanying financial statements and the discretely presented component unit, of Vegas PBS, as of and for the years ended June 30, 2019 and 2018, and the related notes to the financial statements, which collectively comprise Vegas PBS's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**What inspires you, inspires us. Let's talk. | [eidebailly.com](http://eidebailly.com)**

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Vegas PBS and its discretely presented component unit as of June 30, 2019 and 2018 and the respective changes in financial position and, where applicable, cash flows, thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

#### *Clarification of Reporting Entity*

As discussed in Note 1, the financial statements of Vegas PBS are intended to present the financial position and changes in financial position and cash flows of only that portion of the financial reporting entity of the Clark County School District that is attributable to the transactions of Vegas PBS. They do not purport to, and do not, present fairly the financial position of the Clark County School District as of June 30, 2019 and 2018, the changes in its financial position, or where applicable, its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 10 through 15, the schedule of the proportionate share of net pension liability and defined benefit plan contributions, and the schedules of changes in the Entity's total OPEB liability and related ratios on pages 48 through 52 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise Vegas PBS' basic financial statements. The introductory section and supplemental schedules of functional expenses are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplemental schedules of functional expenses are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United State of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audits of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is fluid and cursive, with "Eide" and "Bailly" connected, and "LLP" in a smaller, separate section.

Las Vegas, Nevada  
January 16, 2020

**VEGAS PBS AND COMPONENT UNIT SOUTHERN NEVADA PUBLIC TELEVISION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

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The Management's Discussion and Analysis (MD&A) provides narrative and analysis on the financial position and activities of Vegas PBS for the fiscal years ending June 30, 2019, 2018, and 2017. The financial statements include the financial activity of several service units of Vegas PBS and its related 501(c)3 nonprofit corporation, Southern Nevada Public Television (SNPT). SNPT is a legally separate and tax-exempt entity which meets all of the amended GASB 61 criteria to be discretely presented as a component unit to Vegas PBS. The activities of SNPT are not included in the MD&A.

We encourage readers to consider the information on the company's public service impact provided in our preceding letter of transmittal, in conjunction with the financial statements immediately following this report including the accompanying note disclosures and supplemental information.

**Overview of the Financial Statements**

Vegas PBS is licensed to the individuals elected as Trustees of the Clark County School District and subsequently approved as licensees by the Federal Communications Commission. The daily operation of the Station is divided into different service units and each unit has a director responsible for overseeing the decision making and budgetary responsibilities. Each service unit operates with distinctly different revenue streams which are aggregated in these financial statements. Generally, the Public Service Television and Media unit depends primarily on private sector philanthropy, competitive foundation and government grants, and matching grants from the Corporation for Public Broadcasting which are based primarily on the amount of non-federal funds secured by the Station; the Educational Media Services unit relies on fee-for-service direct reimbursements from county, state and federal governments, supplemented by competitive private grants; while the Workforce Training and Economic Development unit funds its services primarily from tuition payments provided by students, employers, job training programs, or economic development authorities. Management believes this deliberate effort to diversify revenue sources is a critical business strategy that engages a wide range of funders around specific services of high institutional civic or personal value. Funder engagement in specific services increases the likelihood of annual support renewals, and builds long term revenue stability during any economic period.

The financial statements consist of the following components:

- Statement of Net Position
- Statement of Revenues, Expenses and Changes in Net Position
- Statement of Cash Flows
- Supplemental Schedule of Functional Expenses

The statement of net position combines and consolidates all of Vegas PBS' current financial resources presenting them as capital assets, deferred outflows of resources, long term obligations, and deferred inflows of resources using the accrual basis of accounting as of June 30, 2019 and 2018. The end result is net position that is separated into three components: investment in capital assets, restricted and unrestricted net position.

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The Statement of Revenues, Expenses and Changes in Net Position shows operating revenues and expenses during fiscal years 2019 and 2018 resulting in net operating income/(loss) which includes depreciation and is then combined with non-operating revenues/(expenses), capital and endowment contributions to provide the total change in net position. Non-operating revenues include interest income, income from endowments, gains or losses on investments, testamentary gifts, and other revenues not directly related to daily operations.

The Statement of Cash Flows shows the sources and uses of cash flows from operations, cash flows from non-capital financing activities, cash flows from capital and related financing activities and cash flows from investing activities during fiscal years 2019 and 2018.

The financial statements also include notes to explain and provide more detailed information to help the reader better understand the financial activities presented in the financial statements.

The Supplemental Schedule of Functional Expenses is a voluntary schedule offered to help readers, donors, and those concerned with charitable accountability understand the Vegas PBS combined expenditures by function with depreciation expense being detailed as a separate line in the supplemental schedule. Vegas PBS spent 77% of its budget on program services and 23% on fundraising and administrative costs during 2019, 78% of its budget on program services and 22% on fundraising and administrative costs during 2018 and 77% on program services with 23% on fundraising and administrative costs during 2016. All expenditures are reported by related function as prescribed by the Corporation for Public Broadcasting's application of principles of accounting and financial reporting to public telecommunications entities.

The financial statements were prepared using the accrual method of accounting. This means that revenues are recognized when earned, and expenses are recognized when incurred.

For the past five years, Vegas PBS has offered members the opportunity to pay their pledges over the span of a year or through an ongoing sustaining donor program in which donors have a predetermined amount automatically deducted each month from their personal account. Management makes historical estimates of amounts of installment pledges collectible and has determined that the rate of 15% accurately reflects the uncollectible rate. The \$40,135 in pledges receivable at June 30, 2019 represents the outstanding pledges due less a 15% allowance for uncollectable pledges of \$6,229. On June 30, 2018 the pledges receivable balance was \$33,905 which represented outstanding pledges due less a 15% allowance for uncollectable pledges of \$5,983. On June 30, 2017 the pledges receivable balance was \$43,462 which represented the outstanding pledges due less a 15% allowance for uncollectable pledges of \$7,670.

Capital assets are recorded at original cost, reported net of accumulated depreciation, and included in the statement of net position. The statement of net position and statement of revenues, expenses and changes in net position follow the accrual method of accounting. Capital assets in excess of \$5,000 are capitalized and depreciated over the useful life of the asset. The statement of cash flows presents the sources and uses of funds and gives a complete understanding of our current available funds. Readers of these statements should understand that under GASB, the purchase of an asset is recognized as depreciation expense over the life of the asset.

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**Analysis of the Financial Statements**

**Condensed Statement of Net Position**

	2019	2018	2017
<b>ASSETS</b>			
Current assets	\$ 662,926	\$ 1,586,523	\$ 1,442,114
Restricted current assets	2,336,428	2,648,139	2,518,259
Capital assets, net	<u>27,516,585</u>	<u>29,240,622</u>	<u>31,128,088</u>
<b>TOTAL ASSETS</b>	<b><u>30,515,939</u></b>	<b><u>33,475,284</u></b>	<b><u>35,088,461</u></b>
<b>DEFERRED OUTFLOWS</b>	<b><u>1,095,391</u></b>	<b><u>965,828</u></b>	<b><u>1,051,928</u></b>
<b>LIABILITIES</b>			
Current liabilities	925,020	1,537,910	1,453,954
Noncurrent liabilities	<u>7,273,506</u>	<u>6,798,221</u>	<u>6,470,780</u>
<b>TOTAL LIABILITIES</b>	<b><u>8,198,526</u></b>	<b><u>8,336,131</u></b>	<b><u>7,924,734</u></b>
<b>DEFERRED INFLOWS</b>	<b><u>450,729</u></b>	<b><u>474,970</u></b>	<b><u>408,200</u></b>
<b>NET POSITION</b>			
Net investment in capital assets	27,516,585	29,240,622	31,128,088
Restricted for:			
Endowment	2,336,428	2,648,139	2,518,259
Unrestricted	<u>(6,890,938)</u>	<u>(6,258,750)</u>	<u>(5,838,892)</u>
<b>TOTAL NET POSITION</b>	<b><u>\$ 22,962,075</u></b>	<b><u>\$ 25,630,011</u></b>	<b><u>\$ 27,807,455</u></b>

Current assets, including cash and cash equivalents, receivables and prepaid expenses, changed from \$1,586,523 in 2018 to \$662,926 in 2019. The \$923,597 decrease was primarily due to the \$334,457 decrease in prepaids and the \$464,367 decrease in due from SNPT. \$352,924 in cash was generated in operating activities and grant receivables decreased by \$474,768. Current assets increased \$144,409 from 2017 to 2018.

Capital Assets continues to decrease due to depreciation expenses of \$1,724,037 in 2019 and \$1,887,466 in 201. Vegas PBS has not significantly invested in new capital equipment over the last 2 years. As ATSC 3.0 standards move forward in the next few years and equipment requirements begin to need Ultra HD capabilities, Vegas PBS is planning a major equipment update of an approximately \$6 Million - \$9 Million over the next 3-5 years.

With the Building and Land being new in 2011, Vegas PBS has chosen not to fund the depreciation on these capital assets. The following chart shows a breakdown of the existing Vegas PBS capital assets: (see following page)

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**Capital Assets, presented below, are recorded at cost.**

	<b>2019</b>	<b>2018</b>	<b>2017</b>
Land	\$ 2,026,492	\$ 2,026,492	\$ 2,026,492
Building and improvements	33,931,742	33,973,122	33,973,122
Vehicles and equipment	<u>15,104,299</u>	<u>15,124,827</u>	<u>15,174,093</u>
Total cost of capital assets	<u>51,062,533</u>	<u>51,124,441</u>	<u>51,173,707</u>
 Less: accumulated depreciation	 <u>(23,545,948)</u>	 <u>(21,883,819)</u>	 <u>(20,045,618)</u>
 Net capital assets	 <u>\$ 27,516,585</u>	 <u>\$ 29,240,622</u>	 <u>\$ 31,128,089</u>

In accordance with GASB 68 and subsequent adjustments required by GASB 82, Vegas PBS recognized its portion of the CCSD deferred inflows and outflows related to the pension liability CCSD carries as a participant in the state of Nevada's Public Employees Retirement System. As of June 30, 2019, the deferred pension and OPEB related outflows were \$1,095,391 with deferred pension and OPEB related inflows of \$450,729. A net pension liability of \$6,708,089 was recognized with a net OPEB liability of \$275,312. June 30, 2018 deferred pension related outflows were \$965,828 with deferred pension related inflows of \$474,970 and a net pension liability of \$6,196,207. The June 30, 2017 deferred pension related outflows were \$1,051,928 with deferred pension related inflows of \$408,200 and a net pension liability of \$6,095,942.

Current liabilities decreased by \$612,890 from June 30, 2018 to June 30, 2019 due to the repayment made to CCSD for \$434,630 and a decrease in unearned revenues by \$123,388. The increase in current liabilities of \$83,956 from June 30, 2017 to June 30, 2018 was due an increase in unearned revenues by \$82,698.

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**Condensed Statement of Revenues, Expenses and Changes in Net Position**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Operating revenues	\$ 12,323,922	\$ 12,656,966	\$ 12,737,295
Operating expenses before depreciation	(13,348,518)	(12,809,917)	(13,467,547)
Depreciation expenses	<u>(1,724,037)</u>	<u>(1,887,466)</u>	<u>(2,129,162)</u>
Operating income/(loss)	<u>(2,748,633)</u>	<u>(2,040,417)</u>	<u>(2,859,414)</u>
Non-operating revenues	78,284	114,968	228,789
Non-operating expenses	-	-	-
Non-operating income/(loss)	<u>78,284</u>	<u>114,968</u>	<u>228,789</u>
Income/(loss) before capital and endowment contributions	(2,670,349)	(1,925,449)	(2,630,625)
Capital and endowment contributions	<u>2,413</u>	<u>16,250</u>	<u>67,250</u>
Change in net position	(2,667,936)	(1,909,199)	(2,563,375)
Net Position, July 1	<u>25,630,011</u>	<u>27,807,455</u>	<u>30,370,830</u>
Prior period restatement	-	<u>(268,245)</u>	-
Net position, beginning (as restated)	<u>25,630,011</u>	<u>27,539,210</u>	<u>30,370,830</u>
Net Position, June 30	<u>\$ 22,962,075</u>	<u>\$ 25,630,011</u>	<u>\$ 27,807,455</u>

In 2019 Vegas PBS had a decline in operating revenues of \$333,044, or 2.7%, due to the loss of over \$2 Million in revenues from the Health Card Contract with SNHD. Membership and corporate sponsorship revenues continued to increase in 2019 however they were unable to completely fill the deficit left by the Health Card Contract. From 2017 to 2018 operating revenues decreased from \$12,737,295 in 2017 to \$12,656,966 in 2017 representing a 0.7% decline.

An increase in operating expenses from \$12,809,917 in 2018 to \$13,348,518 in 2019 was due to a one-time payment of \$560,000 related to a contractual agreement associated with the health card content through June 2019 even though minimal health card trainings were provided. A decrease in operating expenses from \$13,467,547 in 2017 to \$12,809,917 in 2018 was due to management's effort to cut expenses station-wide as corporate sponsorship revenues were below projections.

