

Annual Comprehensive Financial Report

Las Vegas-Clark County Library District

Las Vegas, Nevada

**For the Year Ended
June 30, 2023**

The
**Library
District**
Las Vegas-Clark County



Las Vegas-Clark County Library District

Annual Comprehensive Financial Report

**For the Year Ended
June 30, 2023**

**Las Vegas Clark-County
Library District Headquarters
7060 West Windmill Lane
Las Vegas, Nevada 89113**

**Kelvin Watson, Executive Director
Floresto Cabias, Chief Financial Officer**

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

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Introductory Section



December 8, 2023

To the Board of Trustees and Citizens of the City of Las Vegas and Clark County, Nevada:

Nevada Revised Statutes (NRS) 354.624(6) require the Las Vegas-Clark County Library District (the District) to submit, within six months of the close of each fiscal year, a “complete set” of financial statements presented in accordance with accounting principles generally accepted in the United States (GAAP) and audited by a firm of independent certified public accountants in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Pursuant to that requirement, the Annual Comprehensive Financial Report for the District as of and for the year ended June 30, 2023, is hereby submitted.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, District management has established a comprehensive internal control framework that is designed, among other things, both to protect the District's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the District's financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this Annual Comprehensive Financial Report is complete and reliable in all material respects.

The District's basic financial statements were audited by HintonBurdick, PLLC. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the District are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used, and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's basic financial statements are fairly presented in all material respects in conformity with GAAP. The Independent Auditors' Report on Financial Statements and Supplementary Information is presented as the first component of the financial section of this report. In addition, the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* is presented as the last component of the financial section of this report.

The independent audit of the District's basic financial statements was also designed to meet the more narrowly focused, federally mandated "Single Audit" requirements of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the District's internal controls and compliance with regulatory and other legal requirements, with emphasis on administration of federal awards. The Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in accordance with the Uniform Guidance is presented as the first component of the single audit section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in a specified form called Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors on Financial Statements and Supplementary Information.

Profile of the District

The District was created in 1985 by the Nevada State Legislature to form a single taxing entity for the City of Las Vegas (the City) and the Clark County Library District. It replaced the Clark County Library District and has a contractual arrangement with the City to operate the City's libraries. The District serves all persons living in the 7,927 square miles of Clark County (the County) except for those living in the incorporated City of North Las Vegas and those living in areas served by the Henderson and Boulder City Library Districts.

The District is governed by a ten-member Board of Trustees (the Board), with five members appointed by the Clark County Board of Commissioners (the County Commission) and five appointed by the Las Vegas City Council (the City Council), all with staggered four-year terms of office and a two-term limit. There is no potential for the District to provide a financial benefit to, or impose a financial burden on, the City or the County. The Board is an independent policy body that is separate from the County Commission and the City Council. The Board appoints an Executive Director for the District and has exclusive policy and budget authority for the programs, activities and level of services provided by the District. The County serves in a ministerial capacity as the taxing authority, even though the District is fiscally independent of the County.

The District's Board may propose the issuance of general obligation bonds for the purpose of acquiring, constructing, or improving buildings and other real property to be used for District purposes or for purchasing books, materials, or equipment for newly constructed libraries. However, the Board cannot issue bonds or any other form of indebtedness unless a public hearing on the proposal is first held before the County Commission and the City Council. After such public hearing, the County Commission and the City Council may each adopt a resolution that supports or opposes in whole or in part the District's proposal and transmit the resolution to the Clark County Debt Management Commission for consideration. If the Clark County Debt Management Commission approves, the question of issuing the bonds must be submitted to the electorate of the District for a vote. If a majority of the electors voting on the question favors the proposal, the Board shall issue the bonds as general obligations of the District pursuant to the provisions of the Local Government Securities Law. Bonds issued for purchasing books, materials, or equipment for newly constructed libraries must be redeemed within five years after issuance and bonds for construction must be redeemed within a maximum of 20 years after issuance.

The District adopts an annual budget, which serves as the foundation for financial planning and control. Prior to April 15, the District submits the tentative budget for the next fiscal year, commencing on July 1, to the Department of Taxation of the State of Nevada (the State). The City Council and the County Commission have the ability to reject the tentative budget prior to its submission to the State. The District is required to hold a public hearing on the proposed budget, conducted on the Thursday following the third Monday in May, and to adopt a final budget on or before June 1. The appropriate budget controls are required, by NRS, to be exercised at the function level. The District's Executive Director is authorized to transfer budget amounts between functions within a fund; however, Board approval is required for all transfers between funds.

The District provides broadly decentralized services through large branch libraries rather than the traditional smaller branches. Fourteen libraries are distributed over an area of 436 square miles in the Las Vegas metropolitan area. Eleven libraries serve the vast area of the County, outside the metropolitan Las Vegas area, providing library service to largely rural towns and communities over an area of 7,491 square miles.

Factors Affecting Financial Condition

Local Economy

The State's economy, up until the Great Depression of 1929, relied solely on railroading, mining and ranching. To counter the effects of the Great Depression, the State Legislature passed legislation legalizing gambling in 1931. Today, the 7,927 square mile area served by the District enjoys a multi-faceted economy with industries that include professional services, transportation, construction, banking and finance, manufacturing, hospitality, sports, recreation, and gaming. While the resort and gaming industries (tourism) remain the mainstay of the local economy, industrial parks, retirement communities, professional sports, distribution centers and light manufacturing provide a balance to the service intensity of the local economy.

Previous recessionary effects of the national economy were not as traumatic on Las Vegas as they were on other metropolitan areas until the "Great Recession" as it is now known. During the Great Recession, the Las Vegas metropolitan area saw large layoffs due to drops in business income in its major local industries, which resulted in an unusually high rate of unemployment of 14%. Since recovering from the Great Recession, the County's unemployment rate decreased to 3.7% in June 2019. However, during the first quarter of 2020, the outbreak of the COVID-19 pandemic caused significant volatility in U.S. and international economies and has led to a global health emergency. The unemployment rate reached 34% before the economy began reopening. In June 2023, the County's unemployment rate was 6.0%.

Housing prices continue to increase in the Las Vegas valley due to historically low interest rates, low inventory, and increased demand caused by unforeseen conditions due to the COVID-19 pandemic. For example, employees working from home sought larger properties in a state with no income taxes, making locations such as Las Vegas attractive. Although the District's property taxes appear to be minimally affected so far, the future impact of the COVID-19 pandemic continues to be unknown and evolving.

The intergovernmental shared revenues, primarily consolidated (sales and use) taxes, are highly dependent on tourism and the COVID-19 pandemic and the closure of businesses in Nevada had a significant adverse impact on these tax revenues. To mitigate the COVID-19 pandemic impact, the District took immediate action to maintain financial stability, as discussed in Note 4 to the basic financial statements. The ultimate long-term impact on the District's financial position and changes therein cannot be determined at this time, but may be substantial.

Long-term Financial Planning

In an effort to maintain the sustainability of District operations, the District completes a five-year to a fifteen-year financial forecast annually to evaluate the impact of changing economic conditions, revenue and expenditure trends, and the impact of new proposed economic strategies. District management uses the forecasts to assist in negotiations with collective bargaining units, manage vacant positions, and evaluate possible strategies as the District strives to maintain fiscal integrity through sound financial policies. The COVID-19 pandemic significantly impacted short-term forecasts. Although the District has successfully navigated the economic challenges so far, its financial planning continues to serve as a useful tool, ensuring the District's financial health and future growth.

The District will continue to closely monitor and evaluate the local economy regarding housing prices and sales, consumer spending, and the local travel and tourism industry. Based on the outcome of these factors, the District will make additional adjustments to its budgeted expenditures.

Other efforts of sustainability include maintaining a higher ending fund balance, higher than the healthy financial cushion of 5% to 10% ratio of the ending fund balance to the general fund expenditures. The implementation of the above-mentioned measures reflects the District's conservative and sound stewardship of resources during volatile economic periods.

Collections for the District's secondary funding source, intergovernmental shared revenues, comprised primarily of consolidated taxes, decreased significantly since the beginning of the COVID-19 pandemic due to business closures. However, the decreases have stabilized due to federal relief efforts that contributed to continued consumer spending. Accordingly, the District will continue to adjust its operating expenditures to match revised revenue forecasts. At year end, intergovernmental shared revenues comprised 33.1% of general fund revenues.

It is the District's policy that "one time" resource inflows not be used for operating purposes. Accordingly, the District normally maintains a general fund balance between 10% and 15% of operating expenditures, but increased this balance above 20% to weather the ongoing volatile economic conditions.

The District has established capital related programs in the capital projects fund to finance the acquisition, replacement or construction of major capital projects and facilities. This fund includes nine programs to accumulate available resources that will be appropriated in subsequent budget years. These programs are the Library Services Platform Replacement, Technology Replacements and Upgrades, Building Repair and Maintenance, Capital Construction, Library Materials, Vehicle Purchase and Replacement, Furniture Purchase and Replacement, Financial Services, and Community Engagement/Programming and Venue Services. Due to the COVID-19 pandemic, nonessential capital projects were put on hold and other capital projects were reduced to the minimum necessary to maintain operations.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for the year ended June 30, 2022, This was the 32nd consecutive year that the City received this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The District has also received the GFOA's Distinguished Budget Presentation award for 5 consecutive years and has submitted its budget for fiscal year 2024 to determine its eligibility for an award.

Preparation of this ACFR could not have been accomplished without the efforts and dedication of the staff of the Financial Services and Branding & Marketing Departments. A special thanks to the firm of HintonBurdick, PLLC, for its timely and professional service to the District as its independent auditors.

We wish to commend the members of the District's Board of Trustees for their continued interest in conducting the financial operations of the District in a responsible and prudent manner.

Respectfully submitted,



Kelvin Watson
Executive Director



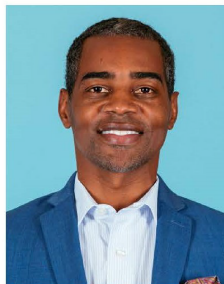
Floresto Cabias
Chief Financial Officer

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

BOARD OF TRUSTEES
FOR THE YEAR ENDED JUNE 30, 2023



Nathaniel Waugh
VICE-CHAIR



Dr. Keith Rogers
TREASURER



Elizabeth Foyt
SECRETARY



Kelly D. Benavidez



Jennifer Jiron



José L. Meléndrez



Felipe A. Ortiz



Kate Turner Whiteley



Elaine Sanchez



Kelvin Watson
EXECUTIVE DIRECTOR

LIBRARY DISTRICT MISSION STATEMENT

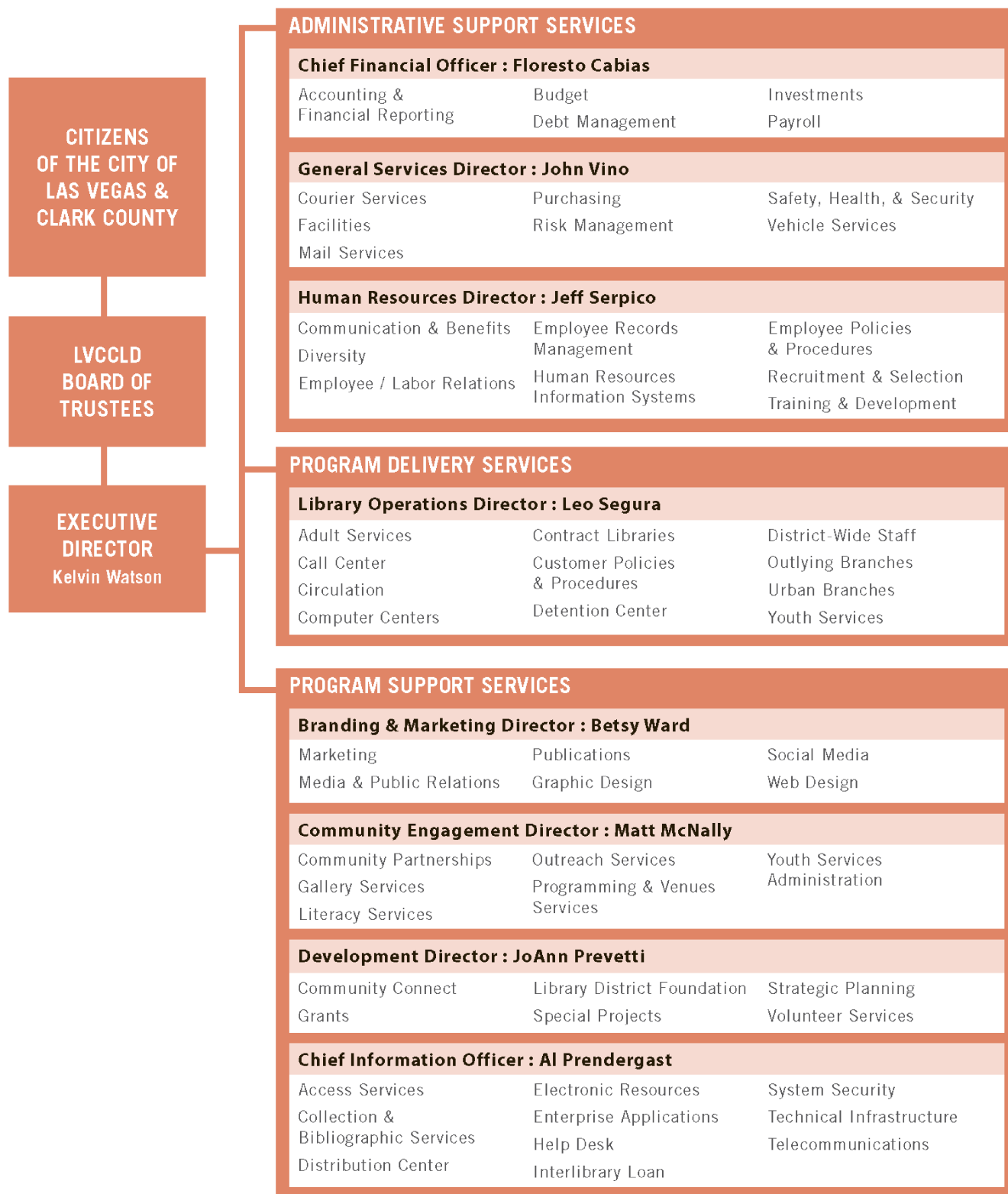
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The Las Vegas-Clark County Library District nurtures the social, economic and educational well-being of people and communities. The District is committed to building communities of people who can come together to pursue their individual and group aspirations.

”

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

ORGANIZATION CHART FOR THE YEAR ENDED JUNE 30, 2023





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Las Vegas-Clark County Library District
Nevada**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

Financial Section



Independent Auditors' Report

The Executive Director and Board of Trustees
Las Vegas-Clark County Library District

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Las Vegas-Clark County Library District (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year after the date that the financial statements are issued or when applicable, one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance;

and therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in total OPEB liability and related ratio, the schedule of statutorily required OPEB contribution information, the schedule of the proportionate share of the collective net pension liability information, the schedule of proportionate share of statutorily required pension contribution information, budgetary comparison information, and notes to the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining statements and individual major and nonmajor fund budgetary comparison schedules and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit 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 GAAS. In our opinion, the combining statements and individual major and nonmajor fund budgetary comparison schedules and schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information, as listed in the table of contents, comprises the introductory section and statistical section, but does not include the financial statements and our auditors' report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report. Based on the work performed, we did not find any uncorrected material misstatements of the other information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

HintonBurdick, PLLC

Mesquite, Nevada

October 23, 2023, except for the introductory and statistical sections as to which the date is December 8, 2023



Management's Discussion and Analysis

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2023

As management of the Las Vegas-Clark County Library District (the District), we offer readers of the Annual Comprehensive Financial Report this narrative overview and analysis of the financial activities of the District as of and for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented in conjunction with additional information provided in our letter of transmittal.

Financial Highlights

Summary of Selected Statement of Net Position Information

	Total Primary Government			
	2023	2022	Change	
Cash and cash equivalents	\$ 32,189,036	\$ 19,658,646	\$ 12,530,390	63.74 %
Investments	51,759,602	44,089,470	7,670,132	17.40 %
Capital and right-to-use assets, net	184,606,290	183,419,830	1,186,460	0.65 %
Bonds and notes payable	26,290,000	26,290,000		%
Compensated absences	7,337,444	6,607,206	730,238	11.05 %
Total postemployment benefits other than pensions liability	1,268,230	1,413,528	(145,298)	(10.28)%
Net pension liability	55,700,597	28,408,876	27,291,721	96.07 %
Net position	215,564,394	195,642,757	19,921,637	10.18 %
Charges for services	1,343,646	1,012,994	330,652	32.64 %
Property taxes	58,262,466	54,388,383	3,874,083	7.12 %
Intergovernmental shared revenues, unrestricted	30,171,434	29,109,435	1,061,999	3.65 %
Total expenses	75,247,262	62,365,205	12,882,057	20.66 %
Change in net position	19,921,637	25,405,178	(5,483,541)	(21.58)%

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused vacation leave).

Both of the government-wide financial statements present the governmental activities of the District, which are principally supported by property taxes and intergovernmental revenues.

The government-wide financial statements can be found in the "Basic Financial Statements" section of this report.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain accounting control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are categorized as governmental funds. The District does not currently maintain any proprietary or fiduciary funds.

The fund financial statements can be found in the “Basic Financial Statements” section of this report.

Governmental Funds

Governmental funds are essentially used to account for the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at fiscal year end. Such information may be useful in evaluating the District’s near-term financing requirements.

Because the focus of fund financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District’s near-term financing decisions. Both the balance sheet and the statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains eight governmental funds. Information is presented separately in the balance sheet and in the statement of revenues, expenditures and changes in fund balances for the general fund, the Las Vegas-Clark County Library District Foundation special revenue fund and the capital projects fund, all of which are considered to be major funds. Data from the remaining non-major governmental funds is combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to basic financial statements can be found in the “Basic Financial Statements” section of this report.

Required and Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The District adopts an annual appropriated budget for its general fund and a budgetary comparison schedule has been provided to demonstrate the District’s compliance with this budget. This section also includes certain information related to the District’s net pension liability and other postemployment benefit obligation.

The required supplementary information can be found immediately following the notes to the basic financial statements in this report.

