

PROPOSED AGENDA
LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT
Board of Trustees' Finance and Audit Committee
November 6, 2025

PUBLIC MEETING

DATE: November 6, 2025

TIME: 1:00 p.m.

PLACE: Online via YouTube

The Agenda and Board meeting documents can be found at
<https://lvccld.org/board/board-of-trustees-meetings/>

The Finance and Audit Committee, comprised of, Committee Chair; Kate Turner Whiteley, Nathaniel Waugh, Elizabeth Foyt, Karen Dutkowski, Dr. Keith Rogers ex-officio, all members of the Las Vegas-Clark County Library District Board of Trustees, will meet to discuss the Fiscal Year 2024-2025 Audit Report.

I. Roll Call

II. Public Comment

Topics raised under this item must be limited to matters on today's Agenda. Anyone wishing to speak during this item must sign-up prior to the public comment period. The sign-up must include the commenter's name, legal address, and the agenda item that is being commented on.

The public comment period at library district board meetings shall be limited to a maximum of forty-five (45) minutes for both periods of public comment. Remarks by speakers during the public comment period shall be limited to three (3) minutes, each. A speaker may not transfer time to another speaker; although, the Chair has the authority to grant additional time to a speaker.

Anyone wishing to submit a public comment via email under this item must send an email to boardcomments@lvccld.org. The email must include the commenter's name, legal address, and the agenda item that is being commented on. Email comments are limited to 500 in words in length and will be included in the minutes of the meeting. Any comments which do not state the commenter's name, legal address, or exceed 500 words in length shall not be considered.

III. Committee Action to Accept the Proposed Agenda (For possible action.)

IV. New Business

A. Discussion and possible Committee action regarding a recommendation to the Board of Trustees to accept the Fiscal Year 2024-2025 Audit Report at the Board of Trustees' meeting on November 13, 2025.

V. Public Comment

Topics raised under this item cannot be acted upon until the notice provisions of the open meeting law have been met. If you wish to make public comment on this item, you must sign-up on the roster provided prior to the public comment period. The sign-up must include the commenter's name and legal address, and this agenda item. Commenters should state if they want their remarks included in the minutes of the meeting.

Anyone wishing to submit a public comment via email during the meeting must send an email to boardcomments@lvccld.org. The email must include the commenter's name, legal address, and this agenda item. Email comments are limited to 500 in words in length and will be included in the minutes of the meeting. Any comments which do not state the commenter's name, legal address, or exceed 500 words in length shall not be considered.

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

VI. Adjournment

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

NOTE: REASONABLE EFFORTS WILL BE MADE TO ASSIST AND ACCOMMODATE PERSONS WITH PHYSICAL DISABILITIES DESIRING TO ATTEND THE MEETING. PLEASE CALL LAUREN DIPENTINO AT (702) 507-6172 SO THAT ARRANGEMENTS FOR ATTENDANCE MAY BE MADE.

NOTE: PLEASE CONTACT LAUREN DIPENTINO AT (702) 507-6172 OR Lauren.DiPentino@thelibrarydistrict.org TO REQUEST THE SUPPORTING MATERIAL FOR THIS MEETING. SUPPORTING MATERIAL WILL BE MADE AVAILABLE ON THE DAY OF THE MEETING AFTER 12:00 P.M.

Pursuant to NRS 241.020, this item has been properly noticed and posted online at the Las Vegas-Clark County Library District website, www.lvccld.org and at Nevada Public Notice at <https://notice.nv.gov>. Written notice of the meeting of the Las Vegas-Clark County Library District Board of Trustees was given on Thursday, October 30, 2025, i.e., given at least three (3) working days before the meeting, including in the notice the time, way to access the meeting, and agenda of the meeting:

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

Trustees, to wit:

1. Clark County Library
1401 E. Flamingo Road
Las Vegas, NV 89119
 2. East Las Vegas Library
2851 E. Bonanza Road
Las Vegas, NV 89101
 3. Sunrise Library
5400 Harris Avenue
Las Vegas, NV 89110
 4. West Charleston Library
6301 W. Charleston Boulevard
Las Vegas, NV 89146
 5. West Las Vegas Library
951 W. Lake Mead Boulevard
Las Vegas, NV 89106
 6. Windmill Library
7060 W. Windmill Lane
Las Vegas, NV 89113
 7. Las Vegas-Clark County Library District website
www.lvccld.org
- C. By mailing a copy of the notice to each person, if any, who has requested notice of the meetings of the Las Vegas-Clark County Library District Board of Trustees in the same manner in which notice is requested to be mailed to a member of the Library Board of Trustees.
- D. Live Stream Connection Information:
- Visit the Library District's YouTube channel:
[YouTube.com/TheLibraryDistrict](https://www.youtube.com/TheLibraryDistrict)
- <https://www.youtube.com/live/kHylaRI> L14

AGENDA ITEM

NOVEMBER 6, 2025 MEETING OF THE BOARD OF TRUSTEES' FINANCE AND AUDIT COMMITTEE**Agenda Item #IV.A.:**

Discussion and possible Committee action regarding a recommendation to the Board of Trustees to accept the Fiscal Year 2024-2025 Audit Report at the Board of Trustees' meeting on November 13, 2025.

Background:

At the March 13, 2025 meeting of the Board of Trustees, the Board authorized staff to appoint HintonBurdick, CPAs and Advisors for auditing services for the fiscal year ending June 30, 2025.

HintonBurdick has completed its audit of the District's financial statements for the fiscal year ended June 30, 2025, and will present the Fiscal Year 2024-2025 Audit Report to the Finance & Audit Committee. The presentation will include the auditors' opinion, a summary of the audited financial statements, and required communications to governance.

Recommended Action:

Motion to recommend that the Board of Trustees accept the Fiscal Year 2024-2025 Audit Report, as presented by the auditors, at its meeting on November 13, 2025.



Las Vegas-Clark County Library District Fiscal Year 2025 Audit Presentation

Presented November 2025
By HintonBurdick CPAs & Advisors

Introduction

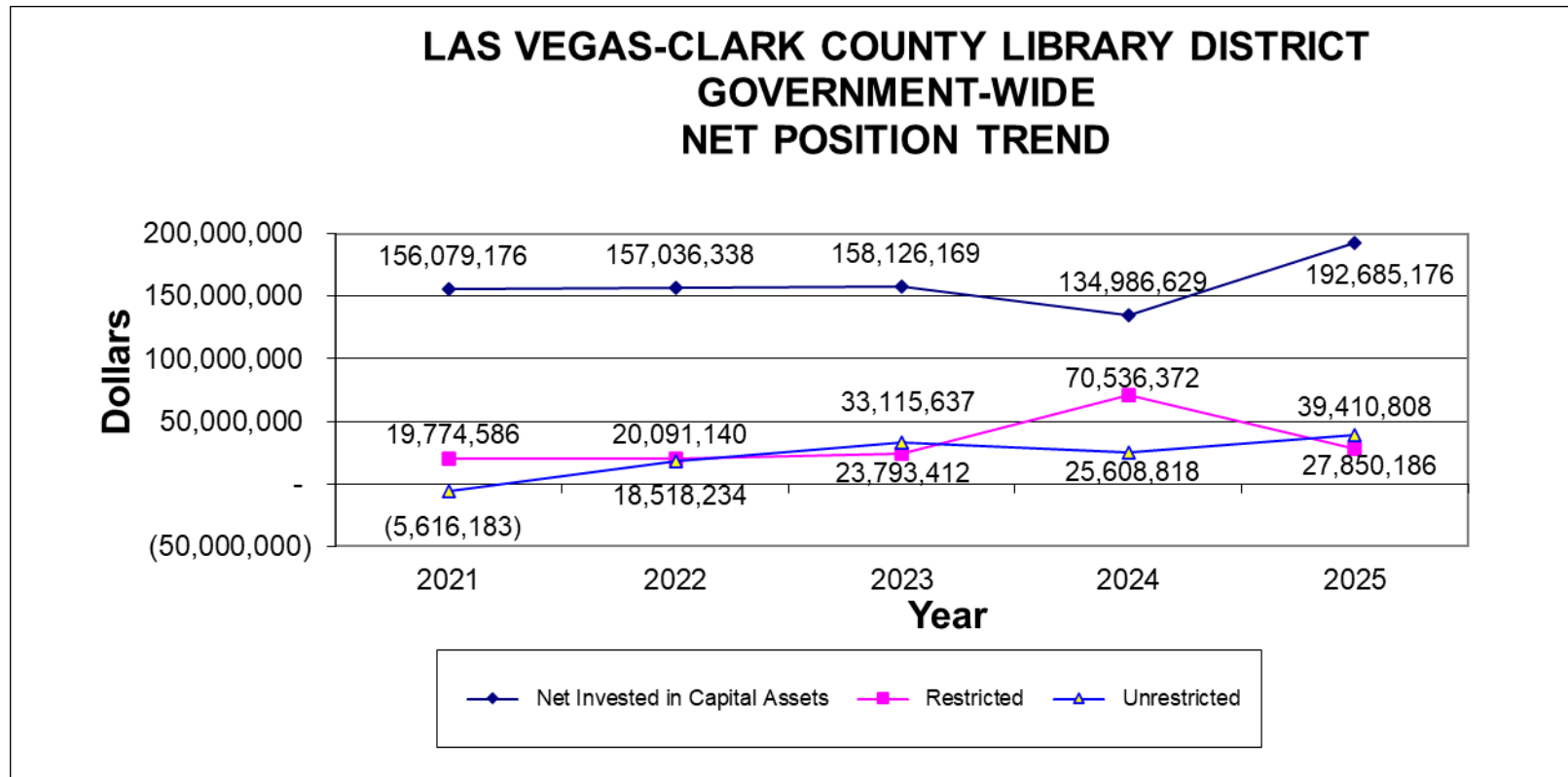
- Thanks to the District's staff
- Management's Discussion and Analysis (MD&A) – page 5