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**Requests for Information**

This financial report is designed to provide donors, members, investment managers, foundations, and taxpayers with a general overview of Vegas PBS finances and to account for the funding it receives. It is also intended to help the reader better understand the format of the financial statements. Additional details can be requested by mail at the following address:

Vegas PBS  
3050 East Flamingo Road  
Las Vegas, Nevada  
(702) 799 -1010

VEGAS PBS AND COMPONENT UNIT SOUTHERN NEVADA PUBLIC TELEVISION  
 A PUBLIC TELECOMMUNICATIONS ENTITY LICENSED TO THE BOARD OF TRUSTEES OF THE CLARK COUNTY SCHOOL DISTRICT  
 STATEMENTS OF NET POSITION  
 JUNE 30, 2019 AND 2018

	2019		2018	
	Primary (Vegas PBS)	Component Unit (SNPT)	Primary (Vegas PBS)	Component Unit (SNPT)
<b>ASSETS</b>				
Current Assets:				
Cash and cash equivalents	\$ 296,983	\$ 1,065,213	\$ -	\$ 832,009
Accounts receivable	203,088	-	156,306	14,010
Due from SNPT	96,088	-	560,455	-
Pledges receivable, net allowance	40,135	-	33,905	-
Grants receivable	26,632	140,918	501,400	156,745
Prepaid expenses	-	-	334,457	11,738
	662,926	1,206,131	1,586,523	1,014,502
Restricted current assets:				
Investments held by trustees	2,336,428	2,086,972	2,648,139	1,352,025
	2,999,354	3,293,103	4,234,662	2,366,527
Noncurrent Assets:				
Capital assets, net	27,516,585	-	29,240,622	-
	30,515,939	3,293,103	33,475,284	2,366,527
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
OPEB related - contributions	17,507	-	17,289	-
Pension related	1,077,884	-	948,539	-
	1,095,391	-	965,828	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
	31,611,330	3,293,103	34,441,112	2,366,527
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable	334,910	86,677	384,374	48,466
Accrued salaries and benefits	237,017	-	239,720	-
Due to Vegas PBS	-	96,088	-	560,455
Due to Clark County School District	-	-	434,630	-
Compensated absences-current	353,093	-	355,798	-
Unearned revenue	-	-	123,388	59,563
	925,020	182,765	1,537,910	668,484
Noncurrent Liabilities:				
Compensated absences	294,228	-	326,702	-
Total OPEB liability	271,189	-	275,312	-
Net pension liability	6,708,089	-	6,196,207	-
	7,273,506	-	6,798,221	-
	8,198,526	182,765	8,336,131	668,484
<b>DEFERRED INFLOWS OF RESOURCES</b>				
OPEB related - difference between projected and actual experiences and investment earnings	5,099	-	13,670	-
Pension related - difference between projected and actual experiences and investment earnings	445,630	-	461,300	-
	450,729	-	474,970	-
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>				
	8,649,255	182,765	8,811,101	668,484
<b>NET POSITION</b>				
Net investment in capital assets	27,516,585	-	29,240,622	-
Restricted for:				
Endowments:				
Expendable	2,336,428	1,886,972	2,648,139	1,152,025
Nonexpendable	-	200,000	-	200,000
Unrestricted	(6,890,938)	1,023,366	(6,258,750)	346,018
	\$ 22,962,075	\$ 3,110,338	\$ 25,630,011	\$ 1,698,043

See accompanying notes.

**VEGAS PBS AND COMPONENT UNIT SOUTHERN NEVADA PUBLIC TELEVISION**  
**A PUBLIC TELECOMMUNICATIONS ENTITY LICENSED TO THE BOARD OF TRUSTEES OF THE CLARK COUNTY SCHOOL DISTRICT**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

	2019		2018	
	Primary (Vegas PBS)	Component Unit (SNPT)	Primary (Vegas PBS)	Component Unit (SNPT)
<b>OPERATING REVENUES:</b>				
Instructional media fees from the Clark County School District	\$ 3,323,967	\$ -	\$ 3,041,798	\$ -
Membership donations	2,775,974	178,351	2,674,953	72,587
Community service grant from Corporation for Public Broadcasting	1,450,007	-	1,387,902	-
Corporate spectrum leasing	1,224,644	-	1,188,975	-
Program sponsorship, corporation and foundation donations	984,668	849,557	679,209	126,611
Educational media grants	840,804	81,628	715,604	67,796
SNPT contribution to Vegas PBS	430,026	-	1,073,855	-
In kind facilities and administrative services from Clark County School District	398,006	-	448,881	-
Direct support services from Clark County School District	375,424	-	408,782	-
Workforce development	326,885	80,703	439,248	2,552,108
Grants-state and local government	132,132	241,772	501,400	237,994
Contract production	44,340	-	93,264	-
Special events	13,350	-	-	-
Other revenue	3,089	-	2,613	-
Royalties and rebates	606	-	482	-
Total operating revenues	<u>12,323,922</u>	<u>1,432,011</u>	<u>12,656,966</u>	<u>3,057,096</u>
<b>OPERATING EXPENSES:</b>				
Contribution to Vegas PBS	-	430,026	-	1,073,855
Programming and production	4,325,160	27,702	4,632,624	33,023
Broadcasting	1,851,292	-	1,705,752	-
Educational media services	1,824,745	2,352	2,320,033	2,248
Membership services	1,547,582	2,450	1,406,224	622
Management and general	1,346,227	47,022	1,116,317	18,166
Workforce development	1,217,082	268,965	336,430	1,855,443
Sponsor solicitation	639,538	133	672,573	695
Promotion	596,892	460	619,964	32,936
Operating expenses before depreciation	<u>13,348,518</u>	<u>779,110</u>	<u>12,809,917</u>	<u>3,016,988</u>
Depreciation - Building, Land Impr.	1,009,664	-	1,009,664	-
Depreciation - Equipment, Furniture/Fixtures	714,373	-	877,802	-
Total Depreciation	<u>1,724,037</u>	<u>-</u>	<u>1,887,466</u>	<u>-</u>
Total operating expenses	<u>15,072,555</u>	<u>779,110</u>	<u>14,697,383</u>	<u>3,016,988</u>
Total operating income/(loss)	<u>(2,748,633)</u>	<u>652,901</u>	<u>(2,040,417)</u>	<u>40,108</u>
<b>NON-OPERATING REVENUES (EXPENSES):</b>				
Earnings/(loss) on investments	78,284	102,536	114,968	45,688
Gain/(loss) on disposal of asset	-	-	-	-
Total non-operating revenues/(expenses)	<u>78,284</u>	<u>102,536</u>	<u>114,968</u>	<u>45,688</u>
Income/(loss) before capital and endowment contributions	(2,670,349)	755,437	(1,925,449)	85,796
Contributions to endowments	2,413	656,858	16,250	221,622
Change in net position	(2,667,936)	1,412,295	(1,909,199)	307,418
Net position - July 1	25,630,011	1,698,043	27,807,455	1,390,625
Prior period restatement	-	-	(268,245)	-
Net position beginning (as restated)	<u>25,630,011</u>	<u>1,698,043</u>	<u>27,539,210</u>	<u>1,390,625</u>
Net position - June 30	<u>\$ 22,962,075</u>	<u>\$ 3,110,338</u>	<u>\$ 25,630,011</u>	<u>\$ 1,698,043</u>

See accompanying notes.

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STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	Primary (Vegas PBS) 2019	Primary (Vegas PBS) 2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers	\$ 890,994	\$ 1,064,460
Cash received from Clark County School District	3,323,967	3,041,798
Cash received from other sources	7,796,818	6,971,687
Cash paid for services and supplies	(5,364,440)	(5,333,645)
Cash paid to employees	(6,294,415)	(6,642,127)
Net cash provided (used) by operating activities	<u>352,924</u>	<u>(897,827)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Due/(Repayment) to Clark County School District	(434,630)	434,630
Net cash provided (used) by capital and related financing activities	<u>(434,630)</u>	<u>434,630</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Earnings (loss) on investments	(21,311)	(11,814)
Disbursement from Endowment Funds	400,000	-
Net cash flows from investing activities	<u>378,689</u>	<u>(11,814)</u>
Net increase (decrease) in cash and cash equivalents	296,983	(475,011)
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<u>-</u>	<u>475,011</u>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<u>\$ 296,983</u>	<u>\$ -</u>
<b>Reconciliation of operating loss to cash provided (used) by operating activities:</b>		
Operating income (loss)	\$ (2,748,633)	\$ (2,040,417)
<i>Adjustments to reconcile operating loss to net cash provided (used) by operating activities:</i>		
Depreciation	1,724,037	1,887,466
Admin fees charged to endowment funds	13,719	13,153
Changes in assets and liabilities:		
(Increase)/Decrease in accounts receivable	417,585	(65,905)
(Increase)/Decrease in pledges receivable	(6,230)	9,557
(Increase)/Decrease in prepaid expense	334,457	(95,830)
(Increase)/Decrease in grants receivable	474,768	(467,242)
Increase/(Decrease) in accounts payable	(49,464)	(79,803)
Increase/(Decrease) in accrued salaries and benefits	(2,703)	(344,315)
Increase/(Decrease) in compensated absences	(35,179)	(57,390)
Increase/(Decrease) in pension liability and related deferrals	358,078	256,754
Increase/(Decrease) in OPEB liability and related deferrals	(4,123)	3,447
Increase/(Decrease) in unearned revenue	<u>(123,388)</u>	<u>82,698</u>
Total adjustments	3,101,557	1,142,590
Net cash provided (used) by operating activities	<u>\$ 352,924</u>	<u>\$ (897,827)</u>
<b>Noncash investing, capital, and financing activities</b>		
Contributions/(Distributions) and earnings from capital endowment held by a third-party trustee	<u>\$ (311,711)</u>	<u>\$ 129,880</u>

See accompanying notes.

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NOTES TO FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2018**

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**NOTE 1 – Summary of Significant Accounting Policies**

**Reporting Entity**

Vegas PBS (the “Station”) operates a digital non-commercial television station delivering three program streams over-the-air and via cable; three cable channels; six educational broadband channels; and 21 classroom cable channels. Vegas PBS also maintains an educational media library with online broadband and physical delivery resources; a statewide Described and Captioned Media Center; online credit courses serving teachers and other educational workers, and professional career certification; a community engagement/outreach program; multiple websites; and a public safety data warehousing and transmitter system.

For financial reporting purposes, Vegas PBS is considered part of the Clark County School District (“District”). The individuals elected to the Board of Trustees of the District and subsequently approved by the Federal Communications Commission are licensed to operate the non-commercial television stations in the public interest, necessity and convenience. Vegas PBS issues these separate audited financial statements in accordance with the requirements and guidelines established by the Corporation for Public Broadcasting (“CPB”).

**Discretely Presented Component Unit**

The Station’s financial statements present Vegas PBS, a division of the Clark County School District and Southern Nevada Public Television, a related 501(c)(3) Nevada nonprofit corporation. Southern Nevada Public Television (“SNPT”) is included in the Station’s reporting entity as a discretely presented component unit because of the financial accountability criteria in GASB Statement No. 14, *The Financial Reporting Entity* as amended by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. SNPT meets the criteria to be reported with the Station as a discretely presented component unit. These criteria are:

- The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.
- The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
- The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

SNPT solicits funds in the name of and with the approval of the Station. Funds are distributed by SNPT to the Station in amounts determined by the Board of Directors of SNPT (of which the General Manager and a CCSD Trustee are members). The timing and the purpose for which such distributions are to be used are controlled by SNPT in cooperation with Vegas PBS.

**Basis of Presentation**

In May 2005, the CPB issued guidance for financial reporting under GASB No. 34 *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments* in their guide *Application of Principles of Accounting and Financial Reporting to Public Telecommunications Entities*.

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**NOTE 1 – Summary of Significant Accounting Policies (continued)**

CPB encourages all public broadcasting entities to present their financial statements as an enterprise fund. Vegas PBS has adopted this method for their financial statement presentation.

**Measurement Focus and Basis of Accounting**

These financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Vegas PBS accounts for its operations in a manner similar to a private business enterprise - where the intent of the governing body is to finance the cost (expenses, including depreciation) of providing goods and services on a continuing basis or recover the cost of services primarily through fees to customers. Vegas PBS generally fully funds capital investments in advance of acquisition. Although Vegas PBS funds the majority of its capital investments in buildings and equipment in advance of purchase, the value of these investments is shown as a depreciation expense in the operating budget as the beneficial use of the assets are consumed. Careful attention to the accompanying notes is suggested to fully understand the financial position of Vegas PBS.

The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial principles. As a division of CCSD, Vegas PBS must follow Governmental Accounting Standards.

Vegas PBS’ policy for defining operating activities, as reported on the statement of revenues, expenses and changes in net position, are those that generally result from the provision of public service media or instructional technology services and from the production of program material for distribution over electronic networks and broadcast channels. Revenues associated with, or restricted by donors for capital improvements, and revenues and expenses that result from financing and investing activities are recorded as non-operating revenues.

**Cash and Investments**

Cash includes cash deposited in interest-bearing accounts at banks and cash held as part of the Clark County School District Investment Pool. These investments are in the custody of fiscal agents and consist of United States Treasury bills and notes, government agency securities, commercial paper, negotiable certificates of deposit, and government money market funds. Both Vegas PBS and SNPT have investments held by the Nevada Community Foundation. In fiscal year 2019 Vegas PBS and SNPT elected to withdraw its funds from Nevada Community Foundation’s investment pool and instead utilize Raymond James as their investment manager while still maintaining Nevada Community Foundation as the fiscal agent.

Investments are reported at fair value on the statement of net position. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties other than in a forced liquidation or sale. Changes in the fair value of investments are included in investment income on the statement of revenues, expenses and changes in net position as non-operating revenues (expenses). See **Note 2**.

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**NOTE 1 – Summary of Significant Accounting Policies (continued)**

Investments are based on the valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices in active markets for identical assets;
- Level 2 inputs are significant other observable inputs;
- Level 3 inputs are significant unobservable inputs.

Vegas PBS has reviewed their investments and determined all investments are either Level 1 or 2 inputs and measured at their fair value levels as of June 30, 2019.