The combining statements, referred to earlier in connection with the non-major governmental funds, and individual fund schedules can be found immediately following the required supplementary information in this report.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Government-wide Financial Analysis

Summary Statement of Net Position

	Governmental Activities and Total Primary Government	
	2023	2022
Assets		
Current, restricted and other	\$ 111,406,273	\$ 90,762,352
Capital	<u>184,606,290</u>	<u>183,419,830</u>
Total assets	<u>296,012,563</u>	<u>274,182,182</u>
Deferred outflows of resources	<u>19,281,635</u>	<u>16,882,310</u>
Liabilities		
Current	8,340,884	4,639,588
Long-term	<u>87,390,494</u>	<u>62,813,102</u>
Total liabilities	<u>95,731,378</u>	<u>67,452,690</u>
Deferred inflows of resources	<u>3,998,426</u>	<u>27,969,045</u>
Net position		
Net investment in capital assets	158,126,169	157,036,338
Restricted	23,793,412	22,448,735
Unrestricted	<u>33,644,813</u>	<u>16,157,684</u>
Total net position	<u>\$ 215,564,394</u>	<u>\$ 195,642,757</u>

The District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$215,564,394 (net position).

By far, the largest portion of the District's net position (73.4%) is its investment in capital assets (land, buildings, improvements, library media materials, and furniture and equipment), less any related debt used to acquire these assets, which are used to provide services to citizens; consequently, these assets are not available for future expenditures. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Resources that are subject to external restrictions on how they may be used represent an additional 11.0% of the District's total net position.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Summary Statement of Changes in Net Position

	Governmental Activities and Total Primary Government	
	2023	2022
Revenues		
Program revenues		
Charges for services	1,343,646	1,012,994
Operating grants and contributions	2,212,408	2,251,590
General revenues		
Property taxes	58,262,466	54,388,383
Intergovernmental shared revenues, unrestricted	30,171,434	29,109,435
Investment income	1,586,278	(301,590)
Gain on disposal of capital assets	348,756	
Miscellaneous	1,243,911	1,309,571
Total revenues	<u>95,168,899</u>	<u>87,770,383</u>
Expenses		
Culture and recreation	74,943,752	62,065,838
Debt service, interest	<u>303,510</u>	<u>299,367</u>
Total expenses	<u>75,247,262</u>	<u>62,365,205</u>
Change in net position	19,921,637	25,405,178
Net position, beginning of year	<u>195,642,757</u>	<u>170,237,579</u>
Net position, end of year	<u><u>215,564,394</u></u>	<u><u>195,642,757</u></u>

Governmental Activities

Property taxes increased \$3,874,083 or 6.6% and intergovernmental shared revenues, unrestricted, increased \$1,061,999 or 3.6% compared to the prior year. The increase in property taxes in Southern Nevada is due to increased property values, which was primarily due to lower supply and higher demand. The increase in intergovernmental shared revenues, unrestricted, was the result of growth in consumer spending.

Culture and recreation expenses increased \$12,877,914 or 20.7% from the prior year. This change can be primarily attributed to increases in compensated absences (due to increased accruals and pay rates), and pension expense (due to changes in the actuarial valuation), which were partially offset by normal fluctuations in day-to-day operational activities and the District continuing its conservative spending practices that are designed to provide fiscal stability, but not to adversely affect the provision of library services.

Governmental Fund Financial Analysis

As noted earlier, the District uses fund accounting to better ensure and demonstrate compliance with finance-related legal requirements.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at fiscal year end.

At year end, the District's governmental funds reported combined ending fund balances of \$104,150,527, an increase of \$20,480,911 (24.5%) from the prior year. Approximately 22.6% (\$23,523,198) of the total current year fund balance constitutes unassigned fund balance, which is available for spending at the District's discretion. The remainder of the combined ending fund balances is not available for spending because it has already been restricted or assigned to 1) pay debt service, 2) the acquisition, construction or improvement of capital assets, 3) grant and other programs, or 4) generate income to pay for the purchase of library media materials.

The general fund is the chief operating fund of the District. At year end, the fund balance of the general fund was \$23,523,198. As a measure of the general fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Fund balance represents 33.8% of total general fund expenditures.

The fund balance of the District's general fund decreased by \$11,862,768 (33.5%) during the current fiscal year. The decrease in fund balance is primarily due transfers to the capital projects fund and increased expenditures, which were partially offset by increases in property taxes and intergovernmental shared revenues. The increase in property taxes in Southern Nevada is due to increased property values, which was primarily due to lower supply and higher demand. The increase in intergovernmental shared revenues, unrestricted, was the result of growth in consumer spending.

The Las Vegas-Clark County Library District Foundation fund has an ending fund balance of \$21,765,481, an increase of \$138,367 from prior year, due to normal fluctuations in day-to-day operational activities.

The capital projects fund has a total ending fund balance of \$55,961,597, an increase of \$32,008,276 (133.6%) from the previous fiscal year. This increase was primarily due to transfers from the general fund and proceeds from the disposal of fixed assets, which were partially offset by increased expenditures.

The aggregate non-major funds have a combined total fund balance of \$2,900,251, an increase of \$197,036 from prior year, due to normal fluctuations in day-to-day operational activities, all of which is either restricted, committed or assigned for specific purposes.

General Fund Budgetary Highlights

Summary of Selected General Fund Budget to Actual Information

	Original Budget	Final Budget	Actual	Variance
Total Revenues	\$ 91,058,000	\$ 91,058,000	\$ 91,574,593	\$ 516,593
Total Expenditures	76,195,444	76,195,444	69,628,859	6,566,585
Total Fund Balance	15,183,125	15,183,125	23,523,198	8,340,073

During the year:

Revenues were higher than the final budgetary estimate primarily as a result of increases in property taxes and intergovernmental shared revenues, unrestricted.

Expenditures were less than the final budgetary estimate as a result of the District's conservative spending practices and normal fluctuation in day-to-day operational activities.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Additional information on the District's general fund budget can be found in Note 2 to the basic financial statements and the required supplementary information immediately following the notes to the basic financial statements in this report.

Capital Assets

	Governmental Activities and Total Primary Government	
	2023	2022
Construction in progress	\$ 1,360,082	\$ 5,706,578
Land	5,706,578	5,706,578
Buildings	99,925,852	105,877,993
Improvements	209,230	350,890
Library media materials	73,821,332	68,695,201
Furniture and equipment	3,370,761	2,696,881
Right-to-use leased building	76,467	92,287
Right-to-use subscription software	135,988	
	<u>\$ 184,606,290</u>	<u>\$ 183,419,830</u>

Major capital asset events during the fiscal year included the following:

Construction in progress costs of \$1,360,082 were incurred for a new West Las Vegas library branch.

Furniture and equipment additions were purchased at a cost of \$1,492,870.

The District purchased library media materials, at a cost of \$11,547,834.

Right-to-use subscription software was added, as required by Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*, at a cost of \$191,498.

Depreciation and amortization expense for the fiscal year was \$10,538,202.

Additional information on the District's capital assets can be found in Notes 1 and 3 to the basic financial statements in this report.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Outstanding Debt, Lease and Subscription Software Obligations

At fiscal year end, the District had total bonded debt outstanding of \$26,290,000, all of which is backed by the full faith and credit of the District.

Summary of Outstanding Debt, Lease and Subscription Software Obligations

	Governmental Activities and Total Primary Government	
	2023	2022
Direct placement notes		
LVCIC QLICI – Loan A	\$ 11,335,600	\$ 11,335,600
LVCIC QLICI – Loan B	5,154,400	5,154,400
Clearinghouse QLICI – Loan A	6,646,000	6,646,000
Clearinghouse QLICI – Loan B	3,154,000	3,154,000
Lease obligations	78,695	93,492
Subscription software	111,426	
	<u>\$ 26,480,121</u>	<u>\$ 26,383,492</u>

Additional information on the District's long-term debt can be found in Notes 1 and 3 to the basic financial statements in this report.

Economic Factors and Next Year's Budgets and Rates

In 2005, the Nevada State Legislature passed a law to provide property tax relief to all citizens that provides a partial abatement of taxes by applying a 3% cap on the increase in property tax for the owner's primary residence. Only one property may be selected as a primary residence. Some rental dwellings that meet the low-income rent limits may also qualify for a 3% cap on the increase in property taxes. An 8% cap also applies to the increase in taxes for certain other types of property. Property tax revenue is 63.5% of total general fund revenues.

The District's second largest revenue, intergovernmental shared revenues, composed primarily of sales and use taxes, comprise 32.9% of total general fund revenues.

From time-to-time, the State enters into tax abatement agreements with various tax paying entities, which are expected to continue to have an insignificant impact on the District's revenues. Additional information about tax abatement agreements affecting the District is included in Note 2 to the basic financial statements.

As discussed in Note 4 to the basic financial statements, the District implemented several cost saving strategies designed to ensure financial sustainability in response to the COVID-19 pandemic. These strategies continue to successfully provide the District with additional resources to withstand any subsequent financial downturns in the near term. Combined with slowly improving economic conditions in Southern Nevada, these measures allowed the District to resume transferring funds to the Capital Projects Fund, build reserves, and continue spending on critical projects. However, the future impact of the COVID-19 pandemic is unknown and continually evolving. The ultimate long-term impact on the District's financial position and changes therein cannot be determined at this time, but may be substantial.

All of these factors were considered in preparing the District's budget for the 2024 fiscal year.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Requests for Information

The accompanying financial report is designed to provide a general overview of the District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District's Financial Services Department, 7060 West Windmill Lane, Las Vegas, Nevada 89113.

Basic Financial Statements

Government-wide Financial Statements

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

STATEMENT OF NET POSITION JUNE 30, 2023

	Government Activities
Assets	
Cash and cash equivalents, unrestricted	31,930,833
Investments, unrestricted	48,714,398
Taxes receivable	1,429,710
Notes receivable	17,981,600
Interest receivable	240,698
Other receivables, net	496,974
Due from other governments	5,829,399
Prepaid items	1,375,293
Other assets	103,961
Cash and cash equivalents, restricted	258,203
Investments, restricted	3,045,204
Capital assets, net of accumulated depreciation and amortization	
Construction in progress	1,360,082
Land	5,706,578
Buildings	99,925,852
Improvements	209,230
Library media materials	73,821,332
Furniture and equipment	3,370,761
Collection (Notes 1 and 2)	
Right-to-use leased building	76,467
Right-to-use subscription software	135,988
Total assets	296,012,563
Deferred outflows of resources	
Deferred amounts related to pensions	19,281,635
Liabilities	
Accounts payable	2,595,198
Payroll and benefits payable	2,089,420
Deposits payable	134,520
Unearned revenue	9,583
Interest payable	116,265
Long-term liabilities, due within one year	
Lease liabilities payable	15,285
Subscription software obligations	50,118
Compensated absences	3,330,495
Long-term liabilities, due in more than one year	
Bonds and notes payable	26,290,000
Lease liabilities payable	63,410
Subscription software obligations	61,308
Compensated absences	4,006,949
Total postemployment benefits other than pensions liability	1,268,230
Net pension liability	55,700,597
Total liabilities	95,731,378
Deferred inflows of resources	
Deferred amounts related to pensions	3,998,426

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

STATEMENT OF NET POSITION (CONTINUED) JUNE 30, 2023

	Government Activities
Net position	
Net investment in capital assets	158,126,169
Restricted for	
Debt service	1,143,761
Grant programs	360,539
Other purposes	22,279,112
Permanent fund principal, nonexpendable	10,000
Unrestricted	<u>33,644,813</u>
Total net position	<u><u>215,564,394</u></u>

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2023

Function/program	Expenses	Program Revenues			Net (Expenses) Revenues and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities					
Culture and recreation	\$ 74,943,752	\$ 1,343,646	\$ 2,212,408	\$	\$ (71,387,698)
Debt service					
Interest	<u>303,510</u>				<u>(303,510)</u>
Total governmental activities and primary government	<u>75,247,262</u>	<u>1,343,646</u>	<u>2,212,408</u>		<u>(71,691,208)</u>
General revenues					
Property taxes					58,262,466
Intergovernmental shared revenues, unrestricted					30,171,434
Investment income					1,586,278
Gain on disposal of capital assets					348,756
Miscellaneous					<u>1,243,911</u>
Total general revenues					<u>91,612,845</u>
Change in net position					19,921,637
Net position, beginning of year					<u>195,642,757</u>
Net position, end of year					<u>\$ 215,564,394</u>

Fund Financial Statements

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

GOVERNMENTAL FUNDS BALANCE SHEET JUNE 30, 2023

		Special Revenue Fund Las Vegas-Clark County Library District	Capital Projects Fund Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
	General Fund	Foundation Fund			
Assets					
Cash and cash equivalents, unrestricted	\$ 14,461,266	\$ 500,431	\$ 15,097,629	\$ 1,871,507	\$ 31,930,833
Investments, unrestricted	6,861,347	344,466	41,508,585		48,714,398
Taxes receivable	1,417,092			12,618	1,429,710
Notes receivable		17,981,600			17,981,600
Interest receivable	37,603	63,605	139,490		240,698
Other receivables, net	496,974				496,974
Due from other governments	5,240,663			588,736	5,829,399
Due from other funds	239,638	30,654	1,000	410,788	682,080
Other assets				16,333	16,333
Cash and cash equivalents, restricted		4,982		253,221	258,203
Investments, restricted		3,045,204			3,045,204
Total assets	<u>\$ 28,754,583</u>	<u>\$ 21,970,942</u>	<u>\$ 56,746,704</u>	<u>\$ 3,153,203</u>	<u>\$ 110,625,432</u>
Liabilities					
Accounts payable	\$ 1,713,207	\$ 5,195	\$ 785,107	\$ 91,689	\$ 2,595,198
Payroll and benefits payable	2,078,395			11,025	2,089,420
Deposits payable	134,520				134,520
Due to other funds	417,382	136,661		128,037	682,080
Unearned revenue				9,583	9,583
Total liabilities	<u>4,343,504</u>	<u>141,856</u>	<u>785,107</u>	<u>240,334</u>	<u>5,510,801</u>
Deferred inflows of resources					
Unavailable revenue, property taxes	887,881			12,618	900,499
Unavailable revenue, investment income		63,605			63,605
Total deferred inflows of resources	<u>887,881</u>	<u>63,605</u>		<u>12,618</u>	<u>964,104</u>
Total liabilities and deferred inflows of resources	<u>5,231,385</u>	<u>205,461</u>	<u>785,107</u>	<u>252,952</u>	<u>6,474,905</u>
Fund balances					
Nonspendable					
Permanent fund principal				10,000	10,000
Restricted for					
Debt service				1,260,026	1,260,026
Grant programs				360,539	360,539
Other purposes		21,603,129		675,983	22,279,112
Assigned to					
Debt service				593,703	593,703
Capital projects			55,961,597		55,961,597
Other purposes		162,352			162,352
Unassigned	23,523,198				23,523,198
Total fund balances	<u>23,523,198</u>	<u>21,765,481</u>	<u>55,961,597</u>	<u>2,900,251</u>	<u>104,150,527</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 28,754,583</u>	<u>\$ 21,970,942</u>	<u>\$ 56,746,704</u>	<u>\$ 3,153,203</u>	<u>\$ 110,625,432</u>

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES JUNE 30, 2023

Fund balances, governmental funds		\$ 104,150,527
Amounts reported in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources; and therefore, are not reported in governmental funds.		
Capital and right-to-use assets	\$ 299,714,371	
Less accumulated depreciation and amortization	<u>(115,108,081)</u>	
		184,606,290
Prepaid items and other assets represent current fund expenditures that benefit future periods; and therefore, are not reported in governmental funds.		
Prepaid items	1,358,960	
Inventory	<u>103,961</u>	
		1,462,921
Deferred inflows and outflows of resources related to postemployment benefits other than pensions and pension obligations reported in governmental activities are not current financial resources; and therefore, are not reported in governmental funds.		
Unamortized deferred outflows related to pensions	19,281,635	
Unamortized deferred inflows related to pensions	<u>(3,998,426)</u>	
		15,283,209
Long-term liabilities, including bonds, notes, lease obligations and subscription software obligations payable, are not due and payable in the current period; and therefore, are not reported in governmental funds.		
Debt, lease and subscription software obligations payable	(26,480,121)	
Compensated absences	(7,337,444)	
Postemployment benefits other than pensions liability	(1,268,230)	
Net pension liability	<u>(55,700,597)</u>	
		(90,786,392)
Other liabilities are not due and payable in the current period; and therefore, are not reported in governmental funds.		
Interest payable	<u>(116,265)</u>	
		(116,265)
Unavailable revenue represents amounts that were not available to fund current expenditures; and therefore, are not reported in governmental funds.		
Unavailable revenue, property taxes	900,499	
Unavailable revenue, investment income	<u>63,605</u>	
		<u>964,104</u>
Net position, governmental activities		<u><u>\$ 215,564,394</u></u>

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2023

		Special Revenue Fund Las Vegas-Clark County Library District	Capital Projects Fund Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
	General Fund	Foundation Fund			
Revenues					
Property taxes	\$ 58,178,706	\$	\$	\$ 18	\$ 58,178,724
Intergovernmental shared revenues	30,142,694			1,469,701	31,612,395
Charges for services	1,343,646				1,343,646
Investment income	800,310	284,638	510,789	1,190	1,596,927
Contributions	211,407	539,906		371,766	1,123,079
Miscellaneous	897,830	345,419		432,935	1,676,184
Total revenues	<u>91,574,593</u>	<u>1,169,963</u>	<u>510,789</u>	<u>2,275,610</u>	<u>95,530,955</u>
Expenditures					
Current					
Culture and recreation	<u>58,291,278</u>	<u>1,031,596</u>	<u>2,903,132</u>	<u>1,241,250</u>	<u>63,467,256</u>
Capital outlay					
Culture and recreation	<u>11,235,569</u>		<u>2,815,759</u>	<u>540,957</u>	<u>14,592,285</u>
Debt service					
Principal payments	94,869				94,869
Interest	7,143			296,367	303,510
Total debt service	<u>102,012</u>			<u>296,367</u>	<u>398,379</u>
Total expenditures	<u>69,628,859</u>	<u>1,031,596</u>	<u>5,718,891</u>	<u>2,078,574</u>	<u>78,457,920</u>
Excess (deficiency) of revenues over (under) expenditures	<u>21,945,734</u>	<u>138,367</u>	<u>(5,208,102)</u>	<u>197,036</u>	<u>17,073,035</u>
Other financing sources (uses)					
Subscription software issuance	191,498				191,498
Proceeds from capital asset disposal			3,216,378		3,216,378
Transfers in			34,000,000		34,000,000
Transfers out	<u>(34,000,000)</u>				<u>(34,000,000)</u>
Total other financing sources (uses)	<u>(33,808,502)</u>		<u>37,216,378</u>		<u>3,407,876</u>
Change in fund balance	<u>(11,862,768)</u>	<u>138,367</u>	<u>32,008,276</u>	<u>197,036</u>	<u>20,480,911</u>
Fund balance, beginning of year	<u>35,385,966</u>	<u>21,627,114</u>	<u>23,953,321</u>	<u>2,703,215</u>	<u>83,669,616</u>
Fund balance, end of year	<u>\$ 23,523,198</u>	<u>\$ 21,765,481</u>	<u>\$ 55,961,597</u>	<u>\$ 2,900,251</u>	<u>\$ 104,150,527</u>

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2023

Change in fund balances, governmental funds		\$ 20,480,911
Amounts reported in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of capital assets is capitalized and depreciated over their estimated useful lives		
Expenditures for capital and right-to-use assets	\$ 14,592,284	
Less current year depreciation and amortization	(10,538,202)	
Gain (loss) on disposal of capital and right-to-use assets	348,756	
Proceeds from sale of capital and right-to-use assets	<u>(3,216,378)</u>	1,186,460
Revenues in the statement of activities, which do not provide current financial resources are not reported as revenues in governmental funds.		
Change in unavailable revenue, property taxes	83,742	
Change in unavailable revenue, investment income	<u>(10,649)</u>	73,093
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases liabilities in the statement of net position. Repayment of debt principal is an expenditure in governmental funds, but the repayment reduces liabilities in the statement of net position. This is the amount by which debt issued exceeded repayments		
Subscription software obligations incurred	(191,498)	
Debt, lease and subscription software principal repayments	<u>94,869</u>	(96,629)
Some expenses reported in the statement of activities do not require the use of current financial resources; and therefore, are not reported as expenditures in governmental funds.		
Change in compensated absences payable	(730,238)	
Change in postemployment benefits other than pensions liability and related balances	145,298	
Change in net pension liability and related balances	<u>(921,777)</u>	(1,506,717)
Some expenditures reported in governmental funds benefit a future period; and therefore, are not reported in the statement of activities.		
Change in prepaid items	(173,254)	
Change in inventory	<u>(42,227)</u>	(215,481)
Change in net position, governmental activities		\$ <u>19,921,637</u>

Notes to Basic Financial Statements

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

Note 1. Summary of Significant Accounting Policies

The financial statements of the Las Vegas-Clark County Library District (the District) have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the more significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Reporting Entity

The District was established in 1985 under the provisions of Chapter 379 of the Nevada Revised Statutes (NRS) and serves all persons living in Clark County, Nevada (the County), except for those living in the incorporated area of North Las Vegas and the library districts of Henderson and Boulder City, Nevada. The District is governed by a Board of Trustees (the Board), which consists of ten members, five appointed by the Board of County Commissioners and five appointed by the Las Vegas City Council, all of whom have staggered terms of office and may be removed for cause at any time. The accompanying basic financial statements present the financial position of the District and its blended component units for which the District is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the District's operations.

Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity, as amended, defines the reporting entity as the primary government and those component units for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the organization's governing board and either the ability of the primary government to impose its will on the organization or the possibility that the organization will provide a financial benefit to or impose a financial burden on the primary government. In addition to financial accountability, component units can be other organizations in which the economic resources received or held by that organization are entirely or almost entirely for the direct benefit of the primary government, the primary government is entitled to or has the ability to otherwise access a majority of the economic resources received or held by that organization and the resources to which the primary government is entitled or has the ability to otherwise access are significant to the primary government.

The District has complied with GASB Statement No. 14, as amended, by examining its position relative to the County and the City of Las Vegas (the City) and determined that there are no requirements that would cause the basic financial statements of the District to be included in either of the entities' annual comprehensive financial reports (ACFR). The financial information of the component units, discussed below, is blended with the District's financial information and presented in the District's financial reports because of the significance of their operations and financial relationship with the District, District management has operational (accounting) responsibility for these entities or because the District's Board appoints a voting majority of the component unit's governing body.

Blended Component Units

The Las Vegas-Clark County Library District Foundation, Inc. (the Foundation), a Nevada Non-Profit Corporation, was formed in 2002 for the exclusive purpose of providing the District with aid, support, and assistance in the promotion, growth, and improvement of the District.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

During the year ended June 30, 2018, the Foundation entered into several transactions in order to make additional funds available to it through the New Markets Tax Credit (NMTC) Program. The NMTC Program permits taxpayers to claim, over a seven-year period, a credit against federal income taxes for Qualified Equity Investments (QEI) in designated Community Development Entities (CDEs). These designated CDEs must use substantially all of the proceeds to make Qualified Low-Income Community Investments (QLICIs).

The QALICB fund is comprised of East Las Vegas QALICB, Inc. (ELV) and Mesquite QALICB, Inc. (MQ), which were formed as Nevada Non-Profit Corporations on June 28, 2017 and October 12, 2017, respectively, for the exclusive benefit of the District.

The purpose of the QALICB fund is to hold title to property, complete construction of the East Las Vegas and Mesquite libraries facilities, and lease said property and buildings to the District. The entities within the QALICB fund are operated in such a way that they both qualify as a Qualified Active Low-Income Community Business (QALICB) under the definition of the NMTC Program and Internal Revenue Code (IRC) §45(d).

The Foundation, ELV, and MQ each prepare separate stand-alone financial statements that can be obtained from the District's Financial Services Department, 7060 West Windmill Lane, Las Vegas, Nevada, 89113.

Basic Financial Statements

The government-wide financial statements include a statement of net position and a statement of activities and present consolidated information for the District's activities, which are comprised solely of governmental activities, accounted for in governmental fund types. The District does not currently maintain any proprietary or fiduciary fund types. The effect of interfund activity has been removed from these statements.

Included in the statement of net position are capital assets and long-term liabilities including general obligation bonds, employee benefit and pension obligations, and compensated absences. Net position is classified as 1) net investment in capital assets, 2) restricted, or 3) unrestricted.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions, which are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other revenues not restricted for use by a particular function or segment are reported as general revenues.

Separate fund financial statements are provided with each major individual governmental fund reported in a separate column. Fund financial statements include a balance sheet and a statement of revenues, expenditures and changes in fund balances. Schedules are presented to reconcile fund balances presented in the fund financial statements to net position presented in the government-wide financial statements.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are presented 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 the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements

The fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the current fiscal year end.

The primary revenue sources, which have been treated as susceptible to accrual by the District, are property taxes, intergovernmental consolidated taxes, grants, and interest. All other revenue sources are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, obligations for pensions and other postemployment benefits, and claims and judgments are recorded only when payment is due.

The District classifies and reports the following as major governmental funds:

General Fund – The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Las Vegas-Clark County Library District Foundation Fund – This special revenue fund accounts for contributions that are to be used to provide the District with aid, support, and assistance in the promotion, growth, and improvement of the District.

Capital Projects Fund - Accounts for financial resources that are restricted, committed or assigned to the improvement, acquisition or construction of capital assets.

Additionally, the District reports the following non-major governmental fund types:

Special Revenue Funds – The special revenue funds are used to account for the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specific purposes (other than capital projects and debt service).

Debt Service Fund – The debt service fund is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs.

Permanent Fund – The permanent fund accounts for financial resources that are legally restricted to the extent that only earnings, and not principal, may be used to support the District's programs.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

The District has no nongovernmental fund types.

Assets and Liabilities

Cash, Cash Equivalents and Investments

The District's cash equivalents are considered to be short-term investments with original maturities of three months or less from the date of acquisition.

Investments are stated at fair value regardless of the length of time remaining to maturity.

Restricted Assets

Financial resources that are legally restricted to pay debt service, finance construction projects or to the extent that only earnings, and not principal, may be used are reported as restricted assets in both the government-wide and fund financial statements.

Receivables, Payables and Unavailable or Unearned Revenues

Upon the certification of tax rates by the State of Nevada (the State) Tax Commission, the County Commission levies the tax rate for the fiscal period beginning with the succeeding July 1. Effective upon the tax levy on July 1 each year, a perpetual lien is recorded against the property assessed until the tax and any penalty charges and interest, which may accrue thereon, are paid. The County Assessor assesses all real and personal property and the County Treasurer bills and collects the District's share of property taxes. Real property taxes are due on the third Monday in August of each year and may be paid in quarterly installments on or before the third Monday in August and first Mondays in October, January and March. In the event of nonpayment, the County Treasurer is authorized to hold the property for two years, subject to redemption upon payment of taxes, penalties and costs, together with interest from the date the taxes were due until paid. If delinquent taxes are not paid within the two-year redemption period, the County Treasurer obtains a deed to the property free of all encumbrances. Upon receipt of a deed, the County Treasurer may sell the property to satisfy the tax lien. The County Treasurer remits on a monthly basis current and delinquent property tax collections to the District.

Notes receivables are due to the Foundation as a result of transactions related to the NMTC Program. The first note in the face amount of \$11,335,600, bears interest at 1.0% per annum, is payable in annual interest only payments through July 26, 2024, and annual principal and interest payments thereafter through July 25, 2045. The second note in the face amount of \$6,646,000, bears interest at 1.474% per annum, is payable in quarterly interest only payments through September 15, 2024, and quarterly principal and interest payments thereafter through December 19, 2043.

During the course of operations, individual funds engage in numerous transactions with one another for goods provided or services rendered. The resulting payables and receivables that are outstanding at year end are reported as due to/from other funds. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

Receivables that are not expected to be collected within 60 days of year end are classified as unavailable revenue in the fund financial statements, rather than current revenue, since the asset is not available to satisfy current obligations.

Unearned revenues arise when the District receives resources before it has a legal claim to them such as when property taxes for the following tax year are received before year end. Other receivables are shown net of an allowance for uncollectible amounts.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Prepaid Items and Inventory

Certain payments to vendors reflect costs applicable to future periods. In the governmental fund financial statements, these payments are recorded as expenditures when purchased rather than when consumed and are reported as prepaid items in the entity-wide financial statements.

Inventory is comprised solely of books and other library materials. In the governmental fund financial statements, inventory is recorded as expenditures when purchased rather than when consumed and is reported as library media materials in the entity-wide financial statements.

Capital Assets

Capital assets are reported only in the government-wide financial statements. These assets include land, buildings, library media materials, furniture and equipment, and construction in progress. All purchased capital assets are valued at cost where historical records are available and, where no historical records exist, at estimated historical cost. Donated capital assets are valued at their estimated acquisition value on the date received. The District has a capitalization threshold of \$5,000.

The District reports the following types of right-to-use capital assets:

Leased right-to-use capital assets – Under the lease terms, the District makes monthly payments in exchange for control of, and the right-to-use, a specified asset. This lease expires in April 2028. The assets and related liabilities are recognized at the present value of the expected future minimum lease payments to be paid during the lease term using the District's incremental borrowing rate as of the required implementation date or subsequent lease inception date currently ranging from 3.25% to 4.38%.

Subscription software right-to-use capital assets – Under the contract agreement terms, the District makes monthly payments in exchange for control of, and the right-to-use, a specified asset. These contracts expire at various times through June 2026. The assets and related liabilities are recognized at the present value of the expected future minimum contract payments to be paid during the contract term using the District's incremental borrowing rate as of the required implementation date or subsequent lease inception date currently ranging from 3.25% to 4.38%.

The cost of normal maintenance and repairs that do not significantly increase the functionality of the assets or materially extend the assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as the projects are constructed.

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

	<u>Years</u>
Buildings	5-50
Improvements	5-50
Library media materials	5
Furniture and equipment	5-20
Right-to-use leased building	7-8
Right-to-use subscription software	5-8

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Collection

The District's collection (Note 2), was acquired through a combination of purchases and contributions and is not recognized as an asset on the statement of net position. Furthermore, revenue for contributed collection items is not reflected on the statement of revenues, expenditures and changes in fund balances.

Compensated Absences

It is the District's policy to permit employees to accumulate earned vacation and sick leave benefits that would be paid to them upon separation from District service if not previously taken. Accrued vacation and sick leave are reported in the government-wide financial statements. A liability for compensated absences is reported in the fund financial statements only to the extent that payment is due, for example, as a result of employee resignations and retirements prior to year-end. Expenditures for compensated absences are recognized by the applicable fund when paid.

Long-term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities, net of unamortized bond premiums in the statement of net position. Bond premiums are deferred and amortized over the life of the related bonds using the effective interest method.

In the fund financial statements, bond premiums and issuance costs are recognized during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Multiple-Employer, Cost-Sharing Defined Benefit Pension Plan

The District uses the same basis used in the Public Employees Retirement System of Nevada's (PERS) Annual Comprehensive Financial Report, for reporting its proportionate share of the PERS collective net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, including information related to PERS fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized by PERS when due and payable in accordance with the benefit terms. PERS investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB)

The District recognizes benefit payments when due and payable in accordance with the benefit terms for the purpose of measuring its total OPEB liability, deferred outflows of resources and deferred inflow of resources related to OPEB and OPEB expense. OPEB investments are reported at estimated fair value.

Deferred Outflows and Inflows of Resources

Deferred outflows of resources represents a consumption of net assets that applies to future periods; and therefore, will not be recognized as an outflow of resources (expense/expenditure) until then. Amounts related to the multiple-employer, cost-sharing defined benefit pension plan are reported as deferred outflows of resources.

Deferred inflows of resources represents a consumption of net assets that applies to future periods; and therefore, will not be recognized as an inflow of resources (revenue) until that time. Amounts related to the multiple-employer, cost-sharing defined benefit pension plan are reported as deferred inflows of resources.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Deferred Compensation Plan

In addition to the postemployment benefits other than pension (OPEB) plan, discussed above, the District offers its employees a deferred compensation (postemployment benefit) plan created in accordance with Internal Revenue Code Section 457. This plan, which is available to all District employees, permits participants to defer a portion of their salary/wages until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency.

The assets and a liability related to this plan are not reported in the government-wide or fund financial statements, because:

The deferred compensation plan is administered by an independent third-party and the District does not appoint any members of the deferred compensation plan's governing body or otherwise exercise any control over it.

Contributions are comprised solely of employee discretionary amounts. The District does not contribute to the deferred compensation plan.

Each employee determines if they want to participate, how much they want to contribute (which may be changed at any time) and controls investment decisions by selecting from a range of investment options offered by the third-party administrator.

The assets of this plan are held in trust outside the control of the District. Therefore, the assets of this plan are not considered assets of the District and are not subject to the claims of the District's general creditors.

Net Position

In the government-wide financial statements, net position is reported as 1) net investment in capital assets, 2) restricted, or 3) unrestricted.

Net position is reported as restricted when constraints have been placed on it by an external party (such as creditors, grantors, contributors or other governments) or imposed by law through a constitutional provision or enabling legislation.

Fund Balance

Governmental fund balances are classified and reported as follows:

Nonspendable fund balances include items that cannot be spent. This includes amounts that are not in a spendable form (for example, inventories and prepaid items) and amounts that are legally or contractually required to remain intact, such as a permanent fund principal balance.

Restricted fund balances have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

Committed fund balances can be used only for specific purposes pursuant to constraints imposed by formal action (resolution) of the Board, the District's highest level of decision-making authority. These constraints remain binding unless removed or changed in the same manner used to create the constraints.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Assigned fund balances include amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted nor committed. Such intent is expressed by the Board or appropriately authorized officials. The District's Chief Financial Officer has been authorized by the Board in the budget approval process to make all fund balance assignments. Constraints imposed on the use of assigned fund balances can be removed or changed without formal Board action. For governmental funds, other than the general fund, this is the classification for residual amounts that are not nonspendable, restricted or committed.

Unassigned fund balance is the classification used by the general fund for residual amounts not included in the four categories described above. The general fund is the only fund that reports a positive unassigned fund balance.

Prioritization and Use of Available Resources

When restricted resources and other resources (*i.e.*, committed, assigned and unassigned) can be used for the same purposes, it is the District's policy to use restricted resources first. Furthermore, when committed, assigned and unassigned resources can be used for the same purpose, it is the District's policy to use committed resources first, assigned second, and unassigned last.

Use of Estimates

Timely preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect reported amounts and disclosures. Accordingly, these estimates and assumptions may require revision in future years. Significant estimates that may change materially within the next year include the 1) useful lives of capital assets, 2) net pension liability, 3) total postemployment benefits other than pensions liability, and 4) deferred outflows and inflows of resources.

Note 2. Stewardship and Accountability

Budgets and Budgetary Accounting

The District adopts annual budgets for all funds except for the Foundation and QALICB funds, which are not budgeted. All budget augmentations made during the current year were as prescribed by law. All budgets are adopted on a basis consistent with GAAP as applied to government units and used by the District for financial reporting.

The District uses the following procedures to establish, modify, and control budgetary data:

Prior to April 15, the District submits the tentative budget for the next fiscal year, commencing on July 1, to the State Department of Taxation. The Las Vegas City Council and the Board of County Commissioners have the ability to reject the tentative budget prior to its submission to the State. The budget, as submitted, contains the proposed expenditures and the means of financing them.

The State Department of Taxation notifies the District of its acceptance of the tentative budget.

A public hearing is conducted on the Thursday after the third Monday in May.

After all changes have been noted and the hearings closed, the Board adopts the budget on or before June 1.

The NRS require budget controls to be exercised at the function level. The District's Executive Director and Chief Financial Officer are authorized to transfer budget amounts between functions within a fund. However, the Board's approval is required for all transfers between funds.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Budget augmentations are accomplished through formal Board action.

The District cannot expend any money, incur any liability or enter into any contract, which by its terms involves the expenditure of money in excess of the amount appropriated for a given function, except for bond payments, short-term financing payments and any other long-term contracts expressly authorized by law.

All unencumbered appropriations lapse at the fiscal year end, except for amounts appropriated for specific capital projects or Federal and State grant expenditures.

Collection

The District's collection is comprised of a permanent art collection that is held for educational, research, and exhibition purposes. Each item is cataloged, preserved, and cared for, and activities verifying their existence and assessing their condition are performed continuously. The collection is subject to a District procedure that requires proceeds from their sales, if any, to be used to acquire other collection items.