Financial Audit

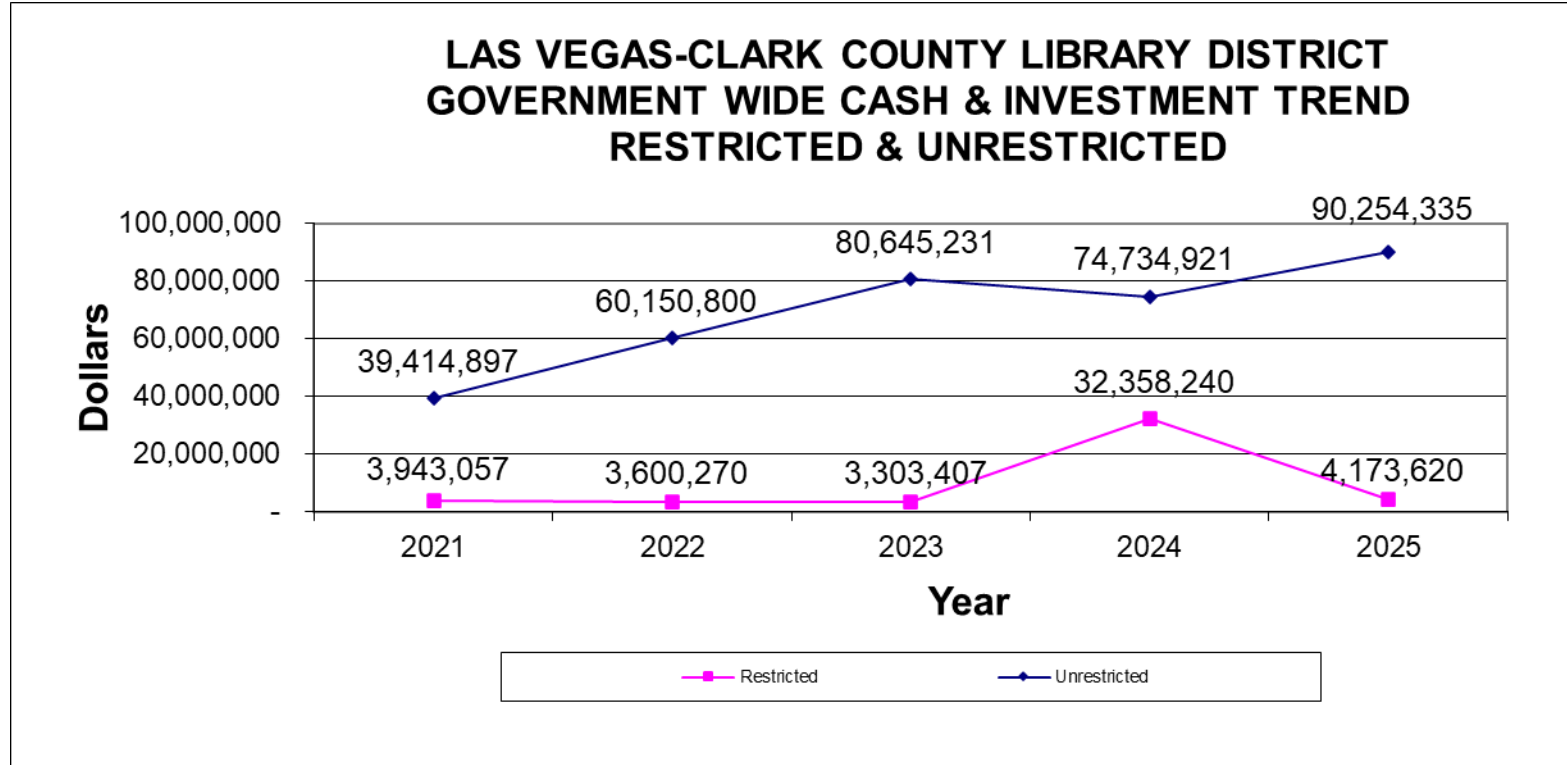
- “Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, ... Misstatements are considered material if there is a substantial likelihood that, individually, or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.”
- We conducted our audit in accordance with
 - auditing standards generally accepted in the United States of America
 - and *Government Auditing Standards*, issued by the Comptroller General of the United States

Audit Reports

- **Independent Auditors Report (pg. 1-3).**
 - Unmodified or “clean opinion”
- **Report on Compliance and on Internal Control over Financial Reporting (pg. 73-74).**
 - No findings for fiscal year 2025.

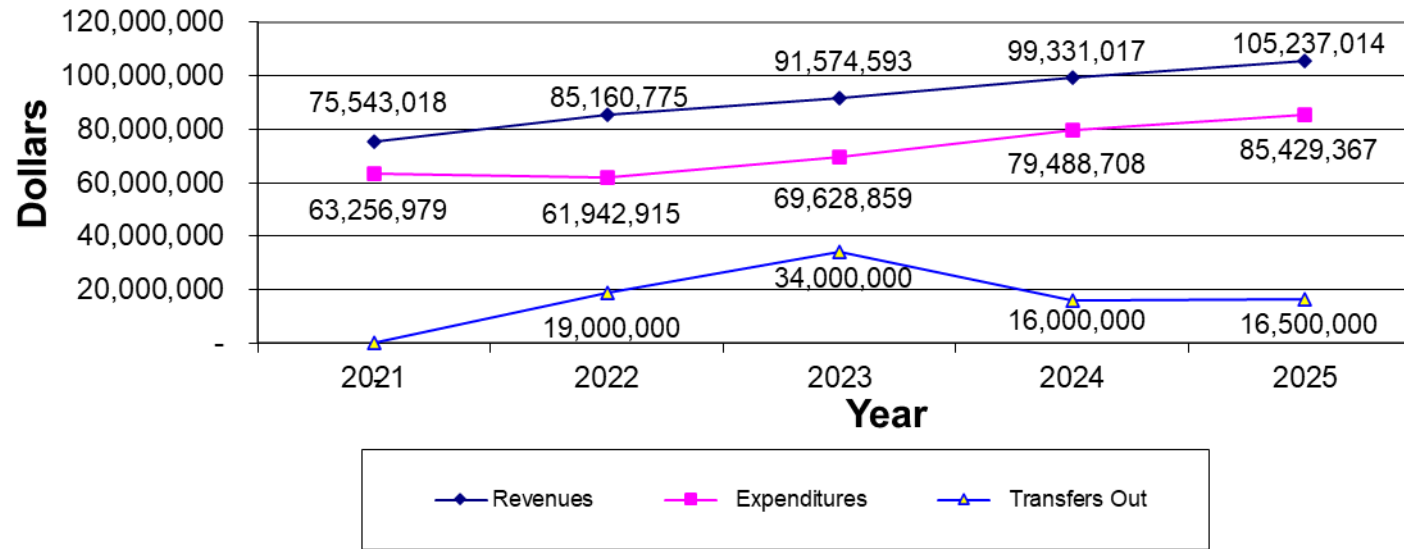


The District's net investment in capital assets increased due to continued construction on the West Las Vegas Library and the East Las Vegas and Mesquite QALICB debt that was forgiven. The bulk of the restricted net assets are related to the QALICB Fund. Unrestricted net assets has maintained a positive balance over the last four years, and increased in FY25 by \$13.8 million to \$39.4 million.