Vegas PBS' cash and cash equivalents are considered to be cash on hand, demand deposits, non-negotiable certificates of deposit, and short-term investments with original maturities of three months or less from the date of acquisition.

**Restricted Investments**

Restricted investments include donations that are subject to restrictions imposed by gift instruments or donor communications. These restrictions may be for capital purchases, for program production or may require that principal be invested and only the net income be utilized by the Station in a manner similar to an endowment fund.

**Accounts Receivable**

Accounts receivable balances primarily represent amounts due for underwriting and production contracts. Vegas PBS does not anticipate any collection losses with respect to the receivable balances.

As a result, a zero allowance for doubtful accounts has been established. If accounts become uncollectible, the balances will be charged to expenses when the determination is made.

**Pledges Receivable**

Pledges represent unconditional promises to make future payments. Pledges meeting the requirements specified by GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions* ("GASB 33") are included in the financial statements as pledges receivable and recognized as revenue in the period pledged. Pledges extending beyond one year are discounted to recognize the present value of the future cash flows. In addition, pledges are recorded net of an allowance. The allowance for uncollectible pledges is determined by management and this allowance is reviewed on an annual basis.

**Grants Receivable**

Grants receivable balances represent amounts due from government agencies, non-profit foundations or private donors, in accordance with the terms of the grant agreement. Once the requirements of the grant contracts are satisfied, a receivable is recorded and revenue is recognized in the period the terms are completed. Because grants are contractual agreements and have a very high likelihood of collection, no allowance is used.

**Capital Assets**

Capital assets are defined by GASB as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. If purchased or constructed, all capital assets are recorded at historical cost or estimated historical cost and updated for additions and retirements during the year. Net

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**NOTE 1 – Summary of Significant Accounting Policies (continued)**

interest paid on construction bonds is included in the capital cost of the Technology Campus under GASB rules. Donated capital assets are valued at their acquisition value per GASB 72, as of the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Capital Assets</u>	<u>Years</u>
Buildings	50
Building improvements	20
Heavy trucks and vans	7-10
Vehicles	5
Computer hardware	5
Various other equipment	3-25

**Deferred Outflows and Deferred Inflows of Resources**

Deferred outflow of resources represents a consumption of net position that applies to a future period so will not be recognized as an outflow of resources (expense/expenditure) until then. The pension and Postemployment Benefits Other Than Pensions (OPEB) contributions resulted from the Vegas PBS portion of the District pension and OPEB related contributions subsequent to the measurement date but before the end of the fiscal year and pension related changes in proportion since the prior measurement date.

Deferred inflow of resources represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The difference between projected and actual experience and investment earnings are related to the calculation of Vegas PBS' portion of the District's net pension liability and OPEB liability.

**Compensated Absences**

Certain hourly employees do not receive vacation leave. For other employees, vacation leave is earned at rates dependent on length of employment and can be accumulated to a specified maximum number of days. Employees of Vegas PBS are considered employees of the District for purposes of determining benefits and the ultimate liability for the payment of these benefits remains with the District. The future portion of the District's accrued compensated absences for Station employees has been recorded in these financial statements. The District requires Vegas PBS to reimburse it for payments made for those employees funded by donations and grants.

**Accrued Salaries and Benefits**

Vegas PBS salaries earned but not paid by June 30, 2019 and June 30, 2018 have been accrued as liabilities and shown as expense for the current year.

**Long-Term Obligations**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, requires governments calculate and report the costs and obligations associated with pensions in their basic financial statements.

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**NOTE 1 – Summary of Significant Accounting Policies (continued)**

Employers are required to recognize pension amounts for all benefits provided through the plan which include the net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense.

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the net position of the State of Nevada Public Employees Retirement System (“PERS”), the fiduciary, and additions to/deductions from PERS’s net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Vegas PBS recognized the portion of these calculations that were attributable to the salaries and benefits for Vegas PBS.

In 2016 GASB issued Statement No. 82, *Pension Issues* with the objective of addressing some issues raised with previous GASB statements including Statement No. 68. More specifically, GASB Statement No. 82 addressed the following issues (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

Because PERS is a state-wide multi-employer plan that covers substantially all public employees of the State, its agencies and its political subdivisions, including employees of CCSD, it is the responsibility of the State Controller’s office to perform the GASB calculations according to the applicable pension related statements and disseminate that information to the applicable agencies and political subdivisions for the inclusion in their CAFRs. Vegas PBS in turn recognizes its portion of these calculations in its Financial Statements.

In 2017, Vegas PBS also adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. This statement replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. The implementation of this standard requires governments calculate and report the costs and obligations associated with other postemployment benefits in their basic financial statements. Employers are required to recognize OPEB amounts for all benefits provided through the plans which included the total OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense.

For the purpose of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense have been determined on the same basis as they are reported by Public Employees’ Benefits Plan (PEPB). For this purpose, benefit payments are recognized by the District and Vegas PBS when due and payable in accordance with the benefit terms.

**Net Position**

In the statement of net position, net position is categorized into the following:

*Net investment in capital assets* – This is the component that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding

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**NOTE 1 – Summary of Significant Accounting Policies (continued)**

unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

*Restricted Net Position* – The component of net position that reports the constraints placed on the use of net resources by either external parties and/or enabling legislation.

*Unrestricted Net Position* – The component of net position that is the difference between the assets, deferred outflows, liabilities and deferred inflows not reported in *net investment in capital assets* and *restricted net position*.

It is Vegas PBS' policy to expend restricted resources first and to use unrestricted resources after restricted resources have been depleted.

**Negative Net Position**

The effect of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* which records the District's proportionate share of the fiduciary net position liability on their financial statements resulted in a negative net position on Vegas PBS' Statement of Net Position. Contributions are paid into PERS on behalf of the District's employees, and pursuant to statute, there is no obligation on the part of the employer to pay for their proportionate share of the unfunded liability. The impact of recording the net pension liability could possibly result in a negative net position, which is the case in both fiscal years 2018 and 2019 for Vegas PBS.

**Pledges and Contributions**

The Station engages in periodic fundraising campaigns manifested by on-air and mail-fundraising appeals. These appeals encourage supporters, both individuals and organizations, to provide financial contributions to the Station for enhancement of program offerings, technology services, educational services and other operating activities. Station contributions are frequently evidenced by pledges received from responding viewers. Contributions, including unconditional promises to give and membership receipts are recognized as revenue in the period received or given. However, uncollected pledges are not enforceable against contributors. Management analysis of historical collection data along with collection forecasts for the different types of pledges resulted in a fifteen percent rate of allowance for uncollectible contributions receivable and this figure was used in the calculation of net pledges receivable. Contributions and collected pledges are components of the unrestricted operating fund in as much as their usage is not limited to specific activities of the Station. This usage is consistent with appeals for contributions and pledges.

**Revenue Recognition**

Revenues include business-like fees for service income and support income. Fees for service include fees charged for contract productions, instructional television services, cable management, and sponsorship of programming. Fees for service are recognized as revenue when the related program is aired or the service is rendered. Support income includes traditional unrestricted charitable donations from individuals, foundations, associations or corporations that support the general mission of Vegas PBS, plus any appropriation from a unit of government, and gifts from corporations to units of government that are passed through to the Station. Support income is recognized as revenue when received. Additionally, Vegas PBS receives payments from units of government, corporations, foundations and individuals that are directed

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**NOTE 1 – Summary of Significant Accounting Policies (continued)**

to specific services such as teacher training, licensing instructional media, serving deaf or blind children, maintaining emergency response databases, training unemployed workers and workers needed for economic diversification, or promoting parental strategies to improve their children's literacy, oral health, and nutrition. The revenue from these payments is recognized when the services are performed.

**In-Kind Support and Revenue**

In-kind support and revenue represent contributions for expenses paid by outside parties on behalf of the Station. In accordance with the guidelines established by the Corporation for Public Broadcasting, the Station records all significant contributed support and revenue at fair value at the time of donation, provided the Station has a clearly measurable and objective basis for determining the value. In-kind support and revenue include contributed services, donated materials, supplies, facilities and property, contributed advertising, promotion and indirect administrative support. For all in-kind support and revenue recognized, the Station records a corresponding expense. Such expenses are presented in the Supplemental Schedule of Functional Expenses.

**Donated Facilities and Administrative Support**

Donated facilities from the District consist of building maintenance and related costs recorded as revenue and expenses. Administrative support from the District consists of allocated department costs for such services as human relations, purchasing and accounts payable based on a formula developed by the Corporation for Public Broadcasting.

**Income Taxes**

SNPT is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal or state income taxes has been made. Continued tax-exempt status is contingent on future operations being in compliance with the Internal Revenue Code.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE 2 – Cash and Investments**

Vegas PBS maintains one deposit account, participates in the cash and investment pool maintained by the Clark County School District, and has two restricted investment accounts administered by third-party trustees. All investments are reported at estimated fair value using the best information available.

SNPT maintains numerous deposit accounts in order to try and keep its funds insured by FDIC insurance, these accounts are reviewed and reconciled monthly. SNPT also has two restricted investment accounts administered by third-party trustees. All investments are reported at estimated fair value using the best information possible.

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**NOTE 2 – Cash and Investments (continued)**

As of June 30, 2019 and 2018, these amounts are broken down as follows:

<u>Vegas PBS</u>	<u>2019</u>	<u>2018</u>
Cash on deposit	\$ (801)	\$ -
Clark County School District investment pool	297,784	-
Restricted investments	<u>2,336,428</u>	<u>2,648,139</u>
 Total cash and investments	 <u>2,633,411</u>	 <u>2,648,139</u>
<u>SNPT</u>	<u>2019</u>	<u>2018</u>
Cash on deposit	\$ 780,084	\$ 547,578
Money market	285,129	284,431
Restricted investments	<u>2,086,972</u>	<u>1,352,025</u>
 Total cash and investments	 <u>3,152,185</u>	 <u>2,184,034</u>

Due to the nature of the Clark County School District investment pool, it is not possible to separately identify any specific investment as being that of Vegas PBS. Instead, Vegas PBS owns a proportionate share of each investment based on Vegas PBS's participation percentage in the investment pool. As of June 30, 2019 and 2018, the \$297,784 and \$-, respectively, of Vegas PBS investments were held in the investment pool and were categorized as follows:

Investment Type	<u>Percentage of Investment Type</u>	
	<u>2019</u>	<u>2018</u>
U.S. Treasury Bills	- %	10.6 %
U.S. Treasury Notes	34.9	15.0
U.S. Agency Obligations	43.0	55.2
Commercial Paper	9.7	4.6
State Investment Pool (NVEST):		
U.S. Treasury Bills / Notes	7.3	8.1
U.S. Agencies	0.3	0.8
Collateralized Mortgage Obligations	2.4	2.8
Asset Backed Securities	<u>2.4</u>	<u>2.9</u>
	 <u>100.0 %</u>	 <u>100.0 %</u>

The portion of Vegas PBS investments not held in the CCSD investment pool is instead held in an endowment fund with Nevada Community Foundation. The balances as of June 30, 2019 and June 30, 2018 were \$2,336,428 and \$2,648,139 respectively.

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**NOTE 2 – Cash and Investments (continued)**

The SNPT investments consist of \$279,018 held in a Wells Fargo endowment fund and \$1,807,954 held in the Nevada Community Foundation investment pool as of June 30, 2019. As of June 30, 2018, those amounts were \$388,708 and \$963,317 respectively.

Investments held by the Nevada Community Foundation and managed by Raymond James for both Vegas PBS and SNPT are categorized as follows:

Investment Type	Percentage of Investment Type to the Total Pool	
	2019	2018
Cash/Cash Equivalents	11.5 %	6.5 %
Fixed Income Funds	29.2	36.2
Domestic Stock	47.7	37.7
International Stock	11.6	17.3
Commodities	0.0	1.8
Alternative Investments	0.0	0.5
	<u>100.0 %</u>	<u>100.0 %</u>

*Interest rate risk* – Vegas PBS participates in the Clark County School District investment pool; therefore, these investments are subject to the District's investment policy. While the District pool does not have an overall investment policy that limits investments maturities as a means of managing its exposure to fair value losses arising from interest rate risk, Nevada statutes and District policy do impose certain restrictions by investment instrument. These include limiting maturities on U.S. Treasuries and Agencies to less than 10 years, limiting bankers' acceptances to 180 days maturity, limiting commercial paper to 270 days maturity and repurchase agreements to 90 days. The District's approximate weighted average maturity is 1.01 years.

U.S. Agencies, as reported above, consist of securities issued by the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Farm Credit Bank and Federal Home Loan Bank. Since investments in these agencies are in several cases backed by assets, such as mortgages, they are subject to prepayment risk. Vegas PBS' cash balance of \$296,983 at June 30, 2019, is subject to this risk.

*Credit risk* – State statute and the District's own investment policy limit investment instruments to the top rating issued by nationally recognized statistical rating organizations (NRSROs). The District's investment in commercial paper is limited to P-1 rating by Moody's Investor Service, Standard and Poor's as A-1 and Fitch Investors Service as F-1. The District's money market investments are only with those funds rated by a nationally recognized rating service as AAA or its equivalent and invest only in securities issued by the Federal Government, U.S. Agencies or repurchase agreements fully collateralized by such securities. Credit ratings for obligations of U.S. government agencies only implicitly guaranteed by the U.S. Government, such as the Federal National Mortgage Association, the Federal Farm Credit Bank, the

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**NOTE 2 – Cash and Investments (continued)**

Federal Home Loan Bank, and the Federal Home Loan Mortgage Corporation, short and long-term instruments are limited to those rated A-1 / AA, P-1 / Aaa or F1 / AAA, by Standard and Poor's, Moody's Investors Service, and Fitch Investors Service, respectively. The investment program through the State of Nevada, NVEST, is not rated by any investment service.