Tax Abatements

All tax abatement agreements/programs, entered into by the State of Nevada, have been summarized, by type of agreement/program and the gross, accrual basis reduction of the District's taxes for the year ended June 30, 2023, aggregated as follows:

Agreement/program description	NRS 360.753 - Partial abatement of certain taxes imposed on aircraft, components of aircraft and other personal property used for certain purposes related to aircraft
Amount abated during the current year	\$ 3,129
Specific tax being abated	Personal property taxes and/or sales and use taxes
Agreement/program description	NRS 360.754 - Partial abatement of certain taxes imposed on new or expanded data center
Amount abated during the current year	\$ 146,978
Specific tax being abated	Property taxes and/or sales and use taxes
Agreement/program description	NRS 701A.370 - Energy-related tax incentives (NRS 701A.110 Partial abatement of certain property taxes for buildings or structures that meet certain standards under Green Building Rating System, NRS 701A.200 Exemption from certain property taxes for qualified energy systems, NRS 701A.210 Partial abatement of certain property taxes for businesses and facilities using recycled material)
Amount abated during the current year	\$ 56,206
Specific tax being abated	Property taxes and/or sales and use taxes
Agreement/program description	NRS 374.357 - Abatement for eligible machinery or equipment used by certain new or expanded businesses
Amount abated during the current year	\$ 17,957
Specific tax being abated	Sales and use taxes

New Accounting Pronouncements

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections*, effective for years beginning after June 15, 2023. This statement defines and provides guidance on the accounting and financial reporting for accounting changes and error corrections to enhance understandability, reliability, relevance, consistency and comparability of information used for making decisions or assessing accountability. Management has not yet completed its assessment of this statement.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*, effective for years beginning after December 15, 2023. This statement provides updated guidance for the recognition, measurement and disclosure of compensated absences. Management has not yet completed its assessment of this statement.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Management has completed its assessment of all other new, but not yet effective GASB statements and either 1) determined that the statement will not have a material effect on the District's financial position or changes therein, or 2) early adopted and implemented the statement.

Note 3. Detailed Notes on All Funds

Cash, Cash Equivalents and Investments

The District has a formal investment policy that is designed to ensure conformity with the NRS and to limit exposure to investment risks as described in the following paragraphs.

Allowable District investments include obligations of the U.S. Treasury and U.S. agencies, not to exceed ten years maturity; negotiable notes or short-term negotiable bonds issued by other local governments of the State; bankers' acceptances eligible for rediscount with Federal Reserve Banks, not to exceed 180 days maturity and 20% of total investments; commercial paper having an "A-1" rating or equivalent, not to exceed 270 days maturity and 20% of total investments; and money market mutual funds invested only in federal government agency securities with an "AAA" rating or equivalent or in repurchase agreements fully collateralized by such securities.

When investing monies, the District is required to comply with the NRS. District monies must be deposited with federally insured banks. The District is authorized to use demand accounts, time accounts and certificates of deposit. The NRS do not specifically require collateral for demand deposits, but do specify that collateral for time deposits may be of the same type as those described for permissible State investments. Permissible State investments are similar to allowable District investments, described above, except that some State investments are for longer terms and include securities issued by municipalities outside of the State.

At year end, the District's carrying amount of deposits was \$32,189,036, and the bank balance was \$32,289,808. The Federal Depository Insurance Corporation (FDIC) covered \$250,000 of the bank balance at fiscal year end. However, the District's bank balance is collateralized with securities held by the pledging bank's trust department or agent in the District's name up to 102% of the average bank balance in excess of the FDIC limit. The District often carries cash and cash equivalents on deposit with financial institutions in excess of federally-insured limits, and the risk of losses related to such concentrations, as a result of continuing economic instability, is not subject to estimation at this time.

The District manages its custodial credit risk related to deposits by participating in the State's Pooled Collateral Program, which was created during the 2003 legislative session to monitor collateral maintained by depositories for local government agency deposits. This program provides for centralized processing and management of all pledging and maintenance of collateral by the State Treasurer's Office, rather than each local agency and eliminates the need for the District to establish separate custodial agreements with each financial institution.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. In accordance with the District's formal investment policy, the District manages its exposure to interest rate risk by purchasing a combination of short-term and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

GAAP defines fair value, establishes a framework for measuring fair value and provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value measurement level within the hierarchy is based on the lowest level of any input that is deemed significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

At year end, the estimated fair value of the District's investments was based on:

Level 1 – Quoted market prices provided by recognized broker dealers.

Level 2 – A matrix pricing model, used by recognized broker dealers, which maximizes the use of observable inputs for similar securities or, for certificates of deposit, amortized cost.

Level 3 – Unobservable inputs including, when applicable, the proportionate share of pooled investments.

At year end, the District had the following investments:

	Reported Amount (Fair Value)	Less than 1 year	1 to 5 years
Level 1			
U.S. Treasury securities	\$ 44,423,007	\$ 32,000,197	\$ 12,422,810
Corporate notes and bonds	650,551	296,654	353,897
Mutual funds	3,700	3,700	
Level 2			
U.S. Agency securities	6,040,787	1,655,219	4,385,568
Certificates of deposit	641,557	641,557	
Level 3			
Total cash equivalents and investments	<u>\$ 51,759,602</u>	<u>\$ 34,597,327</u>	<u>\$ 17,162,275</u>

* The requirement to disclose credit ratings does not apply to debt securities of the United States government, or obligations of United States government agencies that are explicitly guaranteed by the United States government.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment and concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. This is measured by the assignment of a rating by a nationally recognized statistical organization. The District's formal investment policy mitigates this risk by limiting investments to the safest types of securities, pre-qualifying entities (e.g., financial institutions, intermediaries, advisors) and diversifying its investment portfolio. At year end, all of the District's investments were rated "AAA" or "AA." However, it should be noted that the requirement to disclose credit ratings does not apply to debt securities of the United States government, or obligations of United States government agencies that are explicitly guaranteed by the United States government.

Custodial credit risk related to investments is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

NRS help protect against loss resulting from credit and custodial risk by setting limits on the maximum percentage that can be invested in a single issuer. The District places no limits on the amount that can be invested in any one issuer beyond that stipulated by the NRS.

Investments in any type of investment that represent 5% or more of total investments at year end, were as follows:

	Percentage of Portfolio
U.S. Treasury securities	85.3 %
U.S. Agency securities	11.7 %

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Capital Assets

For the year ended June 30, 2023, capital asset activity was as follows:

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023
Governmental activities				
Capital assets not being depreciated or amortized				
Construction in progress	\$	\$ 1,360,082	\$	\$ 1,360,082
Land	<u>5,706,578</u>			<u>5,706,578</u>
Total capital assets not being depreciated or amortized	<u>5,706,578</u>	<u>1,360,082</u>		<u>7,066,660</u>
Capital assets being depreciated or amortized				
Buildings	158,489,025		(6,247,325)	152,241,700
Improvements	3,781,448		(1,011,138)	2,770,310
Library media materials	114,492,001	11,547,834	(3,004,282)	123,035,553
Furniture and equipment	<u>15,967,052</u>	<u>1,492,870</u>	<u>(3,159,380)</u>	<u>14,300,542</u>
Total capital assets being depreciated or amortized	<u>292,729,526</u>	<u>13,040,704</u>	<u>(13,422,125)</u>	<u>292,348,105</u>
Accumulated depreciation and amortization				
Buildings	(52,611,032)	(3,220,824)	3,516,008	(52,315,848)
Improvements	(3,430,558)	(85,500)	954,978	(2,561,080)
Library media materials	(45,796,800)	(6,421,703)	3,004,282	(49,214,221)
Furniture and equipment	<u>(13,270,171)</u>	<u>(738,845)</u>	<u>3,079,235</u>	<u>(10,929,781)</u>
Total accumulated depreciation and amortization	<u>(115,108,561)</u>	<u>(10,466,872)</u>	<u>10,554,503</u>	<u>(115,020,930)</u>
Total capital assets being depreciated or amortized, net	<u>177,620,965</u>	<u>2,573,832</u>	<u>(2,867,622)</u>	<u>177,327,175</u>
Right-to-use capital assets being amortized				
Right-to-use leased building	108,108			108,108
Right-to-use subscription software		<u>191,498</u>		<u>191,498</u>
Total right-to-use capital assets being amortized	<u>108,108</u>	<u>191,498</u>		<u>299,606</u>
Accumulated amortization				
Right-to-use leased building	(15,821)	(15,820)		(31,641)
Right-to-use subscription software		<u>(55,510)</u>		<u>(55,510)</u>
Total accumulated amortization	<u>(15,821)</u>	<u>(71,330)</u>		<u>(87,151)</u>
Total right-to-use capital assets being amortized, net	<u>92,287</u>	<u>120,168</u>		<u>212,455</u>
Total governmental activities	<u>\$ 183,419,830</u>	<u>\$ 4,054,082</u>	<u>\$ (2,867,622)</u>	<u>\$ 184,606,290</u>

Depreciation and amortization charged to the culture and recreation function for the year totaled \$10,538,202.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Due To and From Other Funds

At year end, amounts due to and from other funds resulting from the time lag between the dates that reimbursable transactions occur and payments between funds are made were as follows:

	Receivable	Payable
General Fund	\$ 239,638	\$ 417,382
Las Vegas-Clark County Library District Foundation, Special Revenue Fund	30,654	136,661
Capital Projects, Capital Projects Fund	1,000	
Non-major Governmental Funds	410,788	128,037
	<u>\$ 682,080</u>	<u>\$ 682,080</u>

Interfund Transfers

Transfers of revenues collected in various funds are used to finance various programs and expenditures accounted for in other funds in accordance with budgetary authorization or legal requirements. Interfund transfers during the year were as follows:

Transfer In Fund	Transfer Out Fund	Amount
Capital Projects, Capital Projects Fund	General Fund	<u>\$ 34,000,000</u>

Long-term Liabilities

The District issues general obligation bonds and notes payable to provide funds for the improvement, acquisition or construction of major capital assets. These constitute general obligations of the District, and the full faith and credit of the District are pledged for the payment of principal and interest.

Long-term Liabilities

Outstanding long-term liabilities at June 30, 2023, were as follows:

	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2023
Governmental activities				
Notes payable (direct placement)				
LVCIC QLICI – Loan A	July 2057	1.203%	\$ 11,335,600	\$ 11,335,600
LVCIC QLICI – Loan B	July 2057	1.203%	5,154,400	5,154,400
Clearinghouse QLICI – Loan A	December 2047	1.000%	6,646,000	6,646,000
Clearinghouse QLICI – Loan B	December 2047	1.000%	<u>3,154,000</u>	<u>3,154,000</u>
Total notes payable (direct placement)			<u>26,290,000</u>	<u>26,290,000</u>
Lease obligations				
Facilities lease	April 2028	3.25% to 4.38%	<u>108,108</u>	<u>78,695</u>

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance June 30, 2023</u>
Subscription software obligations				
Subscription software	Through June 2026	3.25% to 4.38%	<u>191,498</u>	<u>111,426</u>
Total governmental activities			<u>\$ 26,589,606</u>	<u>\$ 26,480,121</u>

At June 30, 2023, minimum payment requirements to maturity were as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>
Governmental activities		
Notes payable (direct placement)		
2024	\$	\$ 281,095
2025	391,035	276,236
2026	793,992	288,618
2027	802,783	279,802
2028	811,672	270,888
2029 - 2033	4,195,204	1,217,212
2034 - 2038	4,432,792	978,954
2039 - 2043	4,683,948	727,085
2044 - 2048	4,711,019	477,414
2049 - 2053	2,779,135	248,960
2054 - 2058	<u>2,688,420</u>	<u>76,402</u>
Total notes payable (direct placement)	<u>26,290,000</u>	<u>5,122,666</u>
Lease obligations		
2024	15,285	2,331
2025	15,789	1,827
2026	16,310	1,306
2027	16,848	768
2028	<u>14,463</u>	<u>217</u>
Total lease obligations	<u>78,695</u>	<u>6,449</u>
Subscription software obligations		
2024	50,118	3,882
2025	52,357	1,643
2026	<u>8,951</u>	<u>49</u>
Total subscription software obligations	<u>111,426</u>	<u>5,574</u>
Total governmental activities	<u>\$ 26,480,121</u>	<u>\$ 5,134,689</u>

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Long-term liabilities activity for the year ended June 30, 2023, was as follows:

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023	Due Within One Year
Governmental activities					
Notes payable (direct placement)					
LVCIC QLICI – Loan A	\$ 11,335,600	\$	\$	\$ 11,335,600	\$
LVCIC QLICI – Loan B	5,154,400			5,154,400	
Clearinghouse QLICI – Loan A	6,646,000			6,646,000	
Clearinghouse QLICI – Loan B	3,154,000			3,154,000	
Total notes payable (direct placement)	26,290,000			26,290,000	
Lease obligations					
Facilities lease	93,492		(14,797)	78,695	15,285
Subscription software obligations					
Subscription software		191,498	(80,072)	111,426	50,118
Compensated absences	6,607,206	3,699,451	(2,969,213)	7,337,444	3,330,495
Postemployment benefits other than pensions	1,413,528	53,425	(198,723)	1,268,230	
Net pension liability	28,408,876	30,685,264	(3,393,543)	55,700,597	
Total governmental activities	\$ 62,813,102	\$ 34,629,638	\$ (6,656,348)	\$ 90,786,392	\$ 3,395,898

Compensated absences, total postemployment benefits other than pensions liability and net pension liability are normally liquidated by the general fund.

Debt Covenants and Legal Debt Margin

Certain long-term liabilities are subject to restrictive debt covenants with which management believes the District to be in compliance.

The amount of general obligation, long-term debt that can be incurred by the District is limited by NRS. The total outstanding long-term debt principal during a year is limited to no more than 10% of the assessed value of taxable property. Management believes the District to be in compliance with this limitation.

Commitments

Governmental fund commitments outstanding for construction and construction-related services at year end totaled approximately \$1,213,000 and \$5,698,000 for non-construction related services.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Note 4. Other Information

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains a risk management program to assess coverage of potential risks of loss. Under this program, the District participates in workers' compensation and unemployment programs provided by the State. For all other risks, the District purchases insurance coverage subject to nominal deductibles. Settled claims and awards have not exceeded this commercial coverage in any of the past three fiscal years.

The Nevada economy continues to suffer and the COVID-19 pandemic fallout continues to impact the economic activity and government finances. The financial outlook for Nevada's economy has been improving, but is projected to experience a slower recovery than the rest of the country due to its relatively large dependence on tourism. Intergovernmental shared revenues, composed primarily of sales and use taxes, comprise 32.9% of general fund revenues compared to 34.2% in the prior year.

At year end, housing prices continued to increase due to low inventory and increased demand. As employees continue to work from home, many are looking for larger properties in a state with no income taxes, making locations such as the Las Vegas metropolitan area attractive. Property taxes comprise 63.5% of general fund revenues compared to 63.8% in the prior year.

During the COVID-19 pandemic, the District implemented several cost saving strategies designed to ensure financial sustainability in response to the COVID-19 pandemic. These strategies continue to successfully provide the District with additional resources to withstand any subsequent financial downturns in the near term. Combined with slowly improving economic conditions in Southern Nevada, these measures allowed the District to resume transferring funds to the Capital Projects Fund, build reserves, and continue spending on critical projects.

Although the economy appears to be recovering, the future impact of the COVID-19 pandemic is unknown and continually evolving. The ultimate long-term impact on the District's financial position and changes therein cannot be determined at this time, but may be substantial.

Contingent Liabilities

In the ordinary course of its operations, claims are filed against the District. It is the opinion of management that, except as disclosed in the following paragraph, these claims will not result in any material adverse effect on the District's financial statements.

The District does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters, but rather records such period costs when the services are rendered.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Postemployment Benefits Other Than Pensions (OPEB)

As discussed in Note 1, the District offers its employees a deferred compensation (postemployment benefit) plan created in accordance with Internal Revenue Code Section 457. This plan, which is available to all District employees, permits participants to defer a portion of their salary/wages until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. The assets and liabilities related to this deferred compensation plan are not reported by the District because the plan is administered by an independent third-party and the District does not control the independent third-party or appoint any members of its governing body (either directly or indirectly). In addition, contributions are comprised solely of employee discretionary contributions and each employee controls their own investment decisions.

In accordance with NRS, the District also provides other postemployment benefits to retirees by participating in the State's Public Employee Benefit Plan (PEBP), an agent, multiple-employer defined benefit plan administered by a ten-member governing board appointed by the Governor, including an Executive Officer who directs the program and serves at the pleasure of the Board. The PEBP provides medical, prescription, dental and vision benefits to retirees.

The District does not provide any other postemployment benefits (either directly or indirectly).

The PEBP issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing:

Public Employee Benefit Plan
901 South Stewart Street, Suite 101
Carson City, NV 89701

The PEBP eligibility and subsidy requirements are governed by NRS and can only be amended through legislation. For a retiree to participate in the PEBP, the retiree must be receiving a PERS benefit. PERS eligibility varies by employee group and benefit type, as discussed elsewhere herein. In 2008, NRS were amended. As a result of this amendment, the number of retirees for whom the District is obligated to provide OPEB is limited to eligible employees who retired prior to September 1, 2008.

Retirees and former employees who were eligible and elected the PEBP coverage are entitled to a subsidy toward their premium cost based on their years of covered employment under Nevada PERS. This subsidy is shared on a pro-rata basis by the employers for which the retiree has worked and earned PERS service credit. As a result, the District is required to provide a subsidy, based on years of service for its retirees and former employees that are enrolled in the PEBP. The State Legislature changes the benefit subsidies from time to time; and although, the monthly subsidy continues to be based on years of credited service under PERS, the level differs for pre-Medicare and Medicare eligible retirees. The subsidy ends at the earlier of the retiree's death or the date he or she discontinues coverage. In the current fiscal year, the District paid a subsidy that ranged from \$10 to \$918 per person, per month, and totaled \$87,308 for the year.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

The District's total OPEB obligation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Actuarial valuation date	July 1, 2023
Measurement date	June 30, 2023
Discount rate	
Beginning of year	3.9%
End of year	4.0%
Actuarial cost method	Entry age normal, level percent of pay
Total retirees	
Beginning of year	34
End of year	32
Average retiree age	
Beginning of year	76.2 years
End of year	77.4 years
Projected pay increase *	
Projected trend on payments to PEBP	Pre-Medicare – 6.00% in 2021 fluctuating down to 3.9% by 2076 7.5% per annum, decreasing 0.25 to 0.5% per year to an ultimate rate of 4.5%
Mortality rates	Society of Actuaries Pub-2010 Public Retirement Plans Headcount- Weighted General Mortality Tables using Scale MP-2021 Full Generational Improvement

* PEBP is a closed plan; and therefore, there are no current District employees covered by the PEBP.

There were no changes in OPEB benefit terms that affected the measurement of the District's total OPEB liability during the current year.