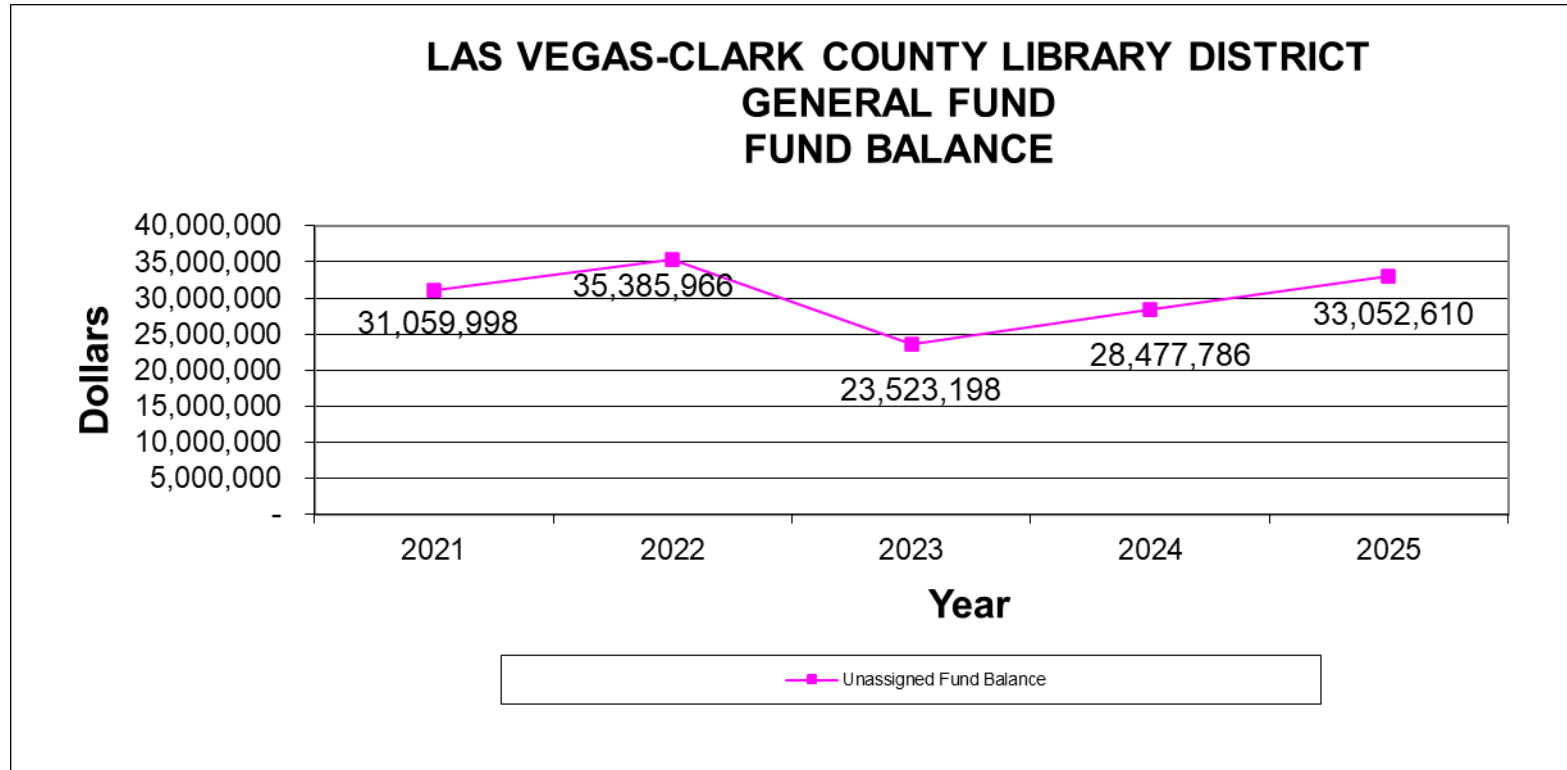


Cash and investments has been increasing over the last four years, with a slight decrease in FY25. Restricted cash and investments decreased due to the utilization of restricted debt proceeds for the West Las Vegas Library Construction and unrestricted cash and investments increased to \$90.3 million in FY25.

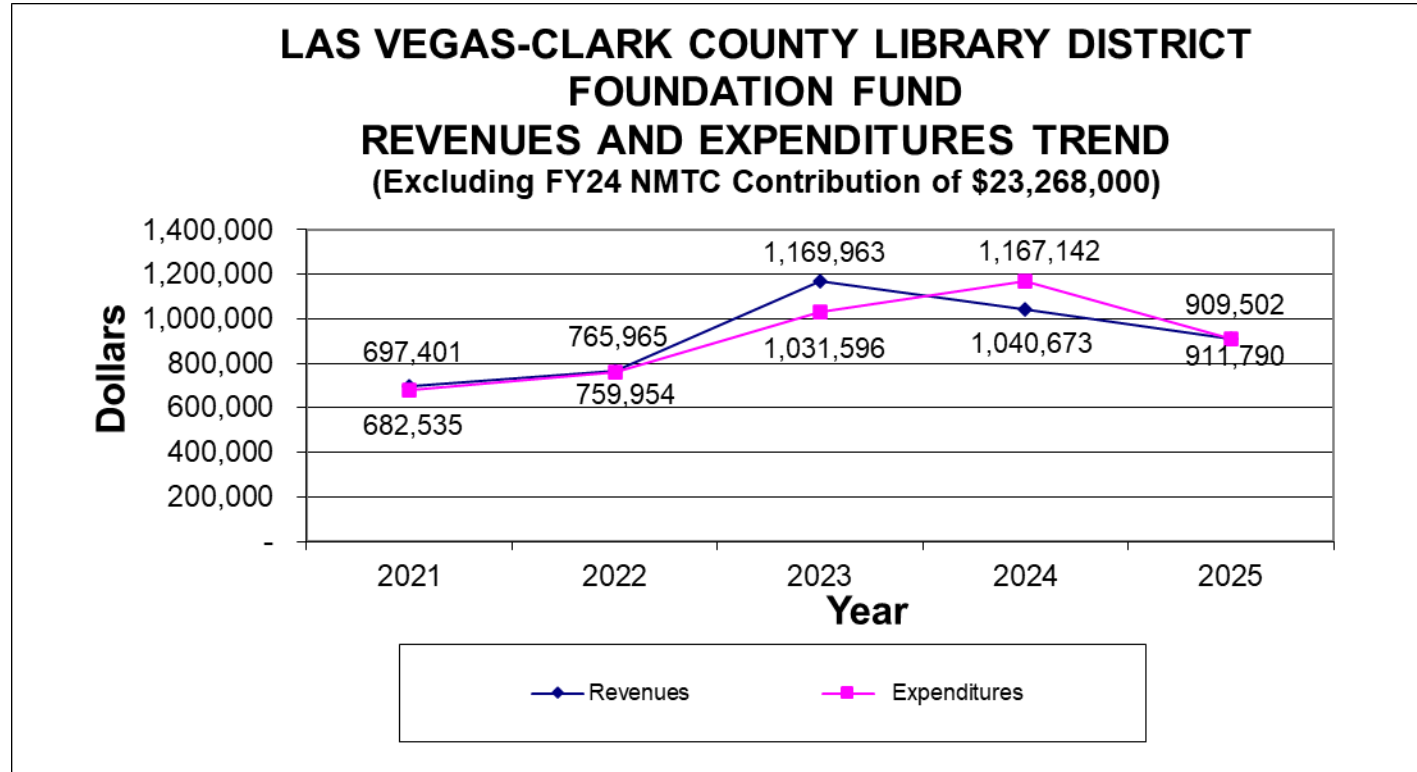
LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT GENERAL FUND REVENUES AND EXPENDITURES TREND



The General fund is normally expected to break even over time. The District's General fund has reported revenues in excess of expenditures (before transfers) in the last five fiscal years.