Vegas PBS/SNPT received an initial term endowment in fiscal year 2003-2004 and in each subsequent fiscal year including the current year. These endowment gifts are invested with Nevada Community Foundation and managed by Raymond James Financial Services which invests in various equity mutual funds in accordance with the Nevada Community Foundation and SNPT investment policy statements. One endowment gift is restricted from use for a period of time and is held in a separate account by the foundation. See **Note 13**.

*Custodial Credit Risk – Deposits* – Custodial credit is the risk that, in the event of a bank failure, the government's deposits may not be returned. In 2010 the SNPT Board of Directors approved a deposit policy to reduce custodial credit risk by opening additional FDIC insured money market accounts at Wells Fargo and US Bank, and if exposure to risk continued to increase, SNPT's Board instructed management to open additional accounts as needed to eliminate as much credit risk as possible. As of June 30, 2019, \$637,393 of SNPT's deposits in checking and money market accounts were insured through FDIC insurance accounts, leaving \$427,820 open to exposure. As of June 30, 2018, \$590,420 was insured in FDIC accounts leaving \$241,589 open to exposure. Because of the large monthly fluctuations in balances and the use of PayPal, a non-FDIC insured processor, elimination of all exposure to credit risk is not possible; however, management does try and reduce the risk as much as possible by transferring balances on a monthly basis.

*Concentrations of Credit Risk* – To limit exposure to concentrations of credit risk, the District's investment policy limits investment in bankers' acceptance notes to 15%, repurchase agreements to 25%, commercial paper to 15% and money market mutual funds to 25% of the entire portfolio on the day of purchase. As of June 30, 2019, more than 5% of the District's investments are in Federal Home Loan Bank, Federal Farm Credit Bank, JP Morgan Money Market Fund and Federal Home Loan Mortgage Corporation. These investments are 26%, 10%, 8% and 7%, respectively, of the District's total investments.

The District has the following recurring fair value measurements as of June 30, 2019:

- U.S. Treasury securities of \$509 million are valued using quoted market prices (Level 1)
- Agency securities of \$534 million are valued using matrix pricing model (Level 2)
- Commercial paper of \$79 million are valued using matrix pricing model (Level 2)
- Asset-backed securities of \$20 million are valued using matrix pricing model (Level 2)
- Collateral mortgage-backed securities of \$19 million are valued using matrix pricing model (Level 2)

The District has the following recurring fair value measurements as of June 30, 2018:

- U.S. Treasury securities of \$434 million are valued using quoted market prices (Level 1)
- Agency securities of \$448 million are valued using matrix pricing model (Level 2)
- Commercial paper of \$59 million are valued using matrix pricing model (Level 2)
- Asset-backed securities of \$19 million are valued using matrix pricing model (Level 2)
- Collateral mortgage-backed securities of \$18 million are valued using matrix pricing model (Level 2)

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**NOTE 2 – Cash and Investments (continued)**

The District does not have recurring fair value measurements as of June 30, 2019 or June 30, 2018, that are valued using significant unobservable inputs (Level 3).

Vegas PBS' endowment with Nevada Community Foundation has the following recurring fair value measurements as of June 30, 2019:

- Cash/Cash Equivalents of \$359,238 are valued using quoted market prices (Level 1)
- Fixed Income funds of \$618,313 are valued using quoted market prices (Level 1)
- Domestic stock funds of \$1,093,306 are valued using quoted market prices (Level 1)
- International stock funds of \$271,219 are valued using quoted market prices (Level 1)

Vegas PBS does not have recurring fair value measurements as of June 30, 2019, that are valued using significant unobservable inputs (Level 3).

Vegas PBS' endowment with Nevada Community Foundation had the following recurring fair value measurements as of June 30, 2018:

- Money market funds of \$171,803 are valued using quoted market prices (Level 1)
- Bond funds of \$890,220 are valued using quoted market prices (Level 1)
- Common stock funds of \$629,713 are valued using quoted market prices (Level 1)
- Equity ETFS funds of \$325,319 are valued using quoted market prices (Level 1)
- Foreign Equity ETFS funds of \$549,445 are valued using quoted market prices (Level 1)
- Commodities of \$65,200 are valued using quoted market prices (Level 1)
- Alternative Investments of \$16,647 are valued using the market valuation technique (Level 3)

The alternative investments held in Vegas PBS on June 30, 2018 were direct/co-investments in operating companies and are categorized as Level 3. These investments were valued using the market valuations technique.

SNPT's endowment with Nevada Community Foundation has the following recurring fair value measurements as of June 30, 2019:

- Cash/Cash Equivalents of \$118,209 are valued using quoted market prices (Level 1)
- Fixed Income funds of \$594,766 are valued using quoted market prices (Level 1)
- Domestic stock funds of \$884,647 are valued using quoted market prices (Level 1)
- International stock funds of \$210,332 are valued using quoted market prices (Level 1)

SNPT does not have recurring fair value measurement as of June 30, 2019, that is valued using significant unobservable inputs (Level 3)

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**NOTE 2 – Cash and Investments (continued)**

SNPT's endowment with Nevada Community Foundation had the following recurring fair value measurements as of June 30, 2018:

- Money market funds of \$63,273 are valued using quoted market prices (Level 1)
- Bond funds of \$417,409 are valued using quoted market prices (Level 1)
- Common stock funds of \$237,669 are valued using quoted market prices (Level 1)
- Equity ETFS funds of \$169,205 are valued using quoted market prices (Level 1)
- Foreign Equity ETFS funds of \$75,761 are valued using quoted market prices (Level 1)

SNPT did not have any recurring fair value measurements as of June 30, 2018, that were valued using significant unobservable inputs (Level 3)

SNPT's Wells Fargo investment of \$279,017 as of June 30, 2019 and the \$388,708 as of June 30, 2018 are all Cash and valued at current market prices (Level 1)

**NOTE 3 – Pledges and Grants Receivable**

The net pledge amount outstanding for Vegas PBS as of June 30, 2019 was \$40,135, consisting of contributions promised by donors for support of the Station and also included an allowance for uncollectable pledges of \$7,083. The net pledge amount outstanding for Vegas PBS as of June 30, 2018 was \$33,905 including an allowance for uncollectable pledges of \$5,983. All current pledges are due in less than one year so no discounting of cash flows is calculated. After an analysis of the collection rate, management maintained the 15 percent rate used in the allowance for uncollectible pledges in the net recognition of pledges receivable for 2019 and 2018. SNPT had no pledges receivable in the last two years.

The \$26,632 grants receivable balance Vegas PBS has as of June 30, 2019 represents the amount due from the Corporation for Public Broadcasting to Vegas PBS CC- ELM grant expenditures during fiscal year 2019. The \$501,400 grants receivable balance as of June 30, 2018 represents the amount due from the State of Nevada with \$392,329 being for grant Vegas PBS received in 2018 from the Nevada Commission on Educational Technology ("NCET") and \$109,071 for a grant Vegas PBS receives from the State for Public Broadcasting the State of Nevada for Nevada Public Broadcasters.

During 2019 SNPT received from the State a third Grant for the Great Teaching and Leading initiative with Clark County Education Association as a partner. As of June 30, 2019, SNPT had grants receivable from the State of Nevada in the amount of \$140,918 for Great Teaching and Leading. As of June 30, 2018, SNPT had grants receivable from the State of Nevada in the amount of \$128,901 for Great Teaching and Leading as well as \$27,844 for Desert Meadows AHEC.

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**NOTE 4 – Capital Assets**

While SNPT has no capital assets, Vegas PBS capital asset activity for the years ended June 30, 2019 and 2018 were as follows:

	Balance June 30, 2018	Additions	Deletions	Balance June 30, 2019
Capital assets, not being depreciated:				
Land	\$ 2,026,492	\$ -	\$ -	\$ 2,026,492
Capital assets, being depreciated:				
Buildings and improvements	33,973,122	-	(41,380)	33,931,742
Vehicles and equipment	15,124,827	-	(20,528)	15,104,299
Total capital assets being depreciated	<u>49,097,949</u>	<u>-</u>	<u>(61,908)</u>	<u>49,036,041</u>
Less accumulated depreciation for:				
Buildings and improvements	(9,520,333)	(1,009,664)	41,380	(10,488,617)
Vehicles and equipment	(12,363,486)	(714,373)	20,528	(13,057,331)
Total accumulated depreciation	<u>(21,883,819)</u>	<u>(1,724,037)</u>	<u>61,908</u>	<u>(23,545,948)</u>
Total capital assets being depreciated, net	<u>27,214,130</u>	<u>(1,724,037)</u>	<u>-</u>	<u>25,490,093</u>
Capital assets, net	<u><u>\$ 29,240,622</u></u>	<u><u>\$ (1,724,037)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 27,516,585</u></u>
	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
Capital assets, not being depreciated:				
Land	\$ 2,026,492	\$ -	\$ -	\$ 2,026,492
Capital assets, being depreciated:				
Buildings and improvements	33,973,122	-	-	33,973,122
Vehicles and equipment	15,174,093	-	(49,266)	15,124,827
Total capital assets being depreciated	<u>49,147,215</u>	<u>-</u>	<u>(49,266)</u>	<u>49,097,949</u>
Less accumulated depreciation for:				
Buildings and improvements	(8,510,669)	(1,009,664)	(9,520,333)	
Vehicles and equipment	(11,534,950)	(877,802)	49,266	(12,363,486)
Total accumulated depreciation	<u>(20,045,619)</u>	<u>(1,887,466)</u>	<u>49,266</u>	<u>(21,883,819)</u>
Total capital assets being depreciated, net	<u>29,101,596</u>	<u>(1,887,466)</u>	<u>-</u>	<u>27,214,130</u>
Capital assets, net	<u><u>\$ 31,128,088</u></u>	<u><u>\$ (1,887,466)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 29,240,622</u></u>

Depreciation expense was charged to the following functions:

	2019	2018
Programming and Production	\$ 29,817	\$ 53,308
Broadcasting	1,543,789	1,608,691
Educational Media	136,973	203,343
Workforce Development	5,996	5,996
Fundraising and membership solicitation	1,051	3,174
Management and General	<u>6,411</u>	<u>12,954</u>
Total depreciation expense	<u><u>\$ 1,724,037</u></u>	<u><u>\$ 1,887,466</u></u>

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**NOTE 4 – Capital Assets (continued)**

Since April 30, 1987, Vegas PBS has acquired certain broadcasting property and equipment under grants from the United States Department of Commerce. The grants carry with them a lien on all property and equipment so acquired in favor of the United States Department of Commerce extending ten years from the end of the grant period. The Station had total liens on property and equipment of \$1,871,930 at June 30, 2019 and June 30, 2018. The lien expiration dates on the property and equipment are:

		<b>2019</b>	<b>2018</b>
Award 32-01-08134	June 30, 2020	\$ 1,139,336	\$ 1,139,336
Award 32-02-10152	June 30, 2022	<u>732,594</u>	<u>732,594</u>
		<u><u>\$ 1,871,930</u></u>	<u><u>\$ 1,871,930</u></u>

**NOTE 5 – Long-Term Liabilities**

Long-term liability activity for the years ended June 30, 2019 and 2018 was as follows:

	<b>Beginning Balance</b>	<b>Change</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
Compensated absences - 2019	\$ <u>682,500</u>	\$ <u>(35,179)</u>	\$ <u>647,321</u>	\$ <u>353,093</u>
Compensated absences - 2018	\$ <u>739,890</u>	\$ <u>(57,390)</u>	\$ <u>682,500</u>	\$ <u>355,798</u>

**NOTE 6 – Due to CCSD**

Because Vegas PBS participates in the cash and investment pool maintained by the Clark County School District, Vegas PBS cash balances are combined with all District cash deposits. As of June 30, 2019, Vegas PBS was not utilizing cash from the pooled investment account and no liability was recorded. As of June 30, 2018, Vegas PBS used \$434,630 to cover payments it had made and recorded a liability on its statement of Net Position to recognize the transaction.

**NOTE 7 – Non-Federal Financial Support “NFFS”**

The CPB allocates the majority of its Congressional appropriation annually to public broadcasting entities in the form of Community Service Grants (“CSG”), based on a standard base grant plus a local fundraising incentive grant based on the amount of non-federal financial support generated by the licensee. NFFS is defined as the total value of non-federal cash and the fair market value of property and services received as either a contribution or a payment and meeting all of the respective criteria for each.

A “contribution” is cash, property or services given to a public broadcasting entity for general operational purposes. Support received as a contribution by a public broadcasting entity must meet the following criteria to be includable as NFFS: (1) the source may be an entity, except the federal government or any other public broadcasting entity; (2) the contribution may take the form of a gift, grant, bequest, donation or appropriation; (3) the purpose must be for the construction or operation of a noncommercial, educational public broadcast station or for the production, acquisition, distribution or dissemination of an educational

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**NOTE 7 – Non-Federal Financial Support “NFFS” (continued)**

television or radio program and related activities; and (4) the recipient must be a public broadcasting entity on behalf of a public broadcast station.

To eliminate distortions in the CSG grant program caused by extraordinary infusions of capital investments, all capital contributions received for purposes of acquiring new equipment or upgrading existing or building new facilities regardless of the source or form of the contribution are not included in calculating the 2019 and 2018 NFFS. The Station treats unrestricted funds designated by the board for future capital purchases as ineligible for NFFS inclusion.