At year end, the District's total OPEB obligation sensitivity to changes in the discount rate and healthcare cost trend rate was as follows:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Total OPEB liability	\$ <u>1,391,863</u>	\$ <u>1,268,230</u>	\$ <u>1,161,472</u>
	1% Decrease in Healthcare Trend Rate	Healthcare Trend Rate	1% Increase in Healthcare Trend Rate
Total OPEB liability	\$ <u>1,167,728</u>	\$ <u>1,268,230</u>	\$ <u>1,381,987</u>

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

At year end, changes in the District's total OPEB obligation were as follows:

Interest on total OPEB liability	\$ 53,425
Differences between expected and actual experience	(66,953)
Change in assumptions and other inputs	(44,462)
Service cost *	
OPEB expense	(57,990)
Benefit payments (equal to employer contributions)	(87,308)
Net change in total OPEB liability	(145,298)
Total OPEB liability, beginning of year **	1,413,528
Total OPEB liability, end of year **	\$ 1,268,230

* PEBP is a closed plan; and therefore, there are no current District employees covered by the PEBP.

** The plan fiduciary net position at the beginning and end of year is zero; therefore, the District reports its total OPEB liability, rather than a net OPEB liability.

As the District's OPEB obligation includes only retirees, the average expected remaining service life is zero; and therefore, changes in deferred outflows and inflows of resources are recognized in OPEB expense in the year incurred.

Multiple-Employer, Cost-Sharing Defined Benefit Pension Plan

The District's employees are covered by the Public Employees Retirement System of Nevada (PERS or the System), which was established by the Nevada Legislature in 1947, effective July 1, 1948, and is governed by the Public Employees Retirement Board (the PERS Board) whose seven members are appointed by the Governor. The District does not exercise any control over PERS.

PERS is a cost-sharing, multiple-employer, defined benefit public Employees retirement system which includes both regular and police/fire members. PERS is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earnings capacities have been removed or substantially impaired by age or disability.

Benefits, as required by NRS, are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the system on or after January 1, 2010 and July 1, 2015. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

Monthly benefit allowances for members are computed as 2.50% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this service time factor is 2.67% of average compensation. For plan members entering the System on or after January 1, 2010, there is a 2.50% service time factor for all years of service. Regular plan members entering the System on or after July 1, 2015 have a 2.25% service time factor. The System offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

Post-retirement increases are provided by authority of NRS 286.575 - .579 and are summarized as follows:

Retirees are eligible for annual benefit increases starting the fourth year of initially receiving benefits. Benefits are increased annually on the first day of the month following the anniversary of the commencement of benefits. The increases begin at 2% in years four, five, and six; increase to 3% in years seven, eight, and nine; 3.5% in years ten, eleven, and twelve; 4% for years thirteen and fourteen; and 5% in year fifteen and each year thereafter. If the benefit outpaces inflation in the period since retirement, the increase may be capped by a rolling three-year average of the Consumer Price Index (all items).

Retirees who enter the System on or after January 1, 2010, are eligible for annual benefit increases starting the fourth year of initially receiving benefits. Benefits are increased annually on the first day of the month following the anniversary of the commencement of benefits. The increases begin at 2% in years four, five, and six; increase to 3% in years seven, eight, and nine; 3.5% in years ten, eleven, and twelve; and 4% in year thirteen and each year thereafter. If the benefit outpaces inflation in the period since retirement, the increase may be capped by a rolling three-year average of the Consumer Price Index (all items).

Retirees who enter the System on or after July 1, 2015, are eligible for annual benefit increases starting the fourth year of initially receiving benefits. Benefits are increased annually on the first day of the month following the anniversary of the commencement of benefits. The increases begin at 2% in years four, five, and six; increase to 2.5% in years seven, eight, and nine; then adjust to the lesser of 3% or the increase, if any, in the Consumer Price Index (all items) for the preceding calendar year following the tenth year and every year thereafter.

Regular members entering the System prior to January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with 30 years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or at age 62 with 10 years of service, or any age with 30 years of service. Regular members entering the System on or after July 1, 2015, are eligible for retirement at age 65 with five years of service, or at age 62 with 10 years of service, or at age 55 with 30 years of service, or at any age with 33 1/3 years of service.

Police/Fire members entering the System prior to January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 55 with 10 years of service, at age 50 with 20 years of service, or at any age with 25 years of service. Police/Fire members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or at age 60 with 10 years of service, or at age 50 with 20 years of service. Only service performed in a position as a police officer or firefighter may be counted towards eligibility for retirement as Police/Fire accredited service.

Members with the years of service necessary to receive a retirement benefit, but who have not reached the age for an unreduced benefit, may retire at any age with the benefit reduced for each year they are under the required age.

The normal ceiling limitation on monthly benefit allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Both Regular and Police/Fire members become fully vested as to benefits upon completion of five years of service.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

The authority for establishing and amending the obligation to make contributions and member contribution rates rests with NRS. New hires, in agencies which did not elect the employer-pay contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two alternative contribution plans. One plan provides for matching employee and employer contributions, while the other plan provides for employer pay contributions only. Under the matching employee/employer contribution plan a member may, upon termination of service for which contribution is required, withdraw employee contributions that have been credited to their account. All membership rights and active service credit in the System are canceled upon withdrawal of contributions from the member's account. If EPC was elected, the member cannot convert to the Employee/Employer Contribution plan and cannot withdraw these contributions.

PERS's basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due.

Although PERS receives an actuarial valuation on an annual basis for determining the prospective funding contribution rates required to fund the system on an actuarial reserve basis, contributions actually made are in accordance with the required rates established by NRS. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450.

The actuarial funding method used is the entry age normal cost method. It is intended to meet the funding objective and result in a relatively level long-term contributions requirement as a percentage of salary.

For the current year, the required employer/employee matching rate was 15.50% for regular and 22.75% for police/fire members. The EPC rate was 29.75% for regular and 44.00% for police/fire members.

Effective July 1, 2023, the required employer/employee match rates increased to 17.5% for regular and 25.75% for police/fire members. The EPC rates also increase to 33.5% for regular and 50.0% for police/fire members.

PERS issues a publicly available Annual Comprehensive Financial Report that includes financial statements and required supplemental information. This report is available on the PERS website, www.nvpers.org under publications.

PERS collective net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. For this purpose, certain actuarial valuation assumptions are stipulated by GASB and may vary from those used to determine the prospective funding contribution rates.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

The total PERS pension liability was determined using the following actuarial assumptions (based on the results of an experience study for the period July 1, 2016, through June 30, 2020), applied to all periods included in the measurement:

Actuarial valuation date	June 30, 2022
Inflation rate	
Beginning of year	2.50%
End of year	2.50%
Payroll growth	
Regular employees	3.50%
Police/fire employees	3.50%
Investment rate of return	
Beginning of year	7.25%
End of year	7.25%
Discount rate	
Beginning of year	7.25%
End of year	7.25%
Productivity pay increase	0.50%
Actuarial cost method	Entry age normal, level percent of pay
Projected salary increases, including inflation and productivity increases	
Regular employees	4.20% to 9.10%, depending on service
Police/fire employees	4.60% to 14.50%, depending on service

Mortality rates and projected life expectancies are based on the following:

Pre-retirement, regular members – Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2020.

Pre-retirement, police/fire members – Pub-2010 Safety Employee Amount-Weighted Above-Median Mortality Table (separate tables for males and females). Projected generationally with the two-dimensional mortality improvement scale MP- 2020.

Healthy, regular members – Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 30% for males and 15% for females, projected generationally with the two-dimensional monthly improvement scale MP-2020.

Healthy, police/fire members – Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 30% for males and 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2020.

Disabled, regular members – Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) with rates increased by 20% for males and 15% for females, projected generationally with the two-dimensional mortality improvement scale MP- 2020.

Disabled, police/fire members – Pub-2010 Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) with rates increased by 30% for males and 10% for females, projected generationally with the two-dimensional mortality improvement scale MP-2020.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

PERS's policies, which determine the investment portfolio target asset allocation, are established by the PERS Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of PERS. The following target asset allocation policy was adopted as of June 30, 2022:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Geometric Expected Real Rate of Return *</u>
U.S. stocks	42 %	5.50 %
International stocks	18 %	5.50 %
U.S. bonds	28 %	0.75 %
Private markets	12 %	6.65 %

* The long-term inflation assumption was 2.50%.

The discount rate used to measure the PERS total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan contributions will be made in amounts consistent with statutory provisions and recognizing the plan's current funding policy and cost-sharing mechanism between employers and members.

Based on that assumption, the PERS fiduciary net position at the measurement date was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the PERS total pension liability as of the measurement date.

The District's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate was as follows:

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
Net pension liability	\$ <u>85,518,638</u>	\$ <u>55,700,597</u>	\$ <u>31,096,240</u>

Detailed information about the PERS fiduciary net position is available in the PERS Annual Comprehensive Financial Report, available on the PERS website, www.nvpers.org under publications. The PERS fiduciary net position and additions to/deductions from it have been determined on the same basis used in the PERS Annual Comprehensive Financial Report. The PERS financial statements are prepared in accordance with GAAP applicable to governmental accounting for fiduciary funds. 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.

The District's proportionate share (amount) of the collective net pension liability was \$55,700,597, which represents 0.30851% of the collective net pension liability. Contributions for employer pay dates within the measurement year were used as the basis for determining each employer's proportionate share. Each employer's proportion of the net pension liability is based on their combined employer and member contributions relative to the total combined employer and member contributions for all employers for the measurement year.

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2023

For the current year, the District's pension expense was (\$4,559,763) and its reported deferred outflows and inflows of resources related to pensions were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,212,304	\$ 39,791
Changes of assumptions or other inputs	7,155,130	
Net difference between projected and actual earnings on investments	679,582	
Changes in proportion and differences between actual contributions and proportionate share of contributions	527,408	3,958,635
Contributions made subsequent to the measurement date	<u>3,707,211</u>	
	<u>\$ 19,281,635</u>	<u>\$ 3,998,426</u>

At June 30, 2022, the average expected remaining service life was 5.70 years.

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date totaling \$3,707,211 will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Year Ended June 30,

2024	\$ 1,775,749
2025	1,685,293
2026	1,504,687
2027	5,822,016
2028	788,253

Changes in the District's net pension liability were as follows:

Net pension liability, beginning of year	\$ 28,408,876
Pension expense	4,559,763
Employer contributions	(3,393,543)
Change in net deferred outflows and inflows of resources	<u>26,125,501</u>
Net pension liability, end of year	<u>\$ 55,700,597</u>

At year end, payroll and benefits payable included \$1,088,969 payable to PERS, for the June required contributions and the accrued portion of July required contributions resulting from time working in June.

Required Supplementary Information

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

FOR THE YEAR ENDED JUNE 30, 2023

For the Year Ended June 30, ^{1, 4}	Service Cost	Interest on Total OPEB Liability	Changes in Benefit Terms	Differences Between Expected and Actual Experience	Changes in Assumptions or Other Inputs	Benefit Payments
2018	²	\$ 71,482	\$	\$ (165,020)	\$ 22,856	\$ (93,503)
2019	²	63,980		(80,090)	10,199	(92,336)
2020	²	55,202		1,781	(114,655)	(93,298)
2021	²	44,022		20,429	29,658	(85,218)
2022	²	34,005		34,771	(311,150)	(88,743)
2023	²	53,425		(66,953)	(44,462)	(87,308)

For the Year Ended June 30, ^{1, 4}	Net Change in Total OPEB Liability	Total OPEB Liability, Beginning of Year	Total OPEB Liability, End of Year	Plan Fiduciary Net Position, Beginning of Year	Net OPEB Liability, End of Year	Covered-Employee Payroll
2018	\$ (164,185)	\$ 2,149,156	\$ 1,984,971	³	\$ 1,984,971	²
2019	(98,247)	1,984,971	1,886,724	³	1,886,724	²
2020	(150,970)	1,886,724	1,735,754	³	1,735,754	²
2021	8,891	1,735,754	1,744,645	³	1,744,645	²
2022	(331,117)	1,744,645	1,413,528	³	1,413,528	²
2023	(145,298)	1,413,528	1,268,230	³	1,268,230	²

¹ Information for Postemployment Benefits Other Than Pensions is not available for years prior to the year ended June 30, 2018. As additional information becomes available, this schedule will ultimately present information for the ten most recent fiscal years.

² The Public Employee Benefit Program is a closed plan and the number of employees for whom the District is obligated to provide OPEB is limited to eligible employees who retired prior to September 1, 2008. Therefore, service cost and covered-employee payroll are both zero. As a result, the net OPEB liability as a percent of covered-employee payroll is not applicable.

³ Employer contributions are equal to the benefit payments made during the year; and therefore, the beginning and ending plan fiduciary net position is zero. As a result, the plan fiduciary net position as a percentage of the total OPEB liability is not applicable.

⁴ As of the end of the most current fiscal year presented, no assets had been placed in a qualifying irrevocable trust.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS STATUTORILY REQUIRED CONTRIBUTION INFORMATION FOR THE YEAR ENDED JUNE 30, 2023

For the Year Ended June 30, ^{1,3}	Contributions in Relation to the		Contribution Excess (Deficiency)	Covered- Employee Payroll
	Statutorily Required Contributions	Statutorily Required Contributions		
2018	\$ 93,503	\$ 93,503	\$	²
2019	92,336	92,336		²
2020	93,298	93,298		²
2021	85,218	85,218		²
2022	88,743	88,743		²
2023	87,308	87,308		²

¹ Information for Postemployment Benefits Other Than Pensions is not available for years prior to the year ended June 30, 2018. As additional information becomes available, this schedule will ultimately present information for the ten most recent fiscal years.

² The Public Employee Benefit Program is a closed plan and the number of employees for whom the District is obligated to provide OPEB is limited to eligible employees who retired prior to September 1, 2008. Therefore, service cost and covered-employee payroll are both zero. As a result, the net OPEB liability as a percent of covered-employee payroll is not applicable.

³ As of the end of the most current fiscal year presented, no assets had been placed in a qualifying irrevocable trust.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA MULTIPLE-EMPLOYER COST-SHARING DEFINED BENEFIT PENSION PLAN PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY INFORMATION FOR THE YEAR ENDED JUNE 30, 2023

For the Year Ended June 30, ¹	Proportion of the Collective Net Pension Liability	Proportion of the Collective Net Pension Liability	Covered Payroll	Proportion of the Collective Net Pension Liability as a Percentage of Covered Payroll	PERS Fiduciary Net Position as a Percentage of Total Pension Liability
2014	0.33538 %	\$ 34,406,633	\$ 19,036,828	180.74 %	76.31210 %
2015	0.34184 %	38,432,593	19,776,530	194.33 %	75.12612 %
2016	0.34184 %	46,002,178	20,429,244	225.18 %	72.22995 %
2017	0.34239 %	45,536,922	21,261,880	214.17 %	74.22995 %
2018	0.34021 %	46,397,158	21,929,216	211.58 %	75.23536 %
2019	0.35145 %	47,924,045	23,794,894	201.40 %	76.45733 %
2020	0.34596 %	48,185,863	25,005,967	192.70 %	77.03999 %
2021	0.31152 %	28,408,876	25,712,125	110.49 %	86.50548 %
2022	0.30851 %	55,700,597	22,851,121	243.75 %	75.12034 %

¹ Information for the multiple-employer cost-sharing defined benefit pension plan is not available for measurement years prior to the year ended June 30, 2014. As information becomes available, this schedule will ultimately present information for the ten most recent measurement years.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA MULTIPLE-EMPLOYER COST-SHARING DEFINED BENEFIT PENSION PLAN PROPORTIONATE SHARE OF STATUTORILY REQUIRED CONTRIBUTION INFORMATION FOR THE YEAR ENDED JUNE 30, 2023

For the Year Ended June 30, ¹	Contributions in Relation to the			Covered Payroll	Contribution as a Percentage of Covered Payroll
	Statutorily Required Contributions	Statutorily Required Contributions	Contribution Excess (Deficiency)		
2015	\$ 5,191,083	\$ 5,191,083	\$	\$ 19,776,530	26.25 %
2016	5,862,383	5,862,383		20,429,244	28.70 %
2017	6,174,110	6,174,110		21,261,880	29.04 %
2018	6,328,094	6,328,094		21,929,216	28.86 %
2019	6,761,114	6,761,114		23,794,894	28.41 %
2020	7,567,929	7,567,929		25,005,967	30.26 %
2021	6,937,523	6,937,523		25,712,125	26.98 %
2022	6,925,529	6,925,529		22,851,121	30.31 %
2023	7,414,422	7,414,422		28,551,840	25.97 %

¹ Information for the multiple-employer cost-sharing defined benefit pension plan is not available for measurement years prior to the year ended June 30, 2015. As information becomes available, this schedule will ultimately present information for the ten most recent measurement years.

General Fund

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Property taxes	\$ 59,198,000	\$ 59,198,000	\$ 58,178,706	\$ (1,019,294)
Intergovernmental shared revenues	30,000,000	30,000,000	30,142,694	142,694
Charges for services	1,000,000	985,000	1,343,646	358,646
Investment income	50,000	50,000	800,310	750,310
Contributions	210,000	210,000	211,407	1,407
Miscellaneous	<u>600,000</u>	<u>615,000</u>	<u>897,830</u>	<u>282,830</u>
Total revenues	<u>91,058,000</u>	<u>91,058,000</u>	<u>91,574,593</u>	<u>516,593</u>
Expenditures				
Salaries and wages	33,581,019	33,581,019	29,883,986	3,697,033
Employee benefits	14,062,191	14,062,191	12,488,295	1,573,896
Services and supplies	17,199,234	17,199,234	15,918,997	1,280,237
Capital outlay	11,353,000	11,353,000	11,235,569	117,431
Debt service				
Principal payments			94,869	(94,869)
Interest			<u>7,143</u>	<u>(7,143)</u>
Total expenditures	<u>76,195,444</u>	<u>76,195,444</u>	<u>69,628,859</u>	<u>6,566,585</u>
Excess of revenues over expenditures	<u>14,862,556</u>	<u>14,862,556</u>	<u>21,945,734</u>	<u>7,083,178</u>
Subscription software issuance			191,498	191,498
Transfers out	<u>(34,000,000)</u>	<u>(34,000,000)</u>	<u>(34,000,000)</u>	
Total other financing sources (uses)	<u>(34,000,000)</u>	<u>(34,000,000)</u>	<u>(33,808,502)</u>	<u>191,498</u>
Change in fund balance	(19,137,444)	(19,137,444)	(11,862,768)	7,274,676
Fund balance, beginning of year	<u>34,320,569</u>	<u>34,320,569</u>	<u>35,385,966</u>	<u>1,065,397</u>
Fund balance, end of year	<u>\$ 15,183,125</u>	<u>\$ 15,183,125</u>	<u>\$ 23,523,198</u>	<u>\$ 8,340,073</u>

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended JUNE 30, 2023

Note 1. Postemployment Benefits Other Than Pensions

For the year ended June 30, 2023, no significant events occurred that affected the measurement of the District's obligation for postemployment benefit other than pensions.