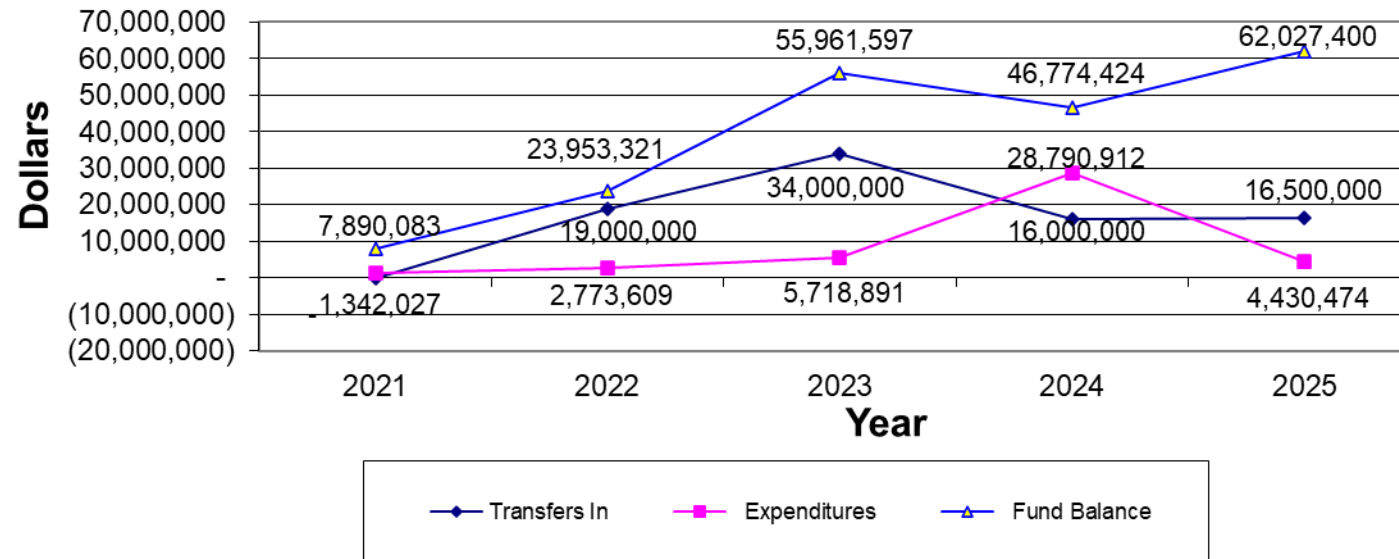


Industry standards recommend having at least two months worth of expenditures in fund balance. The District's General fund at year end has 4.6 months worth of expenditures in fund balance (based on FY25 spending levels).



The Foundation accumulates and provides resources to the District. Its expenses are expected to be reasonably consistent with its revenues in most years. In FY2025, expenditures exceeded revenue by \$2,288.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT CAPITAL PROJECTS FUND TRANSFERS, EXPENDITURES & FUND BALANCE TREND



Funding for the Capital Projects Fund comes primarily as transfers in from the General Fund. As new capital assets are built or acquired there are significant expenditures, so a buildup of resources over time is expected. Large expenditures in one or a few years followed by years of relatively low expenditures is also common in a capital projects fund. The large expenditures in FY2024 are related to contributions for the West Las Vegas Library. FY25 expenditures are \$4.4 million.

Questions?

Please contact:

- R. McKay Hall
 - Phone: 888-566-1277 x 272
 - Email: mhall@hintonburdick.com
- or
- Crimson Singleton
 - Phone: 888-566-1277 x 449
 - Email: csingleton@hintonburdick.com



October 23, 2025

Board of Trustees
Las Vegas-Clark County Library District
Las Vegas, Nevada

We have audited the financial statements of the Las Vegas-Clark County Library District (the District) as of and for the year ended June 30, 2025, and have issued our report thereon dated October 23, 2025. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated August 5, 2025, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

There were no findings regarding material noncompliance, and other matters noted during our audit. If there were they would be provided in the schedule of findings and questioned costs.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

Significant Risks Identified

In our audit planning, we identified the following significant risk: management override of controls. According to Generally Accepted Auditing Standards (GAAS), management override of controls is considered an inherent risk in any audit engagement. While management override of controls was considered in the planning and audit approach for the District, our audit procedures did not reveal any evidence of management overriding controls.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during fiscal year 2025. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of depreciation expense is based on the assigned depreciation lives. We evaluated key factors and assumptions used to develop the depreciation lives in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of accrued compensated absences is based on current pay rates, the number of accrued hours for eligible employees, and an estimated utilization rate of sick leave. We evaluated the key factors and assumptions used to develop the compensated absences accrual to determine that it is reasonable in relation to the financial statements taken as a whole.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, management's estimates have been determined on the same basis as they are reported by the Public Employees' Retirement System of Nevada (PERS). The District's net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The key factors and assumptions used to develop the valuation and the accrual appear reasonable in relation to the financial statements taken as a whole.

For purposes of measuring the post employment benefits other than pensions (OPEB) liability and OPEB expense, management's estimates have been determined on the same basis as they are reported by the State's Public Employee Benefit Plan (PEBP). The District's net OPEB liability was measured as of June 30, 2025, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2025. The key factors and assumptions used to develop the valuation and the accrual appear reasonable in relation to the financial statements taken as a whole.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. There were no significant unusual transactions identified as a result of our audit procedures.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.



Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditors' report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditors' Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditors' report. There are no unusual circumstances that affect the form and content of the auditors' report.

Representations Requested from Management

We have requested certain written representations from management, which are included in a separate letter dated October 23, 2025.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

Other Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the District's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have:

We have read the information and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the governing body and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

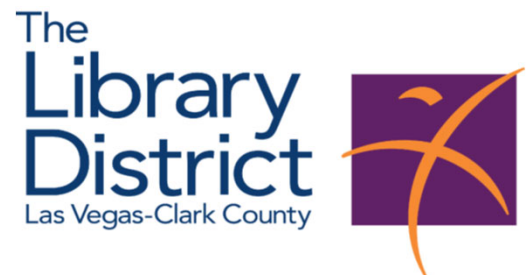
HintonBurdick, PLLC

Annual Financial Report

Las Vegas-Clark County Library District

Las Vegas, Nevada

For the Year Ended June 30, 2025



Annual Financial Report

Las Vegas-Clark County Library District

Las Vegas, Nevada

For the Year Ended June 30, 2025

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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LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

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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, 2025, 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, 2025, 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 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 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2025, 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, 2025



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Management's Discussion and Analysis

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Management's Discussion and Analysis For the Year Ended June 30, 2025

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, 2025.