A “payment” is cash, property or services received by a public broadcasting entity from specific sources in exchange for specific services or materials. Support received as a payment by a public broadcasting entity must meet the following criteria to be includable as NFFS: (1) the source must be a state, any agency or political subdivision of a state, an educational institution or organization or a nonprofit entity; (2) the form of the payment must be appropriations or contract payments in exchange for specific services or materials; (3) the purpose must be for any related activity of the public broadcast station; and (4) the recipient must be a public broadcasting entity on behalf of a public broadcast station.

Reported NFFS for the Station was \$7,545,486 and \$7,366,544 for the years ending June 30, 2019 and 2018, respectively.

**NOTE 8 – Unearned Revenue**

At June 30, 2019, neither Vegas PBS nor SNPT had any unearned revenues. At June 30, 2018 Vegas PBS recognized unearned revenues in the amount of \$123,388 for program sponsorship payments collected but not yet earned.

SNPT unearned revenues of \$59,563 as of June 30, 2018 were \$27,188 in donations reserved for the Nevada Science Bowl, \$10,000 in Grant Donations that are to be spent in FY 2019 and \$22,375 in Camp Med revenues which was held in July 2018.

**NOTE 9 – Contributed In-Kind Support**

A summary of contributed support received in 2019 and 2018 is as follows:

	<b>2019</b>	<b>2018</b>
Donated advertising	\$ 38,900	\$ 41,830
Other donated materials and services	262,548	238,637
Indirect administrative support from CCSD	398,006	448,880
Direct administrative support from CCSD	<u>375,424</u>	<u>408,782</u>
 Total	 \$ <u>1,074,878</u>	 \$ <u>1,138,129</u>

These values are included in expenses of the departments that receive benefit of the service and are further detailed in the Supplemental Schedule of Functional Expenses. Indirect costs may or may not reflect actual indirect costs incurred. Indirect cost is calculated using a CPB formula that allocates indirect costs based on a ratio of the number of employees or square footage for units of the CCSD such as Purchasing, Budget, Accounts Payable, and Human Resources.

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**NOTE 10 – Commitments and Contingencies**

Between 1998 and 2009 regulatory changes have made analog transmission and production equipment obsolete and required Vegas PBS to recapitalize its entire physical plant assets. During that time Vegas PBS was able to obtain funding through various donations, grants, and contributions to replace all of its old analog equipment and infrastructure with new digital transmission equipment and infrastructure. The value of existing analog equipment not transferred to the new building was judged nearly worthless for digital production or broadcast purposes in 2010 and the majority of useable analog equipment was donated to public schools for use in student training programs.

In order to maintain the digital television equipment and continuously improve our reach to broadcast viewers, Vegas PBS continuously strives to obtain non-district funding for various capital projects. Upon funding approval, sufficient resources are allocated in order to complete the project and fulfill matching requirements if any. Currently Vegas PBS has no outstanding projects being completed.

Since 1968 Vegas PBS's main transmitter and antenna site at Black Mountain has been leased from the site owner. The annual rental paid by Vegas PBS through fiscal year 2007 was \$1,000 plus an in-kind donation valued at \$35,000. At the end of the lease period in 2007, the site's new owners negotiated new terms. The lease value was set with Vegas PBS required to pay \$6,000 in fiscal year 2008 with no in-kind trade and rising 4% each year through 2017, with the option of two 5-year renewals. The annual rent paid by the Station was \$9,237 and \$8,882 for the years ended June 30, 2019 and 2018 respectively.

The Station leases a translator and EBS site at Mount Potosi to serve Pahrump, Nevada from Microwave Inc. for a ten-year period, which expired on June 30, 2016. The station has continued on an annual renewal but no contract has been signed. The annual rental paid by the Station was \$9,181 and \$8,402 for 2019 and 2018, respectively.

The Station leases a translator site at Christmas Tree Pass from Global Tower Partners (GTP) to serve Laughlin, Nevada and Bullhead City, Arizona. The lease was renewed in 2017 for a period of 5 years expiring on June 30, 2022. The rent paid by the Station for the years ended June 30, 2019 and 2018 was \$8,479 and \$8,134, respectively. Vegas PBS is also responsible for power costs which are currently approximately \$2,000/year.

The Station leases space in Alamo from the State of Nevada for translator equipment to serve the surrounding area. The lease agreement was renewed in 2018 for four years expiring on June 30, 2021. The annual rent paid by the Station for the years ended June 30, 2019 and 2018 was \$2,133 and \$2,133, respectively.

The Station has translator sites serving Mesquite, Bunkerville, Overton, Logandale, Moapa, Jean/Sandy Valley, Indian Springs, Alamo. There are no lease payments for these translator sites.

In 2009, the Station negotiated leases for transmitter sites serving Searchlight and Coyote Springs Nevada. The Searchlight and Coyote Springs sites are provided by the Clark County at no cost to Vegas PBS in exchange for use of digital bandwidth for emergency communications.

Following is a summary of future minimum payments required under Vegas PBS's operating leases (see following page):

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**NOTE 10 – Commitments and Contingencies (continued)**

Year ending June 30, Payments

2020	\$ 20,472
2021	21,118
2022	19,655
	<u>\$ 61,245</u>

In 2008, Vegas PBS entered into a lease agreement with Sprint Nextel, Inc. whereby Clearwire Communications (Sprint's broadband services company) leases eleven of the Station's twelve Educational Broadband Service channels for commercial use. Such leases were encouraged by the Federal Communications Commission as part of a plan to repurpose analog ITFS spectrum and provide greater bandwidth for wireless internet uses. Sprint Nextel also provided transmission and reception equipment that allowed Vegas PBS to multiplex six television program streams on a single channel. To enable these services Sprint Nextel purchased and installed equipment valued at \$1,000,000 for over 300 District sites. Title to this equipment was transferred to the inventory of each educational site.

Additional service credits for broadband services from Sprint are available to the Station. The term for this cancelable operating lease agreement is fifteen years with an automatic renewal option for an additional fifteen years for a maximum of thirty years. Under the lease terms Vegas PBS must provide a level of educational broadband services and maintain its FCC EBS licenses. The spectrum lease is an intangible asset to Vegas PBS and the District which carries no value on the financial statements. The revenue recognized during 2019 and 2018 was \$1,224,644 and \$1,188,975 respectively, which were monthly spectrum licensing fees paid by Sprint.

**NOTE 11– Defined Benefit Pension Plan**

Employees of Vegas PBS are eligible to participate in the Public Employees Retirement System of the State of Nevada (“PERS”), a cost sharing, multiple employer defined benefit plan administered by the Public Employees Retirement System of the State of Nevada. Vegas PBS itself is not a participating employer in the Plan; however, its employees are included through the membership of the Clark County School District. Contributions submitted to PERS relating to Station employees are included in expenses in these financial statements. (“STM”) percentages listed below times the member’s years of service to a maximum of 30 years. The schedule of Eligibility for Monthly Unreduced Retirement Benefits for regular members and police/fire members are as follows:

Eligibility for Regular Members:

Years of Service	Hired Prior to <u>7/1/2001</u>		Hired Between <u>7/01/01-12/31/09</u>		Hired Between <u>1/01/2010-6/30/2015</u>		Hired After <u>7/1/2015</u>	
	Age	STM %	Age	STM %	Age	STM %	Age	STM %
5 Years	65	2.5	65	2.67	65	2.5	65	2.25
10 Years	60	2.5	60	2.67	62	2.5	62	2.25
30 Years	Any age	2.5	Any age	2.67	Any age	2.5	55	2.25
33 1/3 Years							Any age	2.25

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**NOTE 11- Defined Benefit Pension Plan (continued)**

The member's beginning retirement compensation is the average of their highest working compensation for 36 consecutive months. Benefits fully vest with 5 years of service. The Plan also provides death and disability benefits. Benefits are established by state statute and provisions may only be amended through legislation.

All employees in the plan are enrolled under a non-contributory plan. District payment of what were formerly employee contributions, was made in lieu of equivalent salary increases. Per Chapter 286 of the Nevada Revised Statutes, the District's contribution was based on the actuarially determined statutory rate of 28.00% in 2018-19 for unified, licensed, and support employees of gross compensation and Vegas PBS' portion amounted to \$1,237,692 .064% of the \$1,931,037,936 total paid by all employees and employers into the Plan for the year ended June 30, 2018. The District's contributions to PERS for the years ended June 30, 2019 and 2018 were \$449,958,578 and \$447,976,526, respectively, equal to the required contributions for each year at the actuarially determined statutory rate of 28.00% for both years, for unified, licensed and support employees.

At June 30, 2019, Vegas PBS reported a liability of \$6,708,089 for its proportionate share of the District's net pension liability. The District's net pension liability was measured as of June 30, 2018 and was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the level percentage-of-payroll contribution rates required to fund the Retirement System on an actuarial reserve basis. Vegas PBS' portion was determined based its percentage of the District's payroll. At June 30, 2019 Vegas PBS' proportionate share of the District's net pension liability was 0.2037%. At June 30, 2018 Vegas PBS' Net pension liability was \$6,196,207 and 0.1910% respectively. For the year ended June 30, 2019, Vegas PBS recognized pension expense of \$366,868. At June 30, 2019 Vegas PBS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 210,146	\$ 311,370
Changes of assumptions	353,474	-
Net difference between projected and actual earnings on pension plan investments	-	31,937
Changes in proportion and differences between District contributions and proportionate share of contributions	55,992	102,323
Contributions subsequent to the measurement date	458,272	-
<b>Total</b>	<b><u>\$ 1,077,884</u></b>	<b><u>\$ 445,630</u></b>

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**NOTE 11– Defined Benefit Pension Plan (continued)**

The amount of \$458,272 was reported as deferred outflows of resources related pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows/(inflows) of resources related to pensions will be recognized in pension expense as follows:

<u>Reporting period ending June 30:</u>	<u>Amount</u>
2020	\$ 162,589
2021	47,801
2022	(114,318)
2023	32,083
2024	40,947
Thereafter	<u>4,880</u>
Total	<u><u>\$ 173,982</u></u>

*Actuarial assumptions.* The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.75%
Payroll Growth	5.00%, including inflation
Investment return	7.50%
Productivity pay increase	0.50%
Projected salary increases	Regular: 4.25% to 9.15%, depending on service Rates include inflation and productivity increases
Consumer Price Index	2.75%
Other assumptions	Same as those used in the June 30, 2018 funding Actuarial valuation

Mortality Rates – For healthy members it is Headcount-Weighted RP-2014 Healthy Annuitant Table projected to 2020 with Scale MP-2016, set forward one year for spouses and beneficiaries. For ages less than 50, mortality rates are based on the Headcount-Weighted RP-2014 Employee Mortality Tables. Those mortality rates are adjusted by the ratio of the mortality rate for healthy annuitants at age 50 to the mortality rate for employees at age 50. The mortality rates are then projected to 2020 with Scale MP-2016.

For disabled members it is the Headcount- Weighted RP-2014 Disabled Retiree Table, set forward four years.

For pre-retirement members it is the Weighted RP-2014 Employee Table, projected to 2020 with Scale MP-2016.

The RP-2014 Headcount-Weighted Mortality Tables, set forward one year for spouses and beneficiaries, reasonably reflect the projected mortality experience of the Plan as of the measurement date. The additional projection of 6 years is a provision made for future mortality improvement.

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**NOTE 11– Defined Benefit Pension Plan (continued)**

The actuarial assumptions and methods used in the June 30, 2018 actuarial valuation were adopted by the Public Employees' Retirement Board and were based on the results of the experience review completed in 2017.

The PERS Board evaluates and establishes expected real rates of return (expected returns, net of pension plan investment expenses and inflation) for each asset class. The PERS Board reviews these capital market expectations annually. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
Domestic equity	42%	5.50%
International equity	18%	5.75%
Domestic Fixed Income	30%	0.25%
Private Markets	10%	6.80%

\* As of June 30, 2018, PERS' long-term inflation assumption was 2.75%.

*Discount rate.* The discount rate used to measure the total pension liability was 7.50% as of June 30, 2018. The projection of cash flows used to determine the discount rate assumed that employees and employer contributions will be made at the rate specified in statute.

Based on that assumption, the pension plan's fiduciary net position at June 30, 2018, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2018.

*Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.* The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what it would be using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	Discount Rate (6.50%)	Discount Rate (7.50%)	Discount Rate (8.50%)
Net Pension Liability	\$ 10,235,299	\$ 6,708,089	\$ 3,787,683

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

Financial statements for the Plan are available by calling (775) 687-4200 or writing to:

Public Employees' Retirement System of Nevada  
693 W. Nye Lane  
Carson City, NV 89703-1599

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**NOTE 12 – Risk Management**

Vegas PBS is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The Clark County School District accounts for such losses through its Insurance and Risk Management Internal Service Fund, of which the Station is a participant. The District retains the risk of financial loss per occurrence as follows:

1. Worker's compensation up to \$1,250,000.
2. General liability and motor vehicle liability, with retention of \$3,000,000.
3. Errors and omissions and employment practices liability, with retention of \$3,000,000 per occurrence.
4. Property, including boiler, machinery and terrorism, with retention of \$250,000 for everything except flood which is \$500,000.
5. Media professional liability with retention of \$5,000.
6. Crime/employee dishonesty, with retention of \$50,000.
7. National Flood Insurance Program, with retention of \$50,000 for specific schools.
8. Pollution Liability- Environmental, with retention of \$100,000.
9. Cyber Liability, with retention of \$100,000 per claim.
10. Non-Owned Aircraft Liability and Premises Liability with retention of \$1,000

The District purchases commercial insurance for occurrences in excess of the foregoing retention levels. The District's insurance program is evaluated annually, utilizing industry and claims data to ensure the coverage limits remain adequate. New policies are purchased as new loss exposures are identified. Retention levels are also reviewed annually to ensure that self-funded claim payments remain at a reasonable amount. The District has four pending liability claims that have been reported to the excess insurance carrier that have an estimated settlement amount of over \$1,000,000. These four liability claims have a total of nine claimants and all involve causes of loss that are required to be reported to excess insurance. It is anticipated that one of these claims with multiple claimants will likely be settled during fiscal year 2020 in excess of the \$3,000,000 retention. Based on these claims, and the overall liability claims being filed against school district's nationwide, the District has purchased additional excess liability coverage to maintain the amount available per claim at \$20,000,000. Procedural changes have also gone into effect to help prevent future claims of this nature. In addition, there are six open worker's compensation claims that are estimated to reach over \$1,000,000 in total expenses.