As of the most recent year end, no assets have been accumulated in a qualifying trust in which the assets contributed and earnings thereon are irrevocable, dedicated solely to providing postemployment benefits and legally protected from creditors.

Actuarial information for postemployment benefits other than pensions is not available for measurement years prior to the year ended June 30, 2018. As information becomes available information will be presented for the ten most recent fiscal years.

Additional information related to postemployment benefits other than pensions can be found in Note 4 to the basic financial statements.

Note 2. Multiple-Employer, Cost-Sharing Defined Benefit Pension Plan

For the year ended June 30, 2023, there were no changes in the pension benefit plan terms or significant changes to the actuarial methods and assumptions used in the actuarial valuation report dated June 30, 2022.

Actuarial information for the multiple-employer, cost-sharing defined benefit pension plan is not available for measurement years prior to the year ended June 30, 2014. As information becomes available information will be presented for the ten most recent fiscal years.

Additional pension plan information can be found in Note 4 to the basic financial statements.

Note 3. Budget Information

The accompanying required supplementary schedule of revenues, expenditures and changes in fund balance presents the original adopted budget, the final amended budget and actual general fund data. The original budget was adopted on a basis consistent with the Las Vegas-Clark County Library District's (the District) financial accounting policies and accounting principles generally accepted in the United States. All amendments made to the original budget were as prescribed by law and similarly consistent.

Additional budgetary information can be found in Note 2 to the basic financial statements.

Other Supplementary Information

Major Governmental Funds

Major Capital Projects Funds

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

MAJOR CAPITAL PROJECTS FUNDS FOR THE YEAR ENDED JUNE 30, 2023

Capital projects funds are used to account for financial resources that are restricted, committed or assigned to the improvement, acquisition or construction of capital assets.

Capital Projects

Accounts for financial resources that are restricted, committed or assigned to the improvement, acquisition or construction of capital assets.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Investment income	\$ <u>150,000</u>	\$ <u>150,000</u>	\$ <u>510,789</u>	\$ <u>360,789</u>
Expenditures				
Services and supplies	6,481,674	5,804,300	2,903,132	2,901,168
Capital outlay	<u>5,210,547</u>	<u>5,887,921</u>	<u>2,815,759</u>	<u>3,072,162</u>
Total expenditures	<u>11,692,221</u>	<u>11,692,221</u>	<u>5,718,891</u>	<u>5,973,330</u>
Deficiency of revenues under expenditures	<u>(11,542,221)</u>	<u>(11,542,221)</u>	<u>(5,208,102)</u>	<u>6,334,119</u>
Proceeds from capital asset disposal			3,216,378	3,216,378
Transfers in	<u>34,000,000</u>	<u>34,000,000</u>	<u>34,000,000</u>	
Total other financing sources (uses)	<u>34,000,000</u>	<u>34,000,000</u>	<u>37,216,378</u>	<u>3,216,378</u>
Change in fund balance	22,457,779	22,457,779	32,008,276	9,550,497
Fund balance, beginning of year	<u>22,945,083</u>	<u>22,945,083</u>	<u>23,953,321</u>	<u>1,008,238</u>
Fund balance, end of year	\$ <u><u>45,402,862</u></u>	\$ <u><u>45,402,862</u></u>	\$ <u><u>55,961,597</u></u>	\$ <u><u>10,558,735</u></u>

Non-major Governmental Funds

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NON-MAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET JUNE 30, 2023

	Non-major Special Revenue Funds	Non-major Debt Service Fund	Non-major Permanent Fund	Total Non-major Governmental Funds
Assets				
Cash and cash equivalents, unrestricted	\$ 1,267,804	\$ 593,703	\$ 10,000	\$ 1,871,507
Taxes receivable		12,618		12,618
Due from other governments	588,736			588,736
Due from other funds	410,788			410,788
Other assets	16,333			16,333
Cash and cash equivalents, restricted	<u>253,221</u>			<u>253,221</u>
Total assets	<u>\$ 2,536,882</u>	<u>\$ 606,321</u>	<u>\$ 10,000</u>	<u>\$ 3,153,203</u>
Liabilities				
Accounts payable	\$ 91,689	\$	\$	\$ 91,689
Payroll and benefits payable	11,025			11,025
Due to other funds	128,037			128,037
Unearned revenue	<u>9,583</u>			<u>9,583</u>
Total liabilities	<u>240,334</u>			<u>240,334</u>
Deferred inflows of resources				
Unavailable revenue, property taxes		<u>12,618</u>		<u>12,618</u>
Total liabilities and deferred inflows of resources	<u>240,334</u>	<u>12,618</u>		<u>252,952</u>
Fund balances				
Nonspendable				
Permanent fund principal			10,000	10,000
Restricted for				
Debt service	1,260,026			1,260,026
Grant programs	360,539			360,539
Other purposes	675,983			675,983
Assigned to				
Debt service		<u>593,703</u>		<u>593,703</u>
Total fund balances	<u>2,296,548</u>	<u>593,703</u>	<u>10,000</u>	<u>2,900,251</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,536,882</u>	<u>\$ 606,321</u>	<u>\$ 10,000</u>	<u>\$ 3,153,203</u>

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NON-MAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2023

	Non-major Special Revenue Fund	Non-major Debt Service Fund	Non-major Permanent Fund	Total Non-major Governmental Funds
Revenues				
Property taxes	\$	\$ 18	\$	\$ 18
Intergovernmental shared revenues	1,469,701			1,469,701
Investment income	1,190			1,190
Contributions	371,766			371,766
Miscellaneous	<u>432,925</u>	<u>10</u>		<u>432,935</u>
Total revenues	<u>2,275,582</u>	<u>28</u>		<u>2,275,610</u>
Expenditures				
Current				
Culture and recreation	<u>1,241,250</u>			<u>1,241,250</u>
Capital outlay				
Culture and recreation	<u>540,957</u>			<u>540,957</u>
Debt service				
Interest	<u>296,367</u>			<u>296,367</u>
Total expenditures	<u>2,078,574</u>			<u>2,078,574</u>
Excess of revenues over expenditures	<u>197,008</u>	<u>28</u>		<u>197,036</u>
Change in fund balance	197,008	28		197,036
Fund balance, beginning of year	<u>2,099,540</u>	<u>593,675</u>	<u>10,000</u>	<u>2,703,215</u>
Fund balance, end of year	<u>\$ 2,296,548</u>	<u>\$ 593,703</u>	<u>\$ 10,000</u>	<u>\$ 2,900,251</u>

Non-major Special Revenue Funds

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NON-MAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED JUNE 30, 2023

Special revenue funds are used to account for financial resources that are restricted or committed to specific purposes other than debt service and capital projects.

Grant

Accounts for revenues and expenditures of monies received from federal and state grants.

Gift

Accounts for the collection and expenditures of gifts restricted for specific purposes.

QALICB

Accounts for loan proceeds and lease income to be used for the acquisition and leasing of real or personal property that is subject to certain restrictions and limitations in furtherance of the District's operations.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NON-MAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET JUNE 30, 2023

	Grant Fund	Gift Fund	QALICB Fund	Total Non-major Special Revenue
Assets				
Cash and cash equivalents, unrestricted	\$	\$	\$	\$
Due from other governments	588,736	653,477	614,327	1,267,804
Due from other funds		24,060	386,728	588,736
Other assets			16,333	410,788
Cash and cash equivalents, restricted			253,221	16,333
				253,221
Total assets	<u>\$ 588,736</u>	<u>\$ 677,537</u>	<u>\$ 1,270,609</u>	<u>\$ 2,536,882</u>
Liabilities				
Accounts payable	\$ 90,135	\$ 1,554	\$	\$ 91,689
Payroll and benefits payable	11,025			11,025
Due to other funds	127,037		1,000	128,037
Unearned revenue			9,583	9,583
Total liabilities	<u>228,197</u>	<u>1,554</u>	<u>10,583</u>	<u>240,334</u>
Fund balances				
Nonspendable				
Restricted for				
Debt service			1,260,026	1,260,026
Grant programs	360,539			360,539
Other purposes		675,983		675,983
Total fund balances	<u>360,539</u>	<u>675,983</u>	<u>1,260,026</u>	<u>2,296,548</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 588,736</u>	<u>\$ 677,537</u>	<u>\$ 1,270,609</u>	<u>\$ 2,536,882</u>

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NON-MAJOR SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2023

	<u>Grant Fund</u>	<u>Gift Fund</u>	<u>QALICB Fund</u>	<u>Total Non-major Special Revenue</u>
Revenues				
Intergovernmental shared revenues	\$ 1,469,701	\$	\$	\$ 1,469,701
Investment income			1,190	1,190
Contributions		371,766		371,766
Miscellaneous			432,925	432,925
Total revenues	<u>1,469,701</u>	<u>371,766</u>	<u>434,115</u>	<u>2,275,582</u>
Expenditures				
Current				
Culture and recreation	<u>957,959</u>	<u>190,260</u>	<u>93,031</u>	<u>1,241,250</u>
Capital outlay				
Culture and recreation	<u>511,742</u>	<u>29,215</u>		<u>540,957</u>
Debt service				
Interest			296,367	296,367
Total expenditures	<u>1,469,701</u>	<u>219,475</u>	<u>389,398</u>	<u>2,078,574</u>
Excess of revenues over expenditures		<u>152,291</u>	<u>44,717</u>	<u>197,008</u>
Change in fund balance		152,291	44,717	197,008
Fund balance, beginning of year	<u>360,539</u>	<u>523,692</u>	<u>1,215,309</u>	<u>2,099,540</u>
Fund balance, end of year	<u>\$ 360,539</u>	<u>\$ 675,983</u>	<u>\$ 1,260,026</u>	<u>\$ 2,296,548</u>

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

GRANT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Intergovernmental shared revenues	\$ <u>6,000,000</u>	\$ <u>6,000,000</u>	\$ <u>1,469,701</u>	\$ <u>(4,530,299)</u>
Expenditures				
Salaries and wages	480,000	693,139	666,655	26,484
Employee benefits	210,000	210,000	184,819	25,181
Services and supplies	2,260,000	2,046,861	106,485	1,940,376
Capital outlay	<u>3,050,000</u>	<u>3,050,000</u>	<u>511,742</u>	<u>2,538,258</u>
Total expenditures	<u>6,000,000</u>	<u>6,000,000</u>	<u>1,469,701</u>	<u>4,530,299</u>
Excess (deficiency) of revenues over (under) expenditures	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Change in fund balance				
Fund balance, beginning of year	<u>157,031</u>	<u>157,031</u>	<u>360,539</u>	<u>203,508</u>
Fund balance, end of year	<u>\$ 157,031</u>	<u>\$ 157,031</u>	<u>\$ 360,539</u>	<u>\$ 203,508</u>

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

GIFT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Contributions	\$ 1,900,000	\$ 1,900,000	\$ 371,766	\$ (1,528,234)
Miscellaneous	<u>100,000</u>	<u>100,000</u>		<u>(100,000)</u>
Total revenues	<u>2,000,000</u>	<u>2,000,000</u>	<u>371,766</u>	<u>(1,628,234)</u>
Expenditures				
Salaries and wages		100,000		100,000
Services and supplies	1,900,000	900,000	190,260	709,740
Capital outlay	<u>100,000</u>	<u>1,000,000</u>	<u>29,215</u>	<u>970,785</u>
Debt service				
Total expenditures	<u>2,000,000</u>	<u>2,000,000</u>	<u>219,475</u>	<u>1,780,525</u>
Excess of revenues over expenditures			<u>152,291</u>	<u>152,291</u>
Change in fund balance			152,291	152,291
Fund balance, beginning of year	<u>457,328</u>	<u>457,328</u>	<u>523,692</u>	<u>66,364</u>
Fund balance, end of year	<u>\$ 457,328</u>	<u>\$ 457,328</u>	<u>\$ 675,983</u>	<u>\$ 218,655</u>

Non-major Debt Service Funds

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NON-MAJOR DEBT SERVICE FUNDS FOR THE YEAR ENDED JUNE 30, 2023

Debt service funds are used to account for the accumulation of financial resources that are restricted, committed or assigned to the repayment of debt principal and interest.

Debt Service

Accounts for revenues that are restricted, committed or assigned to the repayment of debt principal and interest.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Property taxes	\$	\$	\$ 18	\$ 18
Investment income	10,000	10,000		(10,000)
Miscellaneous			10	10
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>28</u>	<u>(9,972)</u>
Expenditures				
Services and supplies	<u>10,000</u>	<u>10,000</u>		<u>10,000</u>
Excess of revenues over expenditures			<u>28</u>	<u>28</u>
Change in fund balance			28	28
Fund balance, beginning of year	<u>601,231</u>	<u>601,231</u>	<u>593,675</u>	<u>(7,556)</u>
Fund balance, end of year	<u>\$ 601,231</u>	<u>\$ 601,231</u>	<u>\$ 593,703</u>	<u>\$ (7,528)</u>

Non-major Permanent Funds

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NON-MAJOR PERMANENT FUNDS FOR THE YEAR ENDED JUNE 30, 2023

Permanent funds are used to account for financial resources that are legally restricted to the extent that only earnings, and not principal, may be used to support the District's programs.

Permanent

Accounts for revenues that are restricted such that the earnings may only be used to purchase library media materials.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

PERMANENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Change in fund balance	\$	\$	\$	\$
Fund balance, beginning of year	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u></u>
Fund balance, end of year	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$</u>

Statistical Section

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

STATISTICAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2023 (UNAUDITED)

Financial Trends

The following tables contain financial trend information to enable the reader to understand how financial performance has changed over time.

- Net Position by Component
- Changes in Net Position
- Fund Balances - Governmental Funds
- Changes in Fund Balances - Governmental Funds

Revenue Capacity

The following tables contain revenue capacity information to enable the reader to assess the most significant local revenue source.

- General Governmental Revenues by Source
- Principal Property Taxpayers - Clark County
- Property Tax Rates - Direct and Overlapping Governments
- Assessed and Estimated Actual Value of Taxable Property - Clark County
- Property Tax Levies and Collections

Debt Capacity

The following tables contain debt capacity information to enable the reader to assess the affordability of the current level of outstanding debt and the ability to issue additional debt in the future.

- Total Outstanding Debt, Net General Bonded Debt and Related Ratios
- Legal Debt Margin
- Direct and Overlapping Governmental Activities Debt

Demographic and Economic Information

The following tables contain demographic and economic information to enable the reader to understand the environment within which financial activities take place.

- Demographic Statistics - Clark County
- Employment by Industry

Operating Information

The following tables contain operating information to enable the reader to understand how the information contained in the Annual Comprehensive financial report relates to services provided and activities performed.

- Full-time Equivalent Employees by Function
- Circulation Summary
- Capital Asset Statistics by Function

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (UNAUDITED)

	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
Governmental activities					
Net investment in capital assets	\$ 124,927,270	\$ 129,077,870	\$ 129,379,355	\$ 136,561,586	\$ 143,991,244
Restricted	461,109	380,565	383,086	417,594	10,036,860
Unrestricted	<u>62,064,928</u>	<u>21,924,101</u>	<u>29,872,347</u>	<u>23,778,953</u>	<u>1,190,235</u>
Total governmental activities and primary government	<u>\$ 187,453,307</u>	<u>\$ 151,382,536</u>	<u>\$ 159,634,788</u>	<u>\$ 160,758,133</u>	<u>\$ 155,218,339</u>
	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023
Governmental activities					
Net investment in capital assets	\$ 155,778,692	\$ 156,140,490	\$ 156,079,176	\$ 157,036,338	\$ 158,126,169
Restricted	19,635,206	19,556,460	19,774,586	20,091,140	23,793,412
Unrestricted	<u>(18,701,338)</u>	<u>(17,380,166)</u>	<u>(5,616,183)</u>	<u>18,515,279</u>	<u>33,644,813</u>
Total governmental activities and primary government	<u>\$ 156,712,560</u>	<u>\$ 158,316,784</u>	<u>\$ 170,237,579</u>	<u>\$ 195,642,757</u>	<u>\$ 215,564,394</u>

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (UNAUDITED)

	2014	2015	2016	2017	2018
Governmental activities					
Expenses					
Culture and recreation	\$ 54,507,423	\$ 56,210,061	\$ 57,957,100	\$ 61,465,229	\$ 66,465,502
Debt service, interest	1,453,830	1,255,025	1,018,947	742,550	691,561
	<u>55,961,253</u>	<u>57,465,086</u>	<u>58,976,047</u>	<u>62,207,779</u>	<u>67,157,063</u>
Program revenues					
Charges for services	1,995,572	1,912,010	1,940,056	1,798,891	1,447,893
Operating grants and contributions	901,829	1,040,401	4,253,809	1,325,657	1,559,827
	<u>2,897,401</u>	<u>2,952,411</u>	<u>6,193,865</u>	<u>3,124,548</u>	<u>3,007,720</u>
Net (expenses) program revenues	<u>(53,063,852)</u>	<u>(54,512,675)</u>	<u>(52,782,182)</u>	<u>(59,083,231)</u>	<u>(64,149,343)</u>
General revenues and other changes in net position					
Property taxes	36,548,070	36,689,006	37,782,285	38,694,173	40,516,887
Intergovernmental shared revenues, unrestricted	18,345,024	19,457,174	20,118,630	21,019,709	22,010,620
Investment income	381,508	486,814	483,057	492,694	347,460
Gain on disposal of capital assets			2,365,772		
Miscellaneous	151,013	220,734	284,690		573,433
	<u>55,425,615</u>	<u>56,853,728</u>	<u>61,034,434</u>	<u>60,206,576</u>	<u>63,448,400</u>
Change in net position	<u>\$ 2,361,763</u>	<u>\$ 2,341,053</u>	<u>\$ 8,252,252</u>	<u>\$ 1,123,345</u>	<u>\$ (700,943)</u>
	2019	2020	2021	2022	2023
Governmental activities					
Expenses					
Culture and recreation	\$ 68,992,741	\$ 71,157,890	\$ 65,338,208	\$ 62,065,838	\$ 74,943,752
Debt service, interest	449,745	296,367	296,367	299,367	303,510
	<u>69,442,486</u>	<u>71,454,257</u>	<u>65,634,575</u>	<u>62,365,205</u>	<u>75,247,262</u>
Program revenues					
Charges for services	1,361,116	1,035,009	660,408	1,012,994	1,343,646
Operating grants and contributions	1,483,012	1,491,555	1,461,662	2,251,590	2,212,408
	<u>2,844,128</u>	<u>2,526,564</u>	<u>2,122,070</u>	<u>3,264,584</u>	<u>3,556,054</u>
Net (expenses) program revenues	<u>(66,598,358)</u>	<u>(68,927,693)</u>	<u>(63,512,505)</u>	<u>(59,100,621)</u>	<u>(71,691,208)</u>
General revenues and other changes in net position					
Property taxes	43,107,497	46,305,279	50,132,189	54,388,383	58,262,466
Intergovernmental shared revenues, unrestricted	23,443,319	22,414,958	24,212,142	29,109,435	30,171,434
Investment income	703,199	716,886	303,208	(301,590)	1,586,278
Gain on disposal of capital assets					348,756
Miscellaneous	838,564	1,094,794	785,761	1,309,571	1,243,911
	<u>68,092,579</u>	<u>70,531,917</u>	<u>75,433,300</u>	<u>84,505,799</u>	<u>91,612,845</u>
Change in net position	<u>\$ 1,494,221</u>	<u>\$ 1,604,224</u>	<u>\$ 11,920,795</u>	<u>\$ 25,405,178</u>	<u>\$ 19,921,637</u>