Financial Highlights

Summary of Selected Government-wide Financial Information				
	Total Primary Government			
	2025	2024	Change	
Cash and cash equivalents	\$ 47,632,935	\$ 57,191,733	\$ (9,558,798)	(16.71)%
Investments	46,795,020	49,901,428	(3,106,408)	(6.23)%
Capital and right-to-use assets, net	226,697,935	194,575,360	32,122,575	16.51%
Bonds and notes payable	32,440,000	58,730,000	(26,290,000)	(44.76)%
Compensated absences	8,421,827	8,416,365	5,462	0.06%
Total postemployment benefits other than pensions liability	1,022,438	1,208,708	(186,270)	(15.41)%
Net pension liability	60,390,453	61,174,909	(784,456)	(1.28)%
Net position	259,946,170	231,131,819	28,814,351	12.47%
Charges for services	1,583,303	1,381,067	202,236	14.64%
Property taxes	69,611,112	63,888,827	5,722,285	8.96%
Intergovernmental shared revenues, unrestricted	31,019,658	31,181,823	(162,165)	(0.52)%
Total expenses	91,324,144	89,296,927	2,027,217	2.27%
Change in net position	28,814,351	16,096,601	12,717,750	79.01%

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).

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Management's Discussion and Analysis (Continued) **For the Year Ended June 30, 2025**

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.

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, QALICB 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 and schedules 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.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Management's Discussion and Analysis (Continued) For the Year Ended June 30, 2025

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

Government-wide Financial Analysis

Summary Statement of Net Position		
	Governmental Activities and Total Primary Government	
	2025	2024
Assets		
Current, restricted and other	\$ 128,330,338	\$ 158,061,978
Capital	226,697,935	194,575,360
Total assets	355,028,273	352,637,338
Deferred outflows of resources	24,443,347	21,709,354
Liabilities		
Current	12,097,081	39,832,193
Long-term	99,396,395	99,861,044
Total liabilities	111,493,476	139,693,237
Deferred inflows of resources	8,031,974	3,521,636
Net position		
Net investment in capital assets	192,685,176	134,986,629
Restricted	27,850,186	70,536,372
Unrestricted	39,410,808	25,608,818
Total net position	\$ 259,946,170	\$ 231,131,819

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 \$259,946,170 (net position).

By far, the largest portion of the District's net position (74.13%) is its investment in capital assets (construction in progress, land, buildings, improvements, library media materials, furniture and equipment and right-to-use assets), 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.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Management's Discussion and Analysis (Continued) For the Year Ended June 30, 2025

Resources that are subject to external restrictions on how they may be used represent an additional 30.52% of the District's total net position.

Summary Statement of Activities		
	Governmental Activities and Total Primary Government	
	2025	2024
Revenues and special items		
Program revenues		
Charges for services	\$ 1,583,303	\$ 1,381,067
Operating grants and contributions	3,739,726	3,197,149
General revenues and special items		
Property taxes	69,611,112	63,888,827
Intergovernmental shared revenues, unrestricted	31,019,658	31,181,823
Investment income	4,510,898	4,895,946
Miscellaneous	1,365,398	848,716
Special items		
Gain on debt forgiveness	8,303,400	-
Total revenues and special items	120,138,495	105,393,528
Expenses		
Culture and recreation	90,970,325	88,832,198
Debt service, interest	353,819	464,729
Total expenses	91,324,144	89,296,927
Change in net position	28,814,351	16,096,601
Net position, beginning of year	231,131,819	215,035,218
Net position, end of year	\$ 259,946,170	\$ 231,131,819

Property taxes increased \$5,722,285 or 8.96% and intergovernmental shared revenues, unrestricted, decreased \$162,165 or 0.52% compared to the prior year. The increase in property taxes in Southern Nevada is the result of increased property values, primarily due to lower supply and higher demand. The decrease in intergovernmental shared revenues, unrestricted, was the result of volatility in tourism and consumer spending.

Culture and recreation expenses increased \$2,138,127 or 2.41% from the prior year. This change can be primarily attributed to increases in salaries and wages (due to increased 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.

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.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Management's Discussion and Analysis (Continued) For the Year Ended June 30, 2025

At year end, the District's governmental funds reported combined ending fund balances of \$118,092,436, a decrease of \$28,112,253 (13.23%) from the prior year. Approximately 23.15% (\$27,332,718) 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 \$33,052,610. As a measure of the general fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Fund balance represents 38.69% of total general fund expenditures.

The fund balance of the District's general fund increased by \$4,574,824 (16.06%) during the current fiscal year. The increase in fund balance is primarily due to increases in property taxes and miscellaneous revenues, which was offset by increased salaries and wages, pension expense and transfers to the capital projects fund. These increases and decreases result from the activity discussed above in the Government-wide Financial Analysis section.

The Las Vegas-Clark County Library District Foundation fund has an ending fund balance of \$26,923,124, a decrease of \$17,98,888 from prior year, primarily resulting from a loss on debt forgiveness as part of its New Markets Tax Credit (NMTC) Program transactions, which was offset by normal fluctuations in day-to-day operational activities.

The QALICB fund has a deficit ending fund balance of \$5,377,673, a decrease of \$29,753,015 from prior year, due to 1) the payment of \$28,252,057 in capital outlay costs, 2) contributions to the District totaling \$1,137,628 as part of its NMTC Program transactions, and 4) normal fluctuations in day-to-day operational activities.

The capital projects fund has a total ending fund balance of \$62,027,400, an increase of \$15,252,976 from the previous fiscal year. This increase was primarily due the payment transfers from the general fund, which was offset by normal fluctuations in day-to-day operational activities.

The aggregate non-major funds have a combined total fund balance of \$1,466,975, a decrease of \$203,150 from prior year, due to normal fluctuations in day-to-day operational activities. The combined total fund balance for aggregate non-major funds is either restricted, committed or assigned for specific purposes.

General Fund Budgetary Highlights

Summary of Selected General Fund Budget and Actual Information				
	Original Budget	Final Budget	Actual	Variance
Total Revenues	\$ 102,774,856	\$ 102,774,856	\$ 105,237,014	\$ 2,462,158
Total Expenditures	96,250,841	96,250,841	85,429,367	10,821,474
Total Fund Balance	14,505,993	14,505,993	33,052,610	18,546,617

During the year:

Revenues were higher than the final budgetary estimate primarily due to increases in property taxes and miscellaneous revenues.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Management's Discussion and Analysis (Continued) For the Year Ended June 30, 2025

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.

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	
	2025	2024
Construction in progress	\$ 36,364,756	\$ 7,741,620
Land	5,706,578	5,706,578
Buildings	93,329,035	96,700,201
Improvements	40,089	127,446
Library media materials	86,376,739	79,876,284
Furniture and equipment	3,341,852	3,555,408
Right-to-use leased building	44,825	60,646
Right-to-use subscription software	1,494,061	807,177
	<u>\$ 226,697,935</u>	<u>\$ 194,575,360</u>

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

Construction in progress costs of \$28,623,136 were incurred for a new West Las Vegas library branch and a new Goodsprings library branch.

Furniture and equipment additions were purchased at a cost of \$1,082,433.

The District purchased library media materials, at a cost of \$13,838,373.

Right-to-use subscription software was added at a cost of \$1,267,177.

Depreciation and amortization expense for the fiscal year was \$12,298,933.

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

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Management's Discussion and Analysis (Continued) For the Year Ended June 30, 2025

Outstanding Debt, Lease and Subscription Software Obligations

Summary Outstanding Debt, Lease and Subscription Software Obligations		
	Governmental Activities and Total Primary Government	
	2025	2024
Direct placement notes		
LVCIC QLICI – Loan A	\$ -	\$ 11,335,600
LVCIC QLICI – Loan B	-	5,154,400
Clearinghouse QLICI – Loan A	-	6,646,000
Clearinghouse QLICI – Loan B	-	3,154,000
CNMC SUB-CDE 226, LLC, Note A	2,064,000	2,064,000
CNMC SUB-CDE 226, LLC, Note B	936,000	936,000
LCD New Markets Fund XLII, LLC, Note A	7,224,000	7,224,000
LCD New Markets Fund XLII, LLC, Note B	2,856,000	2,856,000
Prestamos SUB-CDE 28, LLC, Note A	5,724,000	5,724,000
Prestamos SUB-CDE 28, LLC, Note B	2,116,000	2,116,000
Clearinghouse NMTC (SUB 72), LLC, Note A	8,256,000	8,256,000
Clearinghouse NMTC (SUB 72), LLC, Note B	3,264,000	3,264,000
Lease obligations	47,621	63,410
Subscription software	1,525,138	795,321
	<u>\$ 34,012,759</u>	<u>\$ 59,588,731</u>

Additional information on the District's long-term liabilities 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 66.27% of total general fund revenues.