The Insurance and Risk Management Internal Service Fund of the District, insures all operational activities of Vegas PBS and SNPT by charging premiums to Vegas PBS and SNPT. Premiums charged are based on estimates of the amounts needed to pay actual claims or quotes received by 3<sup>rd</sup> party insurance carriers. Vegas PBS management reviews the needs of the station annually and coordinates the appropriate insurance levels through the Risk Management department to maintain adequate coverage for all activities performed by Vegas PBS and SNPT.

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**NOTE 13 – Donor Restricted Endowments**

In 1991-92, SNPT received a \$200,000 term endowment where the corpus (principal) is to be held in perpetuity. The donor has provided instructions relating to expending the net appreciation, which is to allow SNPT to spend the corresponding appreciation to support programming concerning sports or athletics and/or finance. As of June 30, 2019 and June 30, 2018 there is \$36,457 and \$38,655 respectively, of net appreciation available to be spent.

In 2003-04, Vegas PBS received a \$650,000 term endowment, an additional \$100,000 in 2005, \$138,000 in 2006, \$10,500 in 2007, \$9,892 in 2010 and \$469 in 2015, where the corpus (principal) is restricted from use for a set period of time. The donor and probate court have provided instructions relating to expending the net appreciation, which is to allow Vegas PBS to spend the corresponding appreciation as they see fit for their various programs. In Fiscal Year 2018-2019, management drew down \$350,000 to offset the loss of revenue suffered from the cancellation of the food safety training contract with Southern Nevada Health District. In Fiscal Year 2017-2018 management chose not to draw down on the appreciation amount suggested by Nevada Community Foundation, for operations of the Station. The appreciation balance in this fund as of June 30, 2019 and June 30, 2018 was \$206,259 and \$520,570 respectively.

Vegas PBS has received other gifts in the amounts shown below and placed them in its endowment fund in the following years:

<b>Vegas PBS Endowment Fund</b>		<b>SNPT Endowment Fund</b>	
<u>Year of Donation</u>	<u>Donation Amount</u>	<u>Year of Donation</u>	<u>Donation Amount</u>
Prior to 2011	592,514	Prior to 2011	52,803
2011	63,799	2011	150,000
2012	46,629	2012	11,108
2013	22,050	2013	1,000
2014	61,250	2014	1,704
2015	21,250	2015	30,682
2016	31,250	2016	19,286
2017	67,250	2017	490,677
2018	16,250	2018	221,622
2019	2,413	2019	656,858
	<hr/> <u>\$ 924,655</u>		<hr/> <u>\$ 1,635,740</u>

It is the policy of Vegas PBS and SNPT to hold the corpus of such gifts and to spend the corresponding appreciation according to the donor's directions. These endowment funds are administered by the Nevada Community Foundation (Foundation). It is the Foundation's policy that income, limited to 4% of the fair market value of the investment, can only be distributed in December of each year.

The District does not currently have a policy restricting the authorization and spending of endowment investment income. State statute, NRS 164, allows a local government to authorize expenses of net appreciation as is prudent for the government. As of June 30, 2019 and 2018, the net appreciation amounts are \$302,305 and \$296,675, respectively in the Vegas PBS Endowment and \$172,214 and \$135,103, respectively in the SNPT endowment. The appreciation in the Nevada Community Foundation endowments may only be accessed by management in December each year. During Fiscal year 2019 management drew down \$50,000 on the Vegas PBS endowment appreciation and \$50,000 on the SNPT endowment appreciation. During fiscal year 2018 Management chose not to draw down on the endowment appreciations.

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**NOTE 14 – Transactions between SNPT and Vegas PBS**

Cash expenditures made by Vegas PBS on behalf of SNPT such as expenditures primarily associated with grants received by SNPT for the operation of Vegas PBS programs and productions are recorded as revenues and expenses in Vegas PBS. Such cash expenditures for fiscal years ended June 30, 2019 and 2018 amounted to \$430,026, and \$1,073,855, respectively, and have been listed on the statement of revenues, expenses and changes in net position.

**NOTE 15 – Post Employment Healthcare Plans**

***General Information about the Other Post Employment Benefit (OPEB) Plans***

*Plan description.* The Support Staff and Police Plan is a non-trust, single-employer defined benefit postemployment healthcare plan administered by the District. Currently, no financial report has been made publicly available.

*Plan description.* The Administrative Employee Plan is a non-trust, single-employer defined benefit postemployment healthcare plan administered by the Clark County Association of School Administrators and Professional-Technical Employees (CCASAPE) Health Trust. Currently, no financial report has been made publicly available by CCASAPE.

*Plan description.* The Licensed Employee Plan is a non-trust, single-employer defined benefit postemployment healthcare plan administered by the Teachers Health Trust (THT). The THT and the Clark County Education association (CCEA) currently determine their health insurance plan designs. The THT issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at [www.teachershealthtrust.org/about/financials](http://www.teachershealthtrust.org/about/financials).

***Provided Benefits***

Support Staff and Police Plan provides medical, dental, vision, life and long term disability for retirees and their dependents. The District and the Education Support Employees Association (ESEA) negotiate insurance plans with the insurance carriers and together, have authority to establish and amend benefit provisions. Employees have the option at retirement to pay the active rate premium. Benefits are provided through United Healthcare/ Health Plan of Nevada.

Administrative Employee Plan provides medical, dental, vision, and life and long term care and disability for retirees and their dependents. CCASAPE Health Trust negotiates insurance plans with the insurance carriers. CCASAPE, through negotiations with the District, have authority to establish and amend benefit provisions. Employees have the option at retirement to pay the active rate premium. Benefits are provided through United Healthcare / Health Plan of Nevada.

Licensed Employee Plan provides medical, dental, vision, and life insurance for retirees and their dependents. The THT and CCEA currently determine their health insurance plan designs. CCEA, through negotiations with the District, have the authority to establish and amend benefit provisions. Employees have the option at retirement to pay the active rate premium. Benefits are provided through a third-party insurer.

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**NOTE 15 – Post Employment Healthcare Plans (continued)**

***Employees covered by benefit terms***

As of the last valuation date of July 1, 2017, the following aggregated employees were covered by the benefit terms:

	Support Staff / Police Plan	Administrative Plan	Licensed Plan	Total all plans
Inactive employees or beneficiaries currently receiving benefit payments	350	243	324	917
Active employees	9,950	1,326	16,196	27,472
Covered spouses	102	95	3	200
<b>Total</b>	<b>10,402</b>	<b>1,664</b>	<b>16,523</b>	<b>28,589</b>

***Contributions***

***Support Staff and Police plan:*** The ESEA and the District negotiate contributions to the plan and together, have authority to establish and amend those contributions. Rates are established based on a contractual basis. The District does not pay a subsidy for current Support Staff and Police employees and retirees must pay their monthly premium to maintain coverage. Employees have the option at retirement to pay the active rate premium. For fiscal year 2019, the District did not directly contribute to the plan but an implied subsidy of \$1,419,100 was recognized and the Vegas PBS portion recognized was \$5,557. The District's average contribution rate was 0.37 percent of covered payroll.

***Administrative Employee plan:*** CCASAPE and the District negotiate contributions to the plan and together, have authority to establish and amend those contributions. The CCASAPE Health Trust negotiates its insurance contracts with the carriers. Rates are established based on a contractual basis. Employees have the option to pay the active rate premium. The District (via Article 21-5 of the CCSD/CCASAPE negotiated agreement) contributes \$7.28 per administrative employee per month, in addition to an implied subsidy, for a total of \$1,073,000 in fiscal year 2019. Vegas PBS recognized \$11,714 in fiscal year 2019. The District's average contribution rate was 0.71 percent of covered payroll.

***Licensed Employee plan:*** The CCEA and the District negotiate contributions to the plan and together, have authority to establish and amend those contributions. Rates are established based on a contractual basis. Per Article 28-10 of CCSD/CCEA negotiated agreement, the District does not make any contributions to the plan. Employees have the option at retirement to pay the active rate premium. For fiscal year 2019, the District contributed an implied subsidy of \$2,215,000. Vegas PBS recognized \$237 in fiscal year 2019. The District's average contribution rate was 0.21 percent of covered payroll. The Teachers Health Trust offers a subsidy to retirees based upon years of service and unused sick leave balances.

***Total OPEB Liability***

The District's total OPEB liability was measured as of July 1, 2018, and was determined by an actuarial valuation as of July 1, 2017.

***Actuarial assumptions.*** The total OPEB liability for all plans as of June 30, 2019 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified (see following page):

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**NOTE 15 – Post Employment Healthcare Plans (continued)**

Actuarial Method	Entry Age Normal - Level % of Salary Method
Measurement Date	First Day of the fiscal year (i.e. - July 1, 2018)
Census Data	As of July 31, 2017
Service Cost	The Actuarial Present Value of benefits is allocated as a level percentage over the earnings of an individual between entry age (i.e. - age at hire) and assumed retirement age(s).
Discount Rates	For the Fiscal Year Ending June 30, 2019: 3.87%
Expected Rate of Return	For the Fiscal Year Ending June 30, 2019: 3.87%
Municipal Bond Rate Basis	Bond Buyer General Obligation 20-Bond Municipal Bond
CPI	2.50%
Life Insurance Administrative Load	10.0%
Life Insurance Participation	All current retirees that elected healthcare coverage. Reinstatees and survivors are not eligible to receive the life insurance benefit
Healthy Mortality	RP-2000 Combined Healthy Mortality projected to 2014 with Scale AA, set back one year for females.
Disabled Mortality	RP-2000 Disabled Retiree Mortality projected to 2014 with Scale AA, set forward three years.
Medicare Exchange Participation	For pre-Medicare retirees with younger spouses, it is assumed the retiree and spouse will both move to the Medicare Exchange once the spouse becomes Medicare eligible (age 65). For retirees with older spouses, it is assumed the retiree and spouse will both move to the Medicare Exchange when the retiree becomes eligible.
Medicare Eligibility	Certain retirees over age 65 are not eligible for Medicare Part A as indicated on the data. For these participants, we have assumed they will not become eligible for Medicare Part A and/or B at any time in the future. For retirees with no spouses, over age 65 and participating in the CDHP, HTH, or HPN Plans, it is assumed they will not participate in the Medicare Exchange.

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**NOTE 15 – Post Employment Healthcare Plans (continued)**

*Healthcare Trend Rates.* For medical and prescription drug benefits, this amount initially is at 7.5 percent and decreases to a 4.5 percent long-term rate after eight years. For dental benefits, the trend rate is 4.0 percent.

***Support Staff and Police Plan difference in actuarial assumptions and methods:***

Mortality RP-2000 Combined Healthy Mortality projected to 2014 with Scale AA, set forward one year

Salary Scale	Inflation	2.75%
	Productivity Pay Increases	0.50%
	Promotional and Merit Salary Increases	

<u>Years of Service</u>	<u>Police/Fire</u>
< 1	10.65%
1	7.15%
2	5.20%
3	4.60%
4	4.30%
5	4.15%
6	3.90%
7	3.50%
8	3.15%
9	2.90%
10	2.50%
11	1.90%
12	1.50%
13	1.30%
14	1.30%
15 or more	1.30%

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**NOTE 15 – Post Employment Healthcare Plans (continued)**

***Administrative Employee Plan and Licensed Plan differences in actuarial assumptions and methods:***

Salary Scale	Inflation	2.75%
	Productivity Pay Increases	0.50%
	Promotional and Merit Salary Increases	

Years of Service	Regular
< 1	5.90%
1	4.80%
2	4.00%
3	3.60%
4	3.30%
5	3.00%
6	2.80%
7	2.70%
8	2.50%
9	2.35%
10	2.15%
11	1.75%
12	1.50%
13	1.25%
14	1.10%
15 or more	1.00%

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study completed in 2017.

*Long-term expected rate of return.* The plans are unfunded and have no dedicated assets.

*Discount rate.* The discount rate used to measure the total OPEB liability was 3.87 percent, up from 3.58 percent in the prior fiscal year. As the plans are not funded, the discount rate determination does not depend on the long-term rate of return on plan assets assumption.

**Changes in the Total OPEB Liability for Vegas PBS**

	Support Staff / Police Plan	Administrative Plan	Licensed Plan	Total OPEB Liability
Balance recognized at June 30, 2018	\$ 72,880	\$ 197,966	\$ 4,467	\$ 275,313
Changes Recognized for the Fiscal Year				
Service Cost	6,920	6,059	272	13,251
Interest on the Total OPEB Liability	3,041	6,680	165	9,886
Change of Assumptions	(5,982)	(15,600)	(135)	(9,753)
Benefit Payments	(5,557)	(11,714)	(237)	(17,508)
Net Changes	10,386	(14,575)	65	(4,124)
Balance Recognized at June 30, 2019	<u>\$ 83,266</u>	<u>\$ 183,391</u>	<u>\$ 4,532</u>	<u>\$ 271,189</u>

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**NOTE 15 – Post Employment Healthcare Plans (continued)**

*Benefit Changes:* None

*Changes in Assumptions:* Reflects a change in the discount rate from 3.58% as of June 30, 2018 to 3.87% as of June 30, 2019.