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (UNAUDITED)

	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
General fund					
Unassigned	\$ 17,893,241	\$ 17,156,400	\$ 9,666,594	\$ 16,073,788	\$ 15,168,032
Other governmental funds					
Nonspendable	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 17,991,600
Restricted	451,109	370,565	373,086	407,594	10,026,860
Assigned	48,580,793	46,752,191	60,781,220	48,589,411	28,150,122
	<u>\$ 49,041,902</u>	<u>\$ 47,132,756</u>	<u>\$ 61,164,306</u>	<u>\$ 49,007,005</u>	<u>\$ 56,168,582</u>
	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023
General fund					
Unassigned	\$ 14,576,974	\$ 18,773,959	\$ 31,059,998	\$ 35,385,966	\$ 23,523,198
Other governmental funds					
Nonspendable	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Restricted	19,625,206	19,546,460	19,764,586	20,081,140	23,899,677
Assigned	13,974,972	13,446,653	12,130,817	28,192,510	56,717,652
	<u>\$ 33,610,178</u>	<u>\$ 33,003,113</u>	<u>\$ 31,905,403</u>	<u>\$ 48,283,650</u>	<u>\$ 80,627,329</u>

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (UNAUDITED)

	2014	2015	2016	2017	2018
Revenues					
Property taxes	\$ 36,679,479	\$ 36,726,674	\$ 37,867,310	\$ 38,620,551	\$ 40,584,070
Intergovernmental shared revenues	19,089,367 ¹	20,322,437 ¹	21,084,084 ¹	21,983,546 ¹	23,057,204 ¹
Charges for services	1,995,572	1,912,010	1,940,056	1,798,891	1,447,893
Investment income	381,508	486,814	483,057	140,393	283,855
Contributions	157,486	175,138	3,288,355	361,820	22,464,890
Miscellaneous	151,013	220,734	284,690	352,301	591,766
	<u>58,454,425</u>	<u>59,843,807</u>	<u>64,947,552</u>	<u>63,257,502</u>	<u>88,429,678</u>
Expenditures					
Culture and recreation					
Current expenditures	44,314,860	46,402,081	48,257,212	49,903,069	76,673,042
Capital outlay	7,984,226	8,458,563	9,515,846	11,475,790	25,372,946
Debt service					
Principal payments	5,805,000	6,035,000	6,280,000	6,590,000	6,920,000
Interest	1,826,350	1,594,150	1,352,750	1,038,750	830,319
	<u>59,930,436</u>	<u>62,489,794</u>	<u>65,405,808</u>	<u>69,007,609</u>	<u>109,796,307</u>
Excess (deficiency of revenues over (under) expenditures	<u>(1,476,011)</u>	<u>(2,645,987)</u>	<u>(458,256)</u>	<u>(5,750,107)</u>	<u>(21,366,629)</u>
Other financing sources (uses)					
Debt issuance					26,290,000
Lease issuance					
Subscription software issuance			7,000,000		1,034,254
Proceeds from capital asset disposal			18,100,000		7,400,000
Transfers in	6,600,000	8,100,000	18,100,000		7,400,000
Transfers out	(6,600,000)	(8,100,000)	(18,100,000)		(7,400,000)
	<u>7,000,000</u>	<u>7,000,000</u>	<u>7,000,000</u>		<u>27,324,254</u>
Change in fund balance	<u>\$ (1,476,011)</u>	<u>\$ (2,645,987)</u>	<u>\$ 6,541,744</u>	<u>\$ (5,750,107)</u>	<u>\$ 5,957,625</u>
Debt service as a percentage of noncapital expenditures	<u>14.69 %</u>	<u>14.12 %</u>	<u>13.66 %</u>	<u>13.26 %</u>	<u>9.18 %</u>

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (CONTINUED) LAST TEN FISCAL YEARS (UNAUDITED)

	2019	2020	2021	2022 ¹	2023
Revenues					
Property taxes	\$ 43,021,659	\$ 46,269,522	\$ 50,058,474	\$ 54,299,133	\$ 58,178,724
Intergovernmental shared revenues	24,519,253 ¹	23,369,393 ¹	25,286,733 ¹	30,983,738 ¹	31,612,395
Charges for services	1,361,116	1,035,009	660,408	1,012,994	1,343,646
Investment income	693,632	722,044	297,109	(301,724)	1,596,927
Contributions	11,043,529	1,065,203	823,983	881,100	1,123,079
Miscellaneous	1,053,147	1,409,794	1,100,761	1,624,571	1,676,184
	<u>81,692,336</u>	<u>73,870,965</u>	<u>78,227,468</u>	<u>88,499,812</u>	<u>95,530,955</u>
Expenditures					
Culture and recreation					
Current expenditures ²	66,296,544	59,771,542	57,045,526	56,468,349	63,467,256
Capital outlay	30,620,637	10,213,136	9,697,244	11,121,373	14,592,285
Debt service					
Principal payments	7,265,000			14,616	94,869
Interest	659,617	296,367	296,367	299,367	303,510
	<u>104,841,798</u>	<u>70,281,045</u>	<u>67,039,137</u>	<u>67,903,705</u>	<u>78,457,920</u>
Excess (deficiency of revenues over (under) expenditures	<u>(23,149,462)</u>	<u>3,589,920</u>	<u>11,188,331</u>	<u>20,596,107</u>	<u>17,073,035</u>
Other financing sources (uses)					
Debt issuance					
Lease issuance				108,108	191,498
Subscription software issuance					3,216,378
Proceeds from capital asset disposal					34,000,000
Transfers in	6,200,000	3,000,000		19,000,000	34,000,000
Transfers out	(6,200,000)	(3,000,000)		(19,000,000)	(34,000,000)
	<u>108,108</u>	<u>3,407,876</u>			
Change in fund balance	<u>\$ (23,149,462)</u>	<u>\$ 3,589,920</u>	<u>\$ 11,188,331</u>	<u>\$ 20,704,215</u>	<u>\$ 20,480,911</u>
Debt service as a percentage of noncapital expenditures	<u>10.68 %</u>	<u>0.49 %</u>	<u>0.52 %</u>	<u>0.55 %</u>	<u>0.62 %</u>

¹ Previously reported balances for intergovernmental revenues, consolidated taxes and grants were combined into a single intergovernmental shared revenues line to conform with the June 30, 2023 financial statement presentation.

² Previously reported balances for salaries and wages, employee benefits and services and supplies were combined into a single current expenditures line to conform with the June 30, 2023 financial statement presentation.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

GENERAL GOVERNMENT REVENUES BY SOURCE LAST TEN FISCAL YEARS (UNAUDITED)

For the Year Ended June 30,	Property taxes	Intergovernmental shared revenues ¹	Investment income	Other ²	Total
2014	\$ 36,679,479	\$ 19,089,367	\$ 381,508	\$ 2,304,071	\$ 58,454,425
2015	36,726,674	20,322,437	486,814	2,307,882	59,843,807
2016	37,867,310	21,084,084	483,057	5,513,101	64,947,552
2017	38,620,551	21,983,546	140,393	2,513,012	63,257,502
2018	40,584,070	23,057,204	283,855	24,504,549	88,429,678
2019	43,021,659	24,519,253	693,632	13,457,792	81,692,336
2020	46,269,522	23,369,393	722,044	3,510,006	73,870,965
2021	50,058,474	25,286,733	297,109	2,585,152	78,227,468
2022	54,299,133	30,983,738	(301,724)	3,518,665	88,499,812
2023	58,178,724	31,612,395	1,596,927	4,142,909	95,530,955

¹ Previously reported balances for intergovernmental revenues, consolidated taxes were combined with grants were and presented in a single intergovernmental shared revenues column to conform with the June 30, 2023 financial statement presentation.

² Previously reported balances for grants were reclassified and presented in the intergovernmental shared revenues column to conform with the June 30, 2023 financial statement presentation.

Source - Las Vegas-Clark County Library District, Financial Services.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

PRINCIPAL PROPERTY TAXPAYERS - CLARK COUNTY ¹ CURRENT AND NINE YEARS AGO (UNAUDITED)

Taxpayer	2023			2014		
	Assessed Value ²	Rank	Approximate Percentage of Total Assess Value	Assessed Value ²	Rank	Approximate Percentage of Total Assess Value
VICI Properties, Inc.	\$ 3,996,752,110	1	0.0340 %	\$		
The Blackston Group	1,988,609,070	2	0.0169 %			
NV Energy	1,846,062,649	3	0.0157 %	1,735,689,444	2	0.0322 %
Caesars Entertainment Corporation	1,169,684,990	4	0.0099 %	1,607,183,794	3	0.0298 %
Wynn Resorts Limited	926,978,368	5	0.0079 %			
Station Casinos, LLC	875,632,786	6	0.0074 %	516,085,960	6	0.0096 %
Genting Group	734,901,496	7	0.0062 %			
MGM Resorts International	578,563,575	8	0.0049 %	2,749,674,055	1	0.0510 %
Howard Hughes Corporation	547,573,792	9	0.0047 %	183,142,575	10	0.0034 %
Boyd Gaming Corporation	489,173,376	10	0.0042 %	289,370,372	7	0.0054 %
Las Vegas Sands Corporation				971,098,550	4	0.0180 %
Wynn Resorts Limited				760,124,769	5	0.0141 %
Nevada Property 1, LLC				262,486,733	8	0.0049 %
Eldorado Energy, LLC				198,858,459	9	0.0037 %
	<u>\$ 13,153,932,212</u>		<u>0.1118 %</u>	<u>\$ 9,273,714,711</u>		<u>0.1721 %</u>

¹ Information is presented for Clark County, as specific information is not available for the Las Vegas-Clark County Library District.

² Pursuant to Nevada Revised Statutes, the taxable assessed value is 35% of estimated actual value.

Source - State of Nevada, Department of Taxation, Division of Local Government Services.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS LAST TEN FISCAL YEARS (UNAUDITED)

	2014	2015	2016	2017	2018
Las Vegas-Clark County Library District	0.0942	0.0942	0.0942	0.0942	0.0942
Clark County	0.6391	0.6391	0.6391	0.6391	0.6391
Clark County School District	1.3034	1.3034	1.3034	1.3034	1.3034
State of Nevada	0.1850	0.1850	0.1850	0.1850	0.1850
Incorporated Cities					
City of Las Vegas	0.7715	0.7715	0.7715	0.7715	0.7715
City of Mesquite	0.5520	0.5520	0.5520	0.5520	0.5520
Unincorporated Towns					
Bunkerville	0.0200	0.0200	0.0200	0.0200	0.0200
Enterprise	0.2064	0.2064	0.2064	0.2064	0.2064
Indian Springs	0.0200	0.0200	0.0200	0.0200	0.0200
Laughlin	0.8416	0.8416	0.8416	0.8416	0.8416
Moapa	0.1094	0.1094	0.1094	0.1094	0.1094
Moapa Valley	0.0200	0.0200	0.0200	0.0200	0.0200
Mt. Charleston	0.0200	0.0200	0.0200	0.0200	0.0200
Paradise	0.2064	0.2064	0.2064	0.2064	0.2064
Searchlight	0.0200	0.0200	0.0200	0.0200	0.0200
Spring Valley	0.2064	0.2064	0.2064	0.2064	0.2064
Summerlin	0.2064	0.2064	0.2064	0.2064	0.2064
Sunrise Manor	0.2064	0.2064	0.2064	0.2064	0.2064
Whitney	0.2064	0.2064	0.2064	0.2064	0.2064
Winchester	0.2064	0.2064	0.2064	0.2064	0.2064
Other Special Districts					
Clark County Fire Service area	0.2197	0.2197	0.2197	0.2197	0.2197
Las Vegas Metropolitan Police 911	0.0050	0.0050	0.0050	0.0050	0.0050
Las Vegas Metropolitan Police Manpower – City	0.2800	0.2800	0.2800	0.2800	0.2800
Las Vegas Metropolitan Police Manpower – County	0.2800	0.2800	0.2800	0.2800	0.2800
Mt. Charleston Fire Protection District	0.8813	0.8813	0.8813	0.8813	0.8813
	2019	2020	2021	2022	2023
Las Vegas-Clark County Library District	0.0942	0.0942	0.0942	0.0942	0.0942
Clark County	0.6391	0.6391	0.6391	0.6391	0.6541
Clark County School District	1.3034	1.3034	1.3034	1.3034	1.3034
State of Nevada	0.1850	0.1850	0.1850	0.1850	0.1700
Incorporated Cities					
City of Las Vegas	0.7715	0.7715	0.7715	0.7715	0.7715
City of Mesquite	0.5520	0.5520	0.5520	0.5520	0.5520
Unincorporated Towns					
Bunkerville	0.0200	0.0200	0.0200	0.0200	0.0200
Enterprise	0.2064	0.2064	0.2064	0.2064	0.2064
Indian Springs	0.0200	0.0200	0.0200	0.0200	0.0200
Laughlin	0.8416	0.8416	0.8416	0.8416	0.8416
Moapa	0.1094	0.1094	0.1094	0.1094	0.1094
Moapa Valley	0.0200	0.0200	0.0200	0.0200	0.0200
Mt. Charleston	0.0200	0.0200	0.0200	0.0200	0.0200
Paradise	0.2064	0.2064	0.2064	0.2064	0.2064
Searchlight	0.0200	0.0200	0.0200	0.0200	0.0200
Spring Valley	0.2064	0.2064	0.2064	0.2064	0.2064
Summerlin	0.2064	0.2064	0.2064	0.2064	0.2064
Sunrise Manor	0.2064	0.2064	0.2064	0.2064	0.2064
Whitney	0.2064	0.2064	0.2064	0.2064	0.2064
Winchester	0.2064	0.2064	0.2064	0.2064	0.2064
Other Special Districts					
Clark County Fire Service area	0.2197	0.2197	0.2197	0.2197	0.2197
Las Vegas Metropolitan Police 911	0.0050	0.0050	0.0050	0.0050	0.0050
Las Vegas Metropolitan Police Manpower – City	0.2800	0.2800	0.2800	0.2800	0.2800
Las Vegas Metropolitan Police Manpower – County	0.2800	0.2800	0.2800	0.2800	0.2800
Mt. Charleston Fire Protection District	0.8813	0.8813	0.8813	0.8813	0.8813

¹ Overlapping tax rates are those that apply to property owners within the City of Boulder City. Not all special district overlapping tax rates apply to property owners whose property is located within the geographic boundaries of the special districts.

² The State of Nevada Constitution has a maximum rate limit of \$5 per \$100 assessed value and Nevada Revised Statutes further lowers the limit to a total combined tax rate of 3.64.

Source - State of Nevada, Department of Taxation, Division of Local Government Services.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY - CLARK COUNTY ¹ LAST TEN FISCAL YEARS (UNAUDITED)

For the Year Ended June 30,	Assessed Value			Total Estimated Actual Value	Ratio of Assessed Value to Estimated Actual Value ²
	Real Property	Personal Property	Total		
2014	\$ 49,809,243,448	\$ 4,108,241,898	\$ 53,917,485,346	\$ 154,049,958,131	35 %
2015	57,491,891,230	4,312,615,295	61,804,506,525	176,584,304,357	35 %
2016	65,063,984,029	4,540,424,010	69,604,408,039	198,869,737,254	35 %
2017	70,542,809,530	4,737,608,268	75,280,417,798	215,086,907,994	35 %
2018	75,393,978,406	4,983,420,942	80,377,399,348	229,649,712,423	35 %
2019	81,419,209,409	5,149,274,486	86,568,483,895	247,338,525,414	35 %
2020	89,852,896,323	5,500,753,382	95,353,649,705	272,438,999,157	35 %
2021	96,977,318,348	5,637,315,030	102,614,633,378	293,184,666,794	35 %
2022	101,114,084,563	5,768,362,079	106,882,446,642	305,378,418,977	35 %
2023	111,771,285,288	5,935,211,968	117,706,497,256	336,304,277,874	35 %

¹ Information is presented for Clark County, as specific information is not available for the Las Vegas-Clark County Library District.

² Pursuant to Nevada Revised Statutes, the taxable assessed value is 35% of estimated actual value.