The District's second largest revenue, intergovernmental shared revenues, composed primarily of sales and use taxes, comprise 29.48% 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 volatility in U.S. and international economies and supply-chain bottlenecks, although not as significant as experienced during the COVID-19 pandemic, is ongoing. In addition, the current United States political environment is likely to interact with and exacerbate current market conditions and supply-chain bottlenecks. During the COVID-19 pandemic, the District implemented several cost saving strategies designed to ensure financial sustainability. These strategies continue to successfully provide the District with additional resources to withstand any subsequent financial downturns in the near term. These measures allow the District to continue transferring funds to the Capital Projects Fund, building reserves, and spending on critical projects. The ultimate long-term impact the

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Management's Discussion and Analysis (Continued) **For the Year Ended June 30, 2025**

ongoing volatility in U.S. and international economies and supply-chain bottlenecks 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 2026 fiscal year.

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, 2025

	<u>Governmental Activities</u>
Assets	
Cash and cash equivalents, unrestricted	\$ 46,550,727
Investments, unrestricted	43,703,608
Taxes receivable	1,661,269
Notes receivable	23,268,000
Interest receivable	495,460
Other receivables, net	409,963
Due from other governments	6,642,119
Prepaid items	1,344,638
Inventory	80,934
Cash and cash equivalents, restricted	1,082,208
Investments, restricted	3,091,412
Capital assets, net of accumulated depreciation and amortization	
Construction in progress	36,364,756
Land	5,706,578
Buildings	93,329,035
Improvements	40,089
Library media materials	86,376,739
Furniture and equipment	3,341,852
Collection (Notes 1 and 2)	
Right-to-use leased building	44,825
Right-to-use subscription software	1,494,061
Total assets	<u>355,028,273</u>
Deferred outflows of resources	
Deferred amounts related to pensions	<u>24,443,347</u>

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Statement of Net Position (Continued)

June 30, 2025

	<u>Governmental Activities</u>
Liabilities	
Accounts payable	4,799,159
Payroll and benefits payable	2,674,490
Deposits payable	172,350
Long-term liabilities, due within one year	
Lease liabilities payable	16,310
Subscription software obligations	612,071
Compensated absences	3,822,701
Long-term liabilities, due in more than one year	
Bonds and notes payable	32,440,000
Lease liabilities payable	31,311
Subscription software obligations	913,067
Compensated absences	4,599,126
Total postemployment benefits other than pensions liability	1,022,438
Net pension liability	<u>60,390,453</u>
Total liabilities	<u>111,493,476</u>
Deferred inflows of resources	
Deferred amounts related to pensions	<u>8,031,974</u>
Net Position	
Net investment in capital assets	192,685,176
Restricted for	
Debt service	19,731
Grant programs	273,791
NMTC program	23,268,000
Other programs	4,278,664
Permanent fund principal, nonexpendable	10,000
Unrestricted	<u>39,410,808</u>
Total net position	<u>\$ 259,946,170</u>

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Statement of Activities

For the Year Ended June 30, 2025

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for	Operating	Capital	
	Expenses	Services	Grants and	Grants and	Governmental
			Contributions	Contributions	Activities
Function/program governmental activities					
Culture and recreation	\$ 90,970,325	\$ 1,583,303	\$ 3,739,726	\$ -	\$ (85,647,296)
Debt service					
Interest	353,819				(353,819)
Total governmental activities and primary government	<u>\$ 91,324,144</u>	<u>\$ 1,583,303</u>	<u>\$ 3,739,726</u>	<u>\$ -</u>	<u>(86,001,115)</u>
General revenues and special items					
Property taxes					69,611,112
Intergovernmental shared revenues, unrestricted					31,019,658
Investment income					4,510,898
Miscellaneous					1,365,398
Special items					
Gain on debt forgiveness					8,308,400
Total general revenues and special items					<u>114,815,466</u>
Change in net position					<u>28,814,351</u>
Net position, beginning of year					<u>231,131,819</u>
Net position, end of year					<u>\$ 259,946,170</u>

See notes to basic financial statements.

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Fund Financial Statements

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Governmental Funds

Balance Sheet

June 30, 2025

	<u>Special Revenue Funds</u>			<u>Capital Projects Fund</u>		
	Las Vegas-Clark County Library District					
	General Fund	Foundation Fund	QALICB Fund	Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents, unrestricted	\$ 25,662,509	\$ 125,495	\$ 2,329,124	\$ 17,254,765	\$ 1,178,834	\$ 46,550,727
Investments, unrestricted	4,629,507	507,614	-	38,566,487	-	43,703,608
Taxes receivable	1,658,533	-	-	-	2,736	1,661,269
Notes receivable	-	23,268,000	-	-	-	23,268,000
Interest receivable	82,630	-	-	412,830	-	495,460
Other receivables, net	409,963	-	-	-	-	409,963
Due from other governments	6,400,219	-	-	-	241,900	6,642,119
Due from other funds	-	-	65,000	8,844,922	74,329	8,984,251
Cash and cash equivalents, restricted	-	9,083	1,073,125	-	-	1,082,208
Investments, restricted	-	3,091,412	-	-	-	3,091,412
Total assets	<u>\$ 38,843,361</u>	<u>\$ 27,001,604</u>	<u>\$ 3,467,249</u>	<u>\$ 65,079,004</u>	<u>\$ 1,497,799</u>	<u>\$ 135,889,017</u>

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Governmental Funds Balance Sheet (Continued) June 30, 2025

	<u>Special Revenue Funds</u>			<u>Capital Projects Fund</u>		
	Las Vegas- Clark County Library District					
	<u>General Fund</u>	<u>Foundation Fund</u>	<u>QALICB Fund</u>	<u>Capital Projects Fund</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Liabilities						
Accounts payable	\$ 1,740,782	\$ 4,151	\$ -	\$ 3,051,604	\$ 2,622	\$ 4,799,159
Payroll and benefits payable	2,649,024	-	-	-	25,466	2,674,490
Deposits payable	172,350	-	-	-	-	172,350
Due to other funds	65,000	74,329	8,844,922	-	-	8,984,251
Total liabilities	<u>4,627,156</u>	<u>78,480</u>	<u>8,844,922</u>	<u>3,051,604</u>	<u>28,088</u>	<u>16,630,250</u>
Deferred inflows of resources						
Unavailable revenue, property taxes	815,024	-	-	-	2,736	817,760
Unavailable revenue, other	348,571	-	-	-	-	348,571
Total deferred inflows of resources	<u>1,163,595</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,736</u>	<u>1,166,331</u>

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Governmental Funds Balance Sheet (Continued) June 30, 2025

	Special Revenue Funds			Capital Projects Fund		
	Las Vegas- Clark County Library District Foundation Fund			Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
	General Fund		QALICB Fund			
Fund balances						
Nonspendable						
Permanent fund principal	-	-	-	-	10,000	10,000
Restricted						
Grant programs	-	-	-	-	273,791	273,791
NMTC program	-	23,268,000	-	-	-	23,268,000
Other programs	-	3,689,463	-	-	589,201	4,278,664
Assigned						
Debt service	-	-	-	-	593,983	593,983
Capital projects	-	-	-	62,027,400	-	62,027,400
Other programs	-	-	-	-	-	-
Unassigned	33,052,610	(34,339)	(5,377,673)	-	-	27,640,598
Total fund balances	33,052,610	26,923,124	(5,377,673)	62,027,400	1,466,975	118,092,436
Total liabilities, deferred inflows of resources and fund balances	\$ 38,843,361	\$ 27,001,604	\$ 3,467,249	\$ 65,079,004	\$ 1,497,799	\$ 135,889,017