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the total OPEB liability of the Vegas PBS, as well as what Vegas PBS's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87 percent) or 1-percentage point higher (4.87 percent) than the current discount rate:

	1% Decrease	Current Rate	1% Increase
	2.87%	3.87%	4.87%
Support Staff/Police Plan	89,519	83,266	77,578
Administrative Plan	197,213	183,391	170,624
Licensed Plan	4,921	4,532	4,171
<b>Total OPEB Liability (Ending)</b>	<b>\$ 291,652</b>	<b>\$ 271,189</b>	<b>\$ 252,373</b>

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.* The following presents the total OPEB liability of Vegas PBS, as well as what Vegas PBS's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.5 percent decreasing to 3.5 percent) or 1-percentage-point higher (8.5 percent decreasing to 5.5 percent) than the current healthcare cost trend rates:

	1% Decrease	Trend Rate	1% Increase
	6.5% decreasing to 3.5%	7.5% decreasing to 4.5%	8.5% decreasing to 5.5%
Support Staff/Police Plan	74,778	83,266	93,216
Admin Plan	165,451	183,391	204,049
Licensed Plan	3,838	4,532	5,352
<b>Total OPEB Liability (Ending)</b>	<b>\$ 244,067</b>	<b>\$ 271,189</b>	<b>\$ 302,617</b>

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2019, Vegas PBS recognized OPEB expenses of \$(8,437). The breakdown of the \$(8,437) by plan are as follows:

	Support Staff / Police Plan	Administrative Plan	Licensed Plan	Total all plans
OPEB expense	\$ 7,693	\$ (20,525)	\$ 4,395	\$ (8,437)

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**NOTE 15 – Post Employment Healthcare Plans (continued)**

At June 30, 2019, Vegas PBS reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>Support Staff/Police Plan</b>		
Changes of assumptions	\$ -	\$ 1,557
Contributions made in Fiscal Year Ending 2019 after July 1, 2018 Measurement Date	5,556	-
Total Support Staff/Police Plan	<u>\$ 5,556</u>	<u>\$ 1,557</u>
<b>Administrative Plan</b>		
Changes of assumptions	\$ -	\$ 3,442
Contributions made in Fiscal Year Ending 2019 after July 1, 2018 Measurement Date	11,714	-
Total Administrative Plan	<u>\$ 11,714</u>	<u>\$ 3,442</u>
<b>Licensed Plan</b>		
Changes of assumptions	\$ -	\$ 100
Contributions made in Fiscal Year Ending 2019 after July 1, 2018 Measurement Date	237	-
Total Licensed Plan	<u>\$ 237</u>	<u>\$ 100</u>
<b>TOTAL ALL PLANS</b>		
Changes of assumptions	\$ -	\$ 5,099
Contributions made in Fiscal Year Ending 2019 after July 1, 2018 Measurement Date	17,507	-
<b>Total All Plans</b>	<b><u>\$ 17,507</u></b>	<b><u>\$ 5,099</u></b>

The amounts of \$17,507 was reported as deferred outflows of resources related to OPEB from District contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	Support Staff / Police Plan	Administrative Plan	Licensed Plan	Total all plans
2019	\$ (221)	\$ (508)	\$ (11)	\$ (740)
2020	(221)	(508)	(11)	(740)
2021	(221)	(508)	(11)	(740)
2022	(221)	(508)	(11)	(740)
2023	(221)	(508)	(11)	(740)
Thereafter	<u>(452)</u>	<u>(902)</u>	<u>(45)</u>	<u>(1,399)</u>
	<u><b>\$ (1,557)</b></u>	<u><b>\$ (3,442)</b></u>	<u><b>\$ (100)</b></u>	<u><b>\$ (5,099)</b></u>

**VEGAS PBS AND COMPONENT UNIT SOUTHERN NEVADA PUBLIC TELEVISION  
A PUBLIC TELECOMMUNICATIONS ENTITY LICENSED TO THE BOARD OF TRUSTEES OF THE  
CLARK COUNTY SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION**

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**SCHEDULE OF VEGAS PBS' PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Public Employees' Retirement System of Nevada**

Last 10 Fiscal Years\*

	<b>2015**</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Vegas PBS' proportion of the net pension liability (asset)	0.061%	0.041%	0.045%	0.047%	0.04918%
Vegas PBS' proportionate share of the net pension liability (asset)	6,339,081	4,720,543	6,095,942	6,196,207	6,708,089
Vegas PBS' covered payroll	\$ 3,546,732	\$ 2,459,545	\$ 2,736,905	\$ 2,977,610	\$ 3,249,121
Vegas PBS' proportionate share of the net pension liability (asset) as a percentage of its covered payroll	178.73%	191.93%	222.73%	208.09%	206.46%
Plan fiduciary net position as a percentage of the total pension liability	76.3%	75.1%	72.2%	74.4%	75.2%

\* The amounts presented for each fiscal year were determined as of 6/30.

\*\* Fiscal year 2015 was the 1st year of implementation, therefore only four years are shown.

**VEGAS PBS AND COMPONENT UNIT SOUTHERN NEVADA PUBLIC TELEVISION  
A PUBLIC TELECOMMUNICATIONS ENTITY LICENSED TO THE BOARD OF TRUSTEES OF THE  
CLARK COUNTY SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION**

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**SCHEDULE OF VEGAS PBS' CONTRIBUTIONS**

**Public Employees' Retirement System of Nevada**

Last 10 Fiscal Years\*

	<b>2015**</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Contractually required contribution	\$ 472,898	\$ 353,060	\$ 402,199	\$ 427,910	\$ 458,345
Contributions in relation to the contractually required contribution	<u>(472,898)</u>	<u>(353,060)</u>	<u>(402,199)</u>	<u>(427,910)</u>	<u>(458,345)</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>				
Vegas PBS' covered payroll	\$ 3,546,732	\$ 2,459,545	\$ 2,736,905	\$ 2,977,610	\$ 3,249,121
Contributions as a percentage of covered payroll	13.3%	14.4%	14.7%	14.4%	14.1%

\* The amounts presented for each fiscal year were determined as of 6/30.

\*\* Fiscal year 2015 was the 1st year of implementation, therefore only four years are shown.

**VEGAS PBS AND COMPONENT UNIT SOUTHERN NEVADA PUBLIC TELEVISION  
A PUBLIC TELECOMMUNICATIONS ENTITY LICENSED TO THE BOARD OF TRUSTEES OF THE  
CLARK COUNTY SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION**

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**Notes to Required Supplementary Information  
for the Year Ended June 30, 2019**

**Public Employees' Retirement System of Nevada**

*Changes of benefit terms*      There have been no changes in benefit terms since the last valuation

*Changes of assumptions*      There have been no changes in actuarial assumptions or methods since the last valuation.

**VEGAS PBS AND COMPONENT UNIT SOUTHERN NEVADA PUBLIC TELEVISION  
A PUBLIC TELECOMMUNICATIONS ENTITY LICENSED TO THE BOARD OF TRUSTEES OF THE  
CLARK COUNTY SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION**

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**SCHEDULE OF CHANGES IN VEGAS PBS' TOTAL OPEB LIABILITY AND RATIOS**

**Other Post Employment Benefits**  
Last 10 Fiscal Years\*

<b>Support Staff / Police Plan</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Total OPEB Liability</b>			
Service cost	\$ 5,832	\$ 6,784	\$ 6,920
Interest	2,584	2,194	3,041
Changes of assumptions	4,363	(3,892)	5,982
Benefit payments	(4,756)	(4,756)	(5,557)
<b>Net change in total OPEB liability</b>	<b>8,023</b>	<b>330</b>	<b>10,386</b>
<b>Total OPEB liability - beginning</b>	<b>64,527</b>	<b>72,550</b>	<b>72,880</b>
<b>Total OPEB liability - ending</b>	<b>\$ 72,550</b>	<b>\$ 72,880</b>	<b>\$ 83,266</b>
 <b>Covered payroll</b>	 -	 1,332,829	 1,516,754
 <b>Vegas PBS' total OPEB liability as a percentage of covered payroll</b>	 0.00%	 5.47%	 5.85%

**Notes to Required Supplementary Information for the Year Ended June 30, 2019**

There are no assets accumulated in a trust to pay related benefits

*Changes of benefit terms.*

None

*Changes of assumptions.*

The \$3,892 decrease in the liability from June 30, 2017 to June 30, 2018 is due to the increase in the assumed discount rate from 2.85% as of June 30, 2017 to 3.58% as of June 30, 2018.

The \$5,983 increase in the liability from June 30, 2018 to June 30, 2019 is due to the increase in the assumed discount rate from 3.58% as of June 30, 2018 to 3.87% as of June 30, 2019.

All Total OPEB Liability numbers reflect the plan provisions that are currently in effect. The Total OPEB Liabilities prior to June 30, 2019 are shown for illustrative purposes and differ solely due to the discount rate in effect at each date.

<b>Administrative Plan</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Total OPEB Liability</b>			
Service cost	\$ 5,975	\$ 7,150	\$ 6,059
Interest	7,335	5,971	6,680
Changes of assumptions	14,278	(11,300)	(15,600)
Benefit payments	(12,292)	(12,292)	(11,714)
<b>Net change in total OPEB liability</b>	<b>15,297</b>	<b>(10,471)</b>	<b>(14,575)</b>
<b>Total OPEB liability - beginning</b>	<b>193,141</b>	<b>208,437</b>	<b>197,966</b>
<b>Total OPEB liability - ending</b>	<b>\$ 208,437</b>	<b>\$ 197,966</b>	<b>\$ 183,391</b>
 <b>Covered payroll</b>	 -	 1,438,675	 1,644,597
 <b>Vegas PBS' total OPEB liability as a percentage of covered payroll</b>	 0.00%	 13.76%	 11.15%

**Notes to Required Supplementary Information for the Year Ended June 30, 2019**

There are no assets accumulated in a trust to pay related benefits

*Changes of benefit terms.*

None

*Changes of assumptions.*

The \$11,300 decrease in the liability from June 30, 2017 to June 30, 2018 is due to the increase in the assumed discount rate from 2.85% as of June 30, 2017 to 3.58% as of June 30, 2018.

The \$15,600 decrease in the liability from June 30, 2018 to June 30, 2019 is due to the increase in the assumed discount rate from 3.58% as of June 30, 2018 to 3.87% as of June 30, 2019.

All Total OPEB Liability numbers reflect the plan provisions that are currently in effect. The Total OPEB Liabilities prior to June 30, 2019 are shown for illustrative purposes and differ solely due to the discount rate in effect at each date.

\*Fiscal Year 2018 is the first year of implementation, therefore only three years are shown.

**VEGAS PBS AND COMPONENT UNIT SOUTHERN NEVADA PUBLIC TELEVISION  
A PUBLIC TELECOMMUNICATIONS ENTITY LICENSED TO THE BOARD OF TRUSTEES OF THE  
CLARK COUNTY SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION**

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**SCHEDULE OF CHANGES IN VEGAS PBS' TOTAL OPEB LIABILITY AND RATIOS (CONTINUED)**

**Other Post Employment Benefits**  
Last 10 Fiscal Years\*

<b>LICENSED PLAN</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Total OPEB Liability</b>			
Service cost	\$ 253	\$ 302	\$ 272
Interest	159	135	165
Changes of assumptions	328	(276)	(135)
Benefit payments	(241)	(241)	(237)
<b>Net change in total OPEB liability</b>	<b>498</b>	<b>(80)</b>	<b>65</b>
<b>Total OPEB liability - beginning</b>	<b>4,048</b>	<b>4,547</b>	<b>4,467</b>
<b>Total OPEB liability - ending</b>	<b>\$ 4,547</b>	<b>\$ 4,467</b>	<b>\$ 4,532</b>
<b>Covered payroll</b>	-	114,074	113,274
<b>Vegas PBS' total OPEB liability as a percentage of covered payroll</b>	0.00%	3.92%	4.00%

**Notes to Required Supplementary Information for the Year Ended June 30, 2019**

There are no assets accumulated in a trust to pay related benefits

*Changes of benefit terms.*

None

*Changes of assumptions.*

The \$276 decrease in the liability from June 30, 2017 to June 30, 2018 is due to the increase in the assumed discount rate from 2.85% as of June 30, 2017 to 3.58% as of June 30, 2018.

The \$135 decrease in the liability from June 30, 2018 to June 30, 2019 is due to the increase in the assumed discount rate from 3.58% as of June 30, 2018 to 3.87% as of June 30, 2019.

All Total OPEB Liability numbers reflect the plan provisions that are currently in effect. The Total OPEB Liabilities prior to June 30, 2019 are shown for illustrative purposes and differ solely due to the discount rate in effect at each date.

\*Fiscal Year 2018 is the first year of implementation, therefore only three years are shown.