Source - Clark County Assessor's Office.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS (UNAUDITED)

For the Year Ended June 30,	Tax Levy	Current Tax Levy Collections	Percent of Current Tax Levy Collections	Delinquent Tax Levy Collections	Total Tax Levy Collected	Percent of Total Tax Levy Collected
2014	\$ 32,979,518	\$ 32,656,773	99.02 %	\$ 320,743	\$ 32,977,516	99.99 %
2015	32,886,197	32,618,211	99.19 %	265,644	32,883,855	99.99 %
2016	33,852,180	33,606,817	99.28 %	242,190	33,849,007	99.99 %
2017	34,586,890	34,345,613	99.30 %	236,746	34,582,359	99.99 %
2018	36,267,096	35,816,774	98.76 %	445,402	36,262,176	99.99 %
2019	38,605,387	38,325,537	99.28 %	273,934	38,599,471	99.98 %
2020	41,665,477	41,393,459	99.35 %	264,047	41,657,506	99.98 %
2021	45,308,755	45,092,488	99.52 %	201,755	45,294,243	99.97 %
2022	49,260,643	49,173,328	99.82 %	30,992	49,204,320	99.89 %
2023	53,352,581	49,173,328	92.17 %		49,173,328	92.17 %

Source - Las Vegas-Clark County Library District, Financial Services.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

TOTAL OUTSTANDING DEBT, NET GENERAL BONDED DEBT AND RELATED RATIOS LAST TEN FISCAL YEARS (UNAUDITED)

For the Year Ended June 30,	Total Assessed Value	Total Lease and Subscription Software Obligations Outstanding	Total General Bonded Debt Outstanding ¹	Total Outstanding Debt	Debt Service Available	Net General Bonded Debt
2014	\$ 41,434,275,926	\$	\$ 33,090,000	\$ 33,090,000	\$ 33,090,000	\$
2015	47,887,915,087		27,055,000	27,055,000	27,055,000	
2016	52,377,637,009		20,775,000	20,775,000	20,775,000	
2017	56,206,825,270		14,295,270	14,295,270	14,295,270	
2018	59,493,519,485		33,583,247	33,583,247	612,187	32,971,060
2019	63,598,612,187		26,290,000	26,290,000	1,008,528	25,281,472
2020	69,398,544,881		26,290,000	26,290,000	943,205	25,346,795
2021	75,177,719,020		26,290,000	26,290,000	1,168,627	25,121,373
2022	76,924,251,094	93,492	26,290,000	26,383,492	310,159	25,979,841
2023	85,933,334,152	190,121	26,290,000	26,480,121	243,221	26,046,779

For the Year Ended June 30,	Ratio of Total Outstanding Debt to Total Assessed Value	Total Outstanding Debt per Capita ²	Ratio of Total Outstanding Debt to Personal Income ²
2014	0.0799 %	\$ 16	0.0397 %
2015	0.0565 %	12.77	0.0300 %
2016	0.0397 %	9.59	0.0221 %
2017	0.0254 %	6.52	0.0143 %
2018	0.0564 %	14.92	0.0316 %
2019	0.0413 %	11.46	0.0238 %
2020	0.0379 %	11.60	0.0222 %
2021	0.0350 %	11.33	0.0197 %
2022	0.0343 %	11.28	³
2023	0.0308 %	³	³

For the Year Ended June 30,	Ratio of Net General Bonded Debt to Total Assessed Value	Net General Bonded Debt per Capita	Ratio of Net General Bonded Debt to Personal Income
2014		\$	
2015			
2016			
2017			
2018	0.0554 %	14.65	0.0310 %
2019	0.0398 %	11.02	0.0229 %
2020	0.0365 %	11.19	0.0214 %
2021	0.0334 %	10.83	0.0188 %
2022	0.0338 %	11.11	³
2023	0.0303 %	³	³

¹ Include bonds, unamortized bond premiums and notes payable, all of which are classified as general bonded debt.

² See the "Demographic and Economic Statistics" table for personal income and population data.

³ Not available at time of printing.

Source - State of Nevada, Department of Taxation, Division of Local Government Services, "Local Government Finance Redbook."

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

LEGAL DEBT MARGIN LAST TEN FISCAL YEARS (UNAUDITED)

		2014	2015	2016	2017	2018
Total assessed property value	¹	\$ 41,434,275,926	\$ 47,887,915,087	\$ 52,377,637,009	\$ 56,206,825,270	\$ 59,493,519,485
Legal debt Margin						
Legal debt limit (10% of taxable assessed property value)		\$ 4,143,427,593	\$ 4,788,791,509	\$ 5,237,763,701	\$ 5,620,682,527	\$ 5,949,351,949
Debt applicable to debt limit	¹	33,090,000	27,055,000	20,775,000	14,295,270	33,583,247
Legal debt margin		\$ 4,110,337,593	\$ 4,761,736,509	\$ 5,216,988,701	\$ 5,606,387,257	\$ 5,915,768,702
Total debt applicable to debt limit as a percentage of debt limit		0.80 %	0.56 %	0.40 %	0.25 %	0.56 %
		2019	2020	2021	2022	2023
Total assessed property value	¹	\$ 63,598,612,187	\$ 69,398,544,881	\$ 75,177,719,020	\$ 76,924,251,094	\$ 85,933,334,152
Legal debt Margin						
Legal debt limit (10% of taxable assessed property value)		\$ 6,359,861,219	\$ 6,939,854,488	\$ 7,517,771,902	\$ 7,692,425,109	\$ 8,593,333,415
Debt applicable to debt limit	¹	26,290,000	26,290,000	26,290,000	26,290,000	26,290,000
Legal debt margin		\$ 6,333,571,219	\$ 6,913,564,488	\$ 7,491,481,902	\$ 7,666,135,109	\$ 8,567,043,415
Total debt applicable to debt limit as a percentage of debt limit		0.41 %	0.38 %	0.35 %	0.34 %	0.31 %

¹ See the "Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt per Capita" table for total assessed property value and debt data.
Source - Las Vegas-Clark County Library District, Debt Management Policy.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT JUNE 30, 2023 (UNAUDITED)

	Total Debt Outstanding ¹	Percent Applicable	Applicable Direct and Overlapping Debt
Las Vegas-Clark County Library District	\$ 29,480,121	100.00 %	\$ 29,480,121
Overlapping governments			
Clark County	1,579,118,864	74.10 %	1,170,127,078
Clark County School District	2,518,355,000	74.10 %	1,866,101,055
State of Nevada	998,545,000	53.30 %	532,224,485
Incorporated Cities			
City of Las Vegas	481,304,177	100.00 %	481,304,177
City of Mesquite	8,551,378	100.00 %	8,551,378
Other Special Districts			
Clark County Water Reclamation District	707,630,524	100.00 %	707,630,524
Las Vegas Valley Water District	781,669,584	100.00 %	781,669,584
Big Bend Water District	879,678	100.00 %	879,678
Clark County Regional Flood Control	619,285,000	74.10 %	458,890,185
Moapa Valley Water District	3,491,048	100.00 %	3,491,048
Virgin Valley Water District	9,585,890	100.00 %	9,585,890
Total overlapping governments	<u>7,708,416,143</u>		<u>6,020,455,082</u>
Total direct and overlapping debt	<u>\$ 7,737,896,264</u>		<u>\$ 6,049,935,203</u>

¹ Debt included in this shedule is limited to direct and overlapping debtthat is to be repaid using taxpayer revenue sources.

Source - State of Nevada, Department of Taxation, Division of Local Government Services, "Annual Local Government Indebtedness Report" and State of Nevada, Department of the Treasurer, "General Obligation and Affordabbility Report."

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

DEMOGRAPHIC STATISTICS - CLARK COUNTY ¹ LAST TEN CALENDAR YEARS (UNAUDITED)

For the Year Ended June 30,	Population	Total Personal Income (in thousands)	Per Capita Personal Income	School Enrollment	Unemployment Rate
2013	2,031,723	\$ 77,290,997	\$ 38,561	311,218	7.40 %
2014	2,069,450	83,258,428	40,655	314,598	6.20 %
2015	2,118,353	90,217,603	43,017	306,832	5.30 %
2016	2,166,181	94,001,080	43,826	307,974	4.90 %
2017	2,193,818	99,914,746	45,444	309,965	4.40 %
2018	2,251,175	106,317,025	47,184	319,311	3.90 %
2019	2,293,391	110,628,465	49,225	317,306	3.70 %
2020	2,265,461	118,678,768	51,244	314,757	8.10 %
2021	2,320,551	133,596,955	59,150	301,474	5.30 %
2022	2,338,127			315,787	6.00 %

¹ Information is presented for Clark County, as specific information is not available for the Las Vegas-Clark County Library District.

² Not available at time of printing.

Source -

Population and unemployment rate - Univeresity of Nevada, Las Vegas, Center for Business and Economic Research.

Per capita personal income - U.S. Department of Commerce, Bureau of Economic Analysis.

School enrollment - Clark County School District and National Center for Education Statistics.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

EMPLOYMENT BY INDUSTRY CURRENT AND NINE CALENDAR YEARS AGO (UNAUDITED)

Industry	2022		2013	
	Average Employment ¹	Percentage of Total Clark County Employment	Average Employment ¹	Percentage of Total Clark County Employment
Leisure and Hospitality	274,234	26.30 %	268,639	32.04 %
Trade, Transportation and Utilities	205,264	19.69 %	160,495	19.14 %
Education and Health Services	165,919	15.91 %	126,151	15.05 %
Professional and Business Services	156,836	15.04 %	112,072	13.37 %
Construction	73,917	7.09 %	41,152	4.91 %
Financial Activities	54,343	5.21 %	41,257	4.92 %
Public Administration	38,792	3.72 %	35,778	4.27 %
Manufacturing	28,315	2.72 %	20,763	2.48 %
Other Services	26,275	2.52 %	20,618	2.46 %
Information	13,552	1.30 %	10,532	1.26 %
Natural Resources and Mining	2,582	0.25 %	392	0.05 %
Unclassified	2,516	0.24 %	560	0.07 %
	<u>1,042,545</u>		<u>838,409</u>	

¹ For privacy purposes, exact employment numbers are unavailable.
Source - State of Nevada, Department of Employment, Training & Rehabilitation, Research & Analysis Bureau.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS (UNAUDITED)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental Activities					
Culture and recreation	485	496	512	506	519
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Governmental Activities					
Culture and recreation	523	525	529	530	551

Source - Las Vegas-Clark County Library District, Financial Services.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

CIRCULATION SUMMARY LAST TEN FISCAL YEARS (UNAUDITED)

<u>For the Year Ended June 30,</u>	<u>Circulation</u>	<u>Percent Increase (Decrease)</u>	<u>Library Media Materials</u>
2014	13,757,192	1.35 %	7,085,910
2015	13,418,861	(2.46)%	6,964,109
2016	13,758,171	2.53 %	6,251,874
2017	11,014,656	(19.94)%	5,498,795
2018	10,138,181	(7.96)%	6,848,616
2019	9,267,338	(8.59)%	6,744,383
2020	6,677,518	(27.95)%	6,023,061
2021	5,608,025	(16.02)%	5,209,180
2022	8,185,591	45.96 %	7,595,800
2023	10,628,138	29.84 %	9,436,956

Source - Las Vegas-Clark County Library District, Collection & Bibliographic Services.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN FISCAL YEARS (UNAUDITED)

	2014 ¹	2015 ¹	2016 ¹	2017 ¹	2018 ¹
Governmental Activities					
Culture and recreation					
Library branches	25	25	25	25	25
Library branches with performing arts centers ¹	6	6	6	6	6
Library branches with art galleries	13	12	12	12	11
Library branches with EmployNV Hubs ³			2	5	5
Library branches with computer labs	9	9	9	9	9
Library media materials	7,085,910	6,964,109	6,251,874	5,498,795	6,848,616
	2019 ¹	2020	2021	2022	2023
Governmental Activities					
Culture and recreation					
Library branches	25	25	25	25	25
Library branches with performing arts centers ¹	6	6	6	6	6
Library branches with art galleries	12	12	12	12	15
Library branches with EmployNV Hubs ³	5	6	6	6	5
Library branches with computer labs	9	9	9	9	9
Library media materials	6,744,383	6,023,061	5,209,180	7,595,800	9,436,956

¹ Prior to 2023, this category was reported in separate categories as branches with theaters, lecture hall, auditorium and concert hall.

² Prior to 2023, this category was reported as branches with microcomputer centers.

³ Prior to 2023, this category was not tracked and reported.

Source - Las Vegas-Clark County Library District, Library Operations and Collection & Bibliographic Services.

Compliance Information



**Independent Auditors' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

The Executive Director and Board of Trustees
Las Vegas-Clark County Library District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Las Vegas-Clark County Library District (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 23, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies; and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

HintonBurdick, PLLC

Mesquite, Nevada
October 23, 2023



Single Audit Information



**Independent Auditors' Report on
Compliance for Each Major Federal Program and
Report on Internal Control over Compliance
in Accordance with the Uniform Guidance**

The Executive Director and Board of Trustees
Las Vegas-Clark County Library District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Las Vegas-Clark County Library District's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the

requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance, but is not absolute assurance; and therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of



compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

HintonBurdick, PLLC

Mesquite, Nevada

October 23, 2023

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2023

<u>Federal Grantor/Pass-through Entity/Cluster or Program Title</u>	<u>Assistance Listing Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Amount Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
Institute of Museum and Library Services				
Passed-through State of Nevada, Library, Archives and Public Records, Department of Administration				
Grants to States	45.310	APR-32 LVCCLD	\$	\$ 234,000
Grants to States	45.310	2022-02		75,000
Grants to States	45.310	CAGML-248449-OMLS-21		15,087
Queens Borough Public Library				
Museum Grants for African American History and Culture	45.309	MH-252552-OMS-22		6,500
Total Institute of Museum and Library Services				<u>330,587</u>
U.S. Department of Education, Office of Vocational and Adult Education				
Passed-through State of Nevada, Department of Education Adult Education, Basic Grants to States	84.002	23-608-32000		928,037
Total U.S. Department of Education, Office of Vocational and Adult Education				<u>928,037</u>
Total federal expenditures			\$	\$ <u>1,258,624</u>

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2023

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Las Vegas-Clark County Library District (the District) under programs of the federal government for the year ended June 30, 2023. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to, and does not, present the financial position, or changes in net assets, or cash flows of the District.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3. Indirect Cost Rate

The District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2023

Section I - Summary of Auditors' Results

Financial Statements	
Type of auditors' report issued	Unmodified
Internal control over financial reporting	
Material weaknesses identified	No
Significant deficiencies identified that are not considered to be material weaknesses	None reported
Noncompliance material to financial statements	No
Federal Awards	
Internal control over major programs	
Material weaknesses identified	No
Significant deficiencies identified that are not considered to be material weaknesses	None reported
Type of auditors' report issued on compliance for major programs	Unmodified
Audit findings required to be reported in accordance with 2 CFR 200.516(a)	No
Identification of major programs	
CFDA number	84.002
Name of federal program or cluster	Adult Education, Basic Grants to States
Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee	Yes

Section II - Financial Statement Findings

Internal control over financial reporting	No internal control matters noted
Compliance and other matters	
Compliance	No compliance items noted
Other matters	No other matters noted

Section III - Federal Award Findings and Questioned Costs

Internal control over federal awards	No internal control matters noted
Compliance and other matters	
Compliance	No compliance items noted
Other matters	No other matters noted

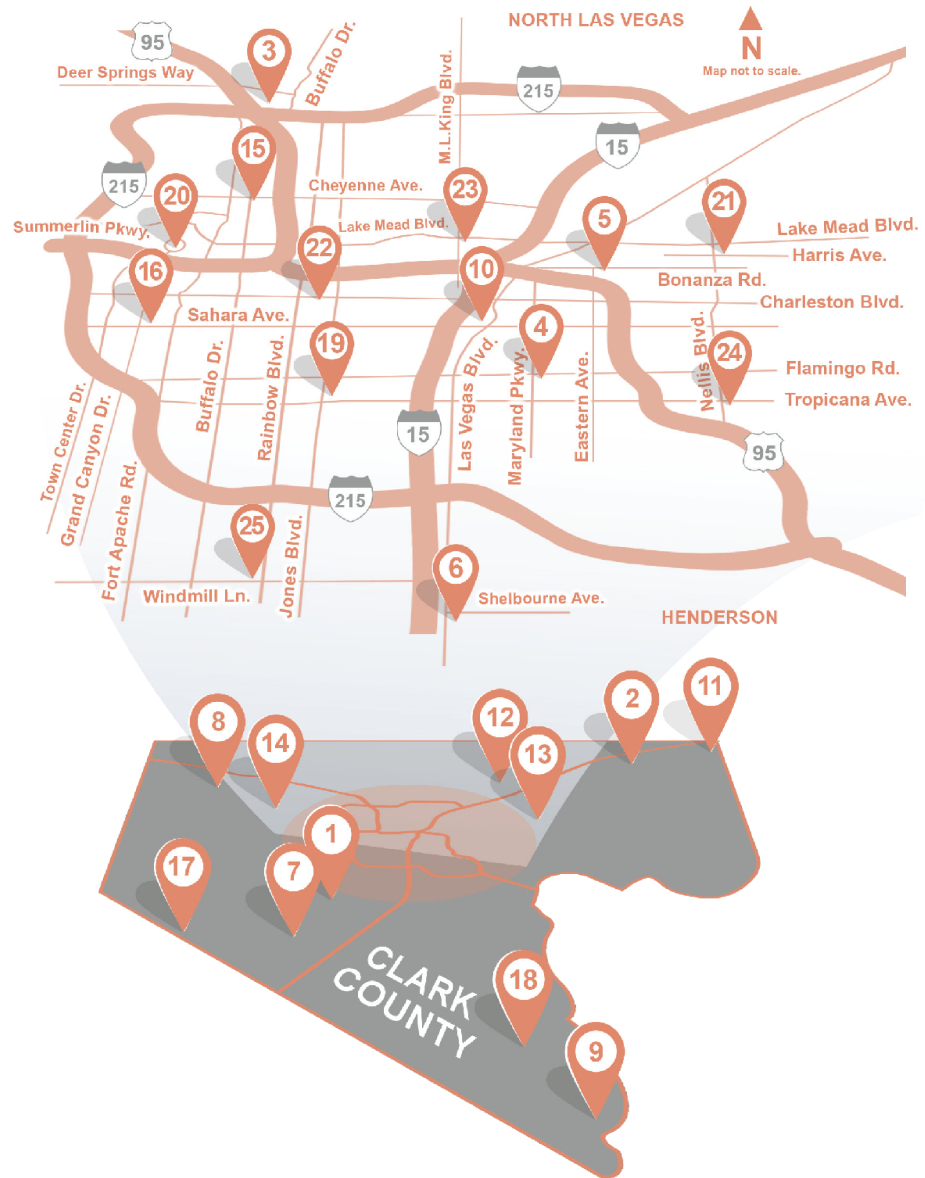
Section IV - Summary Schedule of Prior Findings

No prior year federal award findings or questioned costs reported

SERVICE AREA & BRANCH LOCATIONS

Library Branches

1. Blue Diamond
2. Bunkerville
3. Centennial Hills
4. Clark County
5. East Las Vegas
6. Enterprise
7. Goodsprings
8. Indian Springs
9. Laughlin
10. Meadows
11. Mesquite
12. Moapa Town
13. Moapa Valley
14. Mt. Charleston
15. Rainbow
16. Sahara West
17. Sandy Valley
18. Searchlight
19. Spring Valley
20. Summerlin
21. Sunrise
22. West Charleston
23. West Las Vegas
24. Whitney
25. Windmill



ALL METRO BRANCHES ARE OPEN

Monday – Thursday from 10 a.m. to 8 p.m. and Friday, Saturday, and Sunday from 10 a.m. to 6 p.m.
Greater Clark County branch hours vary. Please call for hours 702.734.READ.