See notes to basic financial statements.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position - Governmental Activities June 30, 2025

Fund balances		\$ 118,092,436
Amounts reported in the statement of net position are different because:		
Capital and right-to-use assets used in governmental activities are not current financial resources; and therefore, are not reported in governmental funds.		
Capital assets and right-to-use assets	\$ 351,433,850	
Less accumulated depreciation and amortization	<u>(124,735,915)</u>	226,697,935
Prepaid items and other assets used in governmental activities are not current financial resources; and therefore, are not reported in governmental funds.		
Prepaid items	1,344,638	
Inventory	<u>80,934</u>	1,425,572
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	24,443,347	
Unamortized deferred inflows related to pensions	<u>(8,031,974)</u>	16,411,373
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	(34,012,759)	
Compensated absences	(8,421,827)	
Postemployment benefits other than pensions liability	(1,022,438)	
Net pension liability	<u>(60,390,453)</u>	(103,847,477)
Unavailable revenue represents amounts that were not available to fund current expenditures; and therefore, are not reported in governmental funds.		
Unavailable revenue, property taxes	817,760	
Unavailable revenue, other	<u>348,571</u>	1,166,331
Net position		<u>\$ 259,946,170</u>

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2025

	<u>Special Revenue Funds</u>			<u>Capital Projects Fund</u>		
	Las Vegas- Clark County Library District					
	<u>General Fund</u>	<u>Foundation Fund</u>	<u>QALICB Fund</u>	<u>Capital Projects Fund</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues						
Property taxes	\$ 69,743,740	\$ -	\$ -	\$ -	\$ 187	\$ 69,743,927
Intergovernmental shared revenues	31,019,658	-	-	-	2,076,918	33,096,576
Charges for services	1,583,303	-	-	-	-	1,583,303
Investment income	1,775,758	447,453	131,427	2,156,243	17	4,510,898
Contributions	474,567	261,005	-	873,627	641,834	2,251,033
Miscellaneous	639,988	201,044	170,189	129,350	40,358	1,180,929
Total revenues	<u>105,237,014</u>	<u>909,502</u>	<u>301,616</u>	<u>3,159,220</u>	<u>2,759,314</u>	<u>112,366,666</u>

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)

For the Year Ended June 30, 2025

	<u>Special Revenue Funds</u>		<u>Capital Projects Fund</u>			
	Las Vegas- Clark County Library District Foundation Fund		Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds	
	<u>General Fund</u>	<u>QALICB Fund</u>				
Expenditures						
Current						
Culture and recreation	70,082,263	911,790	1,429,154	3,088,328	2,442,838	77,954,373
Capital outlay						
Culture and recreation	14,697,291	-	28,252,057	1,342,146	519,626	44,811,120
Debt service						
Principal	553,149	-	-	-	-	553,149
Interest	96,664	-	373,420	-	-	470,084
	<u>85,429,367</u>	<u>911,790</u>	<u>30,054,631</u>	<u>4,430,474</u>	<u>2,962,464</u>	<u>123,788,726</u>
Total expenditures						
	<u>85,429,367</u>	<u>911,790</u>	<u>30,054,631</u>	<u>4,430,474</u>	<u>2,962,464</u>	<u>123,788,726</u>
Excess (deficiency) of revenues over (under) expenditures	<u>19,807,647</u>	<u>(2,288)</u>	<u>(29,753,015)</u>	<u>(1,271,254)</u>	<u>(203,150)</u>	<u>(11,422,060)</u>

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)

For the Year Ended June 30, 2025

	<u>Special Revenue Funds</u>			<u>Capital Projects Fund</u>		
	Las Vegas- Clark County Library District					
	<u>General Fund</u>	<u>Foundation Fund</u>	<u>QALICB Fund</u>	<u>Capital Projects Fund</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Other financing sources and (uses)						
Subscription software issuance	1,267,177	-	-	-	-	1,267,177
Proceeds from capital asset disposal	-	-	-	24,230	-	24,230
Transfers in	-	-	-	16,500,000	-	16,500,000
Transfers out	(16,500,000)	-	-	-	-	(16,500,000)
Total other financing sources and (uses)	(15,232,823)	-	-	16,524,230	-	1,291,407
Special items						
Loss on debt forgiveness	-	(17,981,600)	-	-	-	(17,981,600)
Total special items	-	(17,981,600)	-	-	-	(17,981,600)
Change in fund balance	4,574,824	(17,983,888)	(29,753,015)	15,252,976	(203,150)	(28,112,253)
Fund balance, beginning of year	28,477,786	44,907,012	24,375,342	46,774,424	1,670,125	146,204,689
Fund balance, end of year	<u>\$ 33,052,610</u>	<u>\$ 26,923,124</u>	<u>\$ (5,377,673)</u>	<u>\$ 62,027,400</u>	<u>\$ 1,466,975</u>	<u>\$ 118,092,436</u>

See notes to basic financial statements.

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, 2025

Change in fund balances, governmental funds \$ (28,112,253)

Amounts reported in the statement of net 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	\$ 44,811,119	
Less current year depreciation and amortization	(12,298,933)	
Gain (loss) on disposal of capital and right-to-use assets	(365,381)	
Proceeds from sale of capital and right-to-use assets	(24,230)	
		32,122,575

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	(132,815)	
Change in unavailable revenue, other	348,571	
		215,756

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	(1,267,177)	
Debt forgiveness received	26,290,000	
Debt, lease and subscription software principal repayments	553,149	
		25,575,972

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	(5,462)	
Change in postemployment benefits other than pensions liability and related balances	186,270	
Change in net pension liability and related balances	(991,889)	
Change in interest payable	116,265	
		(694,816)

Some expenditures reported in governmental funds benefit a future period; and therefore, are not reported in the statement of activities.

Change in prepaid items	(297,215)	
Change in inventory	4,332	
		(292,883)

Net position \$ 28,814,351

Notes to Basic Financial Statements

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements For the Year Ended June 30, 2025

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, 2025**

During the years ended June 30, 2018 and 2024, 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 (QEIs) 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), Mesquite QALICB, Inc. (MQ) and West Las Vegas QALICB, Inc. (WLV), which were formed as Nevada Non-Profit Corporations on June 28, 2017, October 12, 2017 and January 23, 2024, 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, Mesquite and West Las Vegas 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 qualify as a Qualified Active Low-Income Community Business (QALICB) under the definition of the NMTC Program and Internal Revenue Code (IRC) §45D.

The Foundation, ELV, MQ and WLV 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, which includes, but is not limited to, obligations for general obligation bonds, notes, postemployment benefits, pensions 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 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, 2025**

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.

QALICB Fund – This special revenue fund 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.

Capital Projects Fund - 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

Notes to Basic Financial Statements (Continued) **For the Year Ended June 30, 2025**

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.

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 receivable are due to the Foundation as a result of transactions related to the NMTC Program. At year end, notes receivable was comprised of a note in the face amount of \$23,268,000, that bears interest at 1.020183% per annum, is

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) **For the Year Ended June 30, 2025**

payable in quarterly interest only payments through March 15, 2031, and quarterly principal and interest payments thereafter through March 15, 2057.

Subsequent to year end, the Foundation entered into additional transactions related to the NMTC Program in exchange for four notes receivable totaling \$9,779,654 that will bear interest at 1.644572% and will be payable in quarterly interest-only payments through September 2032, and quarterly principal and interest payments thereafter through July 2055.

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.

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, which are available for sale in the bookstores. In the governmental fund financial statements, inventory is recorded as expenditures when purchased rather than when consumed and is reported as inventory 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.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued)

For the Year Ended June 30, 2025

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 2030. 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 contract inception date.

The District's incremental borrowing rate currently ranges from 3.25% to 8.25%.

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:

	Years
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	3-8

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.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) **For the Year Ended June 30, 2025**

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 represent 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 represent 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.

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.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) **For the Year Ended June 30, 2025**

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 upon the use of the resources either by an external party 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.

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.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) **For the Year Ended June 30, 2025**

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.