Vegas PBS

A Public Telecommunications Entity Licensed to the Board of Trustees of the Clark County School District

Supplemental Schedule of Functional Expenses

For The Year Ended June 30, 2019

(With Comparative Totals For The Year Ended June 30, 2018)

Category	Programming & Production	Broadcasting	Promotion	Educational Media	Workforce Development
Salary	\$ 1,524,116	\$ 869,160	\$ 150,734	\$ 724,469	\$ 306,864
Benefits	619,795	349,217	72,592	295,413	87,573
Programming	1,543,740	-	-	75,172	-
Dues & Fees	11,841	9,205	14,724	21,986	723,203
Service Contracts	25,990	75,016	-	137,041	60,750
Professional Services	167,634	55,850	99,540	53,597	75
Supplies	16,964	51,914	3,379	349,195	2,183
Utilities	125,408	108,358	11,037	60,615	12,760
Premiums	-	-	-	-	-
Engineering / Legal / Technical	97,333	38,602	-	-	-
Printing	65	17,690	98,323	4,045	661
Travel & Conference	13,161	3,995	4,643	13,490	2,253
Advertising	439	200	83,637	5,399	2,937
Special Events	-	-	-	-	-
Communication Services	-	16,813	-	-	-
Postage	1,582	1,027	38,004	943	-
Repairs & Maintenance	396	51,361	-	-	-
Fiber & Tower Leases	-	31,022	-	-	-
Technology Supplies/Software	3,959	615	5,319	896	355
Equipment Rental	-	11,915	-	-	-
Vehicle Maintenance	2,769	3,632	-	326	-
Donor Recognition	-	-	-	-	173
<b>Total Non-Inkind Expenses</b>	<b>4,155,192</b>	<b>1,695,592</b>	<b>581,932</b>	<b>1,742,587</b>	<b>1,199,787</b>
Indirect Administrative Support	169,968	65,784	14,960	82,158	17,295
Donor Recognition	-	-	-	-	-
Communications	-	89,916	-	-	-
Supplies	-	-	-	-	-
Advertising	-	-	-	-	-
<b>Total Inkind Expenses</b>	<b>169,968</b>	<b>155,700</b>	<b>14,960</b>	<b>82,158</b>	<b>17,295</b>
Total Expenses Before Depreciation	4,325,160	1,851,292	596,892	1,824,745	1,217,082
Depreciation	29,817	1,543,789	-	136,973	5,996
<b>Total Expenses Including Depreciation</b>	<b>\$ 4,354,977</b>	<b>\$ 3,395,081</b>	<b>\$ 596,892</b>	<b>\$ 1,961,718</b>	<b>\$ 1,223,078</b>
Percentage of total expenses	29%	23%	4%	13%	8%

Total	Membership Services	Sponsor Solicitation	Management and General	Total	Current Year	Prior Year
\$ 3,575,343	\$ 230,308	\$ 349,721	\$ 565,469	\$ 1,145,498	\$ 4,720,841	\$ 4,475,359
1,424,590	115,783	139,221	528,828	783,832	2,208,422	1,996,020
1,618,912	-	-	109,071	109,071	1,727,983	1,655,368
780,959	87,704	3,882	68,347	159,933	940,892	625,346
298,797	352,485	-	-	352,485	651,282	578,944
376,696	128,371	61,273	27,270	216,914	593,610	777,272
423,635	24,142	4,161	1,175	29,478	453,113	559,047
318,178	13,440	7,698	14,158	35,296	353,474	383,176
-	229,743	-	-	229,743	229,743	232,632
135,935	1,672	104	-	1,776	137,711	148,265
120,784	5,809	761	30	6,600	127,384	133,920
37,542	59,116	7,289	11,007	77,412	114,954	87,535
92,612	1,923	1,098	190	3,211	95,823	118,831
-	58,493	-	-	58,493	58,493	121,061
16,813	40,719	-	-	40,719	57,532	53,862
41,556	15,155	-	-	15,155	56,711	45,801
51,757	-	-	-	-	51,757	27,088
31,022	-	-	-	-	31,022	29,542
11,144	1,279	80	1,493	2,852	13,996	-
11,915	-	-	-	-	11,915	14,549
6,727	-	-	-	-	6,727	10,385
173	5,506	-	-	5,506	5,679	6,567
<b>9,375,090</b>	<b>1,371,648</b>	<b>575,288</b>	<b>1,327,038</b>	<b>3,273,974</b>	<b>12,649,064</b>	<b>12,080,570</b>
350,165	18,218	10,434	19,189	47,841	398,006	448,880
-	120,305	-	-	120,305	120,305	143,642
89,916	-	-	-	-	89,916	10,768
-	37,411	14,916	-	52,327	52,327	84,227
-	-	38,900	-	38,900	38,900	41,830
<b>440,081</b>	<b>175,934</b>	<b>64,250</b>	<b>19,189</b>	<b>259,373</b>	<b>699,454</b>	<b>729,347</b>
9,815,171	1,547,582	639,538	1,346,227	3,533,347	13,348,518	12,809,917
1,716,575	1,051	-	6,411	7,462	1,724,037	1,887,466
<b>\$ 11,531,746</b>	<b>\$ 1,548,633</b>	<b>\$ 639,538</b>	<b>\$ 1,352,638</b>	<b>\$ 3,540,809</b>	<b>\$ 15,072,555</b>	<b>\$ 14,697,383</b>
77%	10%	4%	9%	23%	100%	

**Southern Nevada Public Television**

**A 501 c(3) non-profit entity supporting Vegas PBS**

**Supplemental Schedule of Functional Expenses**

**For The Year Ended June 30, 2019**

**(With Comparative Totals For The Year Ended June 30, 2018)**

<b>Category</b>	<b>Contribution to Vegas PBS</b>	<b>Programming &amp; Production</b>	<b>Promotion</b>	<b>Educational Media</b>	<b>Workforce Development</b>
Contribution to Vegas PBS	\$ 430,026	\$ -	\$ -	\$ -	\$ -
Professional Services		11,000	-		85,000
Salary		608	-		128,402
Dues & Fees		5	300	42	31,676
Supplies		11,984	138	2,310	7,395
Travel & Conference		4,105	-		7,707
Benefits		-	-		7,670
Engineering / legal / technical		-	-		-
Printing		-	-		1,079
Special Events		-	-		-
Technology Supplies/Software		-	-		36
Postage		-	22		-
Service Contracts		-	-		-
Advertising		-	-		-
Utilities		-	-		-
Donor Recognition		-	-		-
<b>Total Non-Inkind Expenses</b>	<b>430,026</b>	<b>27,702</b>	<b>460</b>	<b>2,352</b>	<b>268,965</b>
<b>Total Inkind Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenses Before Depreciation</b>	<b>430,026</b>	<b>27,702</b>	<b>460</b>	<b>2,352</b>	<b>268,965</b>
Depreciation	-	-	-	-	-
<b>Total Expenses Including Depreciation</b>	<b>\$ 430,026</b>	<b>\$ 27,702</b>	<b>\$ 460</b>	<b>\$ 2,352</b>	<b>\$ 268,965</b>
<b>Percentage of total expenses</b>	<b>55%</b>	<b>4%</b>	<b>0%</b>	<b>0%</b>	<b>34%</b>

Total	Membership Services	Sponsor Solicitation	Management and General	Total	Current Year	Prior Year
\$ 430,026	\$ -	\$ -	\$ -	\$ 430,026	\$ 430,026	\$ 1,073,855
96,000	-	-	35,000	35,000	131,000	72,154
129,010	-	-	-	-	129,010	684,434
32,023	2,450	-	8,473	10,923	42,946	734,904
21,827	-	-	1,469	1,469	23,296	66,571
11,812	-	-	-	-	11,812	11,321
7,670	-	-	-	-	7,670	278,431
-	-	-	2,080	2,080	2,080	4,564
1,079	-	-	-	-	1,079	3,351
-	-	133	-	133	133	1,500
36	-	-	-	-	36	-
22	-	-	-	-	22	229
-	-	-	-	-	-	81,000
-	-	-	-	-	-	3,976
-	-	-	-	-	-	640
-	-	-	-	-	-	58
<b>729,505</b>	<b>2,450</b>	<b>133</b>	<b>47,022</b>	<b>49,605</b>	<b>779,110</b>	<b>3,016,988</b>
-	-	-	-	-	-	-
<b>729,505</b>	<b>2,450</b>	<b>133</b>	<b>47,022</b>	<b>49,605</b>	<b>779,110</b>	<b>3,016,988</b>
-	-	-	-	-	-	-
<b>\$ 729,505</b>	<b>\$ 2,450</b>	<b>\$ 133</b>	<b>\$ 47,022</b>	<b>\$ 49,605</b>	<b>\$ 779,110</b>	<b>\$ 3,016,988</b>
<b>94%</b>	<b>0%</b>	<b>0%</b>	<b>6%</b>	<b>6%</b>	<b>100%</b>	

**Vegas PBS and Southern Nevada Public Television**

**A Public Telecommunications Entity Licensed to the Board of Trustees of the Clark County School District**

**Supplemental Schedule of Functional Expenses**

**For The Year Ended June 30, 2019**

**(With Comparative Totals For The Year Ended June 30, 2018)**

Category	Programming & Production	Broadcasting	Promotion	Educational Media	Workforce Development
Salary	\$ 1,524,724	\$ 869,160	\$ 150,734	\$ 724,469	\$ 435,266
Benefits	619,795	349,217	72,592	295,413	95,243
Programming	1,543,740	-	-	75,172	-
Dues & Fees	11,846	9,205	15,024	22,028	754,879
Service Contracts	25,990	75,016	-	137,041	60,750
Professional Services	178,634	55,850	99,540	53,597	85,075
Supplies	28,948	51,914	3,517	351,505	9,578
Utilities	125,408	108,358	11,037	60,615	12,760
Premiums	-	-	-	-	-
Engineering / Legal / Technical	97,333	38,602	-	-	-
Printing	65	17,690	98,323	4,045	1,740
Travel & Conference	17,266	3,995	4,643	13,490	9,960
Advertising	439	200	83,637	5,399	2,937
Special Events	-	-	-	-	-
Communication Services	-	16,813	-	-	-
Postage	1,582	1,027	38,026	943	-
Repairs & Maintenance	396	51,361	-	-	-
Fiber & Tower Leases	-	31,021	-	-	-
Technology Supplies/Software	3,959	615	5,319	896	391
Equipment Rental	-	11,915	-	-	-
Vehicle Maintenance	2,769	3,632	-	326	-
Donor Recognition	-	-	-	-	173
Equipment (minor)	-	-	-	-	-
<b>Total Non-Inkind Expenses</b>	<b>4,182,894</b>	<b>1,695,592</b>	<b>582,392</b>	<b>1,744,940</b>	<b>1,468,753</b>
Indirect Administrative Support	169,968	65,784	14,960	82,158	17,295
Donor Recognition	-	-	-	-	-
Communications	-	89,916	-	-	-
Supplies	-	-	-	-	-
Advertising	-	-	-	-	-
<b>Total Inkind Expenses</b>	<b>169,968</b>	<b>155,700</b>	<b>14,960</b>	<b>82,158</b>	<b>17,295</b>
Total Expenses Before Depreciation	4,352,862	1,851,292	597,352	1,827,097	1,486,048
Depreciation	29,817	1,543,789	-	136,973	5,996
<b>Total Expenses Including Depreciation</b>	<b>\$ 4,382,679</b>	<b>\$ 3,395,081</b>	<b>\$ 597,352</b>	<b>\$ 1,964,070</b>	<b>\$ 1,492,044</b>
<b>Percentage of total expenses</b>	<b>28%</b>	<b>22%</b>	<b>4%</b>	<b>13%</b>	<b>10%</b>

Total	Membership Services	Sponsor Solicitation	Management and General	Total	Current Year	Prior Year
\$ 3,704,354	\$ 230,308	\$ 349,721	\$ 565,469	\$ 1,145,498	\$ 4,849,852	\$ 5,413,776
1,432,261	115,783	139,221	528,828	783,832	2,216,092	2,776,133
1,618,912	-	-	109,071	109,071	1,727,983	1,852,090
812,982	87,704	3,882	76,820	168,406	981,388	1,094,110
298,797	354,935	-	-	354,935	653,732	576,203
472,696	128,371	61,273	62,270	251,913	724,609	698,439
445,462	24,142	4,161	2,644	30,947	476,409	387,364
318,179	13,440	7,698	14,158	35,297	353,476	397,748
-	229,743	-	-	229,743	229,743	259,830
135,935	1,672	104	2,080	3,856	139,791	153,910
121,864	5,809	761	30	6,600	128,464	123,323
49,353	59,117	7,289	11,007	77,414	126,767	107,505
92,612	1,923	1,098	190	3,211	95,823	93,899
-	58,494	133	-	58,627	58,627	151,855
16,813	40,719	-	-	40,719	57,532	56,081
41,577	15,155	-	-	15,155	56,732	16,260
51,757	-	-	-	-	51,757	7,454
31,021	-	-	-	-	31,021	28,878
11,180	1,279	80	1,493	2,851	14,031	112,945
11,915	-	-	-	-	11,915	-
6,727	-	-	-	-	6,727	4,761
173	5,506	-	-	5,506	5,680	5,982
-	-	-	-	-	-	10,455
<b>9,674,570</b>	<b>1,374,098</b>	<b>575,422</b>	<b>1,374,060</b>	<b>3,323,580</b>	<b>12,998,150</b>	<b>14,329,001</b>
350,165	18,218	10,434	19,189	47,841	398,006	634,479
-	120,305	-	-	120,305	120,305	188,467
89,916	-	-	-	-	89,916	79,324
-	37,411	14,916	-	52,327	52,327	29,180
-	-	38,900	-	38,900	38,900	211,413
<b>440,081</b>	<b>175,935</b>	<b>64,250</b>	<b>19,189</b>	<b>259,374</b>	<b>699,454</b>	<b>1,142,863</b>
10,114,650	1,550,033	639,671	1,393,249	3,582,953	13,697,604	15,471,864
1,716,575	1,051	-	6,411	7,462	1,724,037	1,887,466
<b>\$ 11,831,225</b>	<b>\$ 1,551,084</b>	<b>\$ 639,671</b>	<b>\$ 1,399,660</b>	<b>\$ 3,590,415</b>	<b>\$ 15,421,641</b>	<b>\$ 17,359,330</b>
77%	10%	4%	9%	23%	100%	