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

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2025

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 are 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	\$ 4,794
Specific tax being abated	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	\$ 316,438
Specific tax being abated	Personal property taxes and/or sales and use taxes
Agreement/program description	NRS 701A.370 - Partial abatement of one or more of property and local sales and use taxes imposed on renewable energy facilities
Amount abated during the current year	\$ 53,937
Specific tax being abated	Property taxes and/or sales and use taxes
Agreement/program description	NRS 360.750 - Partial abatement of certain taxes imposed on new or expanded businesses
Amount abated during the current year	\$ 7,764
Specific tax being abated	Property taxes and/or sales and use taxes

New Accounting Pronouncements

In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*, effective for years beginning after June 15, 2025. This statement provides updated guidance for the reporting of management's discussion and analysis, unusual or infrequent items, major component units and budgetary comparison information. Management has not yet completed its assessment of this statement.

In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*, effective for years beginning after June 15, 2025. This statement provides updated guidance for the disclosure of certain types of capital assets separately, by major class of underlying asset, including right-to-use assets. Management has not yet completed its assessment of this statement.

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.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) **For the Year Ended June 30, 2025**

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 \$47,627,461, and the bank balance was \$50,316,150. 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, 2025

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	\$ 38,352,910	\$ 12,979,895	\$ 25,373,015
Corporate notes and bonds	673,015	49,957	623,058
Level 2			
U.S. Agency securities	7,359,116	893,208	6,465,908
Certificates of deposit	409,979	409,979	-
Total cash equivalents and investments	<u>\$ 46,795,020</u>	<u>\$ 14,333,039</u>	<u>\$ 32,461,981</u>

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	82.0%
U.S. Agency securities	15.7%

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2025

Capital Assets

Capital asset activity was as follows:

	Balance June 30, 2024	Increases	Decreases	Balance June 30, 2025
Governmental activities				
Capital assets not being depreciated or amortized				
Construction in progress	\$ 7,741,620	\$ 28,623,136	\$ -	\$ 36,364,756
Land	5,706,578	-	-	5,706,578
Total capital assets not being depreciated or amortized	13,448,198	28,623,136	-	42,071,334
Capital assets being depreciated or amortized				
Buildings	152,241,700	-	(4,838,447)	147,403,253
Improvements	2,740,262	-	(521,110)	2,219,152
Library media materials	133,127,140	13,838,373	(3,004,283)	143,961,230
Furniture and equipment	13,924,201	1,082,433	(1,906,816)	13,099,818
Total capital assets being depreciated or amortized	302,033,303	14,920,806	(10,270,656)	306,683,453
Accumulated depreciation and amortization				
Buildings	(55,541,499)	(3,371,166)	4,838,447	(54,074,218)
Improvements	(2,612,816)	(42,741)	476,495	(2,179,062)
Library media materials	(53,250,856)	(7,337,919)	3,004,283	(57,584,492)
Furniture and equipment	(10,368,793)	(950,993)	1,561,820	(9,757,966)
Total accumulated depreciation and amortization	(121,773,964)	(11,702,819)	9,881,045	(123,595,738)
Total capital assets being depreciated or amortized, net	180,259,339	3,217,987	(389,611)	183,087,715
Right-to-use capital assets being amortized				
Right-to-use leased building	108,108	-	-	108,108
Right-to-use subscription software	1,303,778	1,267,177	-	2,570,955
Total right-to-use capital assets being amortized	1,411,886	1,267,177	-	2,679,063
Accumulated amortization				
Right-to-use leased building	(47,462)	(15,821)	-	(63,283)
Right-to-use subscription software	(496,601)	(580,293)	-	(1,076,894)
Total accumulated amortization	(544,063)	(596,114)	-	(1,140,177)
Total right-to-use capital assets being amortized, net	867,823	671,063	-	1,538,886
Total governmental activities	\$ 194,575,360	\$ 32,512,186	\$ (389,611)	\$ 226,697,935

Depreciation and amortization, charged to the culture and recreation function, for the year totaled \$12,298,933.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2025

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:

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ -	\$ 65,000
Las Vegas-Clark County Library District Foundation, Special Revenue Fund	-	74,329
QALICB, Special Revenue Fund	65,000	8,844,922
Capital Projects, Capital Projects Fund	8,844,922	-
Non-major Governmental Funds	74,329	-
	<u>\$ 8,984,251</u>	<u>\$ 8,984,251</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:

<u>Transfer In Fund</u>	<u>Transfer Out Fund</u>	<u>Amount</u>
Capital Projects, Capital Projects Fund	General Fund	<u>\$ 16,500,000</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.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2025

Outstanding long-term liabilities at year end, were as follows:

	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2025
Governmental activities				
Notes payable (direct placement)				
LVCIC QLICI – Loan A	July 2057	1.203%	\$ 11,335,600	\$ -
LVCIC QLICI – Loan B	July 2057	1.203%	5,154,400	
Clearinghouse QLICI – Loan A	December 2047	1.000%	6,646,000	
Clearinghouse QLICI – Loan B	December 2047	1.000%	3,154,000	
CNMC SUB-CDE 226, LLC, Note A	March 2057	1.000%	2,064,000	2,064,000
CNMC SUB-CDE 226, LLC, Note B	March 2057	1.000%	936,000	936,000
LCD New Markets Fund XLII, LLC, Note A	March 2057	1.000%	7,224,000	7,224,000
LCD New Markets Fund XLII, LLC, Note B	March 2057	1.000%	2,856,000	2,856,000
Prestamos SUB-CDE 28, LLC, Note A	March 2057	1.000%	5,724,000	5,724,000
Prestamos SUB-CDE 28, LLC, Note B	March 2057	1.000%	2,116,000	2,116,000
Clearinghouse NMTC (SUB 72), LLC, Note A	March 2057	1.000%	8,256,000	8,256,000
Clearinghouse NMTC (SUB 72), LLC, Note B	March 2057	1.000%	3,264,000	3,264,000
Total notes payable (direct placement)			<u>58,730,000</u>	<u>32,440,000</u>
Lease obligations				
Facilities lease	April 2028	3.25% to 8.25%	108,108	47,621
Subscription software obligations				
Subscription software	Through June 2030	3.25% to 8.25%	<u>2,570,955</u>	<u>1,525,138</u>
Total governmental activities			<u>\$ 61,409,063</u>	<u>\$ 34,012,759</u>

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2025

At year end, minimum payment requirements to maturity were as follows:

For the Year Ended June 30,	Principal	Interest
Governmental activities		
Notes payable (direct placement)		
2026	\$ -	\$ 324,400
2027	-	324,400
2028	-	324,400
2029	-	324,400
2030	-	324,400
2031 - 2035	4,743,940	1,527,832
2036 - 2040	5,845,126	1,247,194
2041 - 2045	6,144,428	947,892
2046 - 2050	6,459,057	633,263
2051 - 2055	6,789,796	302,524
2056 - 2060	2,457,653	24,638
Total notes payable (direct placement)	32,440,000	6,305,343
Lease obligations		
2026	16,310	1,306
2027	16,848	768
2028	14,463	217
Total lease obligations	47,621	2,291
Subscription software obligations		
2026	612,071	96,477
2027	247,106	61,132
2028	260,774	41,928
2029	281,438	21,265
2030	123,749	2,377
Total subscription software obligations	1,525,138	223,179
Total governmental activities	\$ 34,012,759	\$ 6,530,813

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2025

Long-term liabilities activity for the year was as follows:

	Balance June 30, 2024	Increases	Decreases	Balance June 30, 2025	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	-	-
CNMC SUB-CDE 226, LLC, Note A	2,064,000	-	-	2,064,000	-
CNMC SUB-CDE 226, LLC, Note B	936,000	-	-	936,000	-
LCD New Markets Fund XLII, LLC, Note A	7,224,000	-	-	7,224,000	-
LCD New Markets Fund XLII, LLC, Note B	2,856,000	-	-	2,856,000	-
Prestamos SUB-CDE 28, LLC, Note A	5,724,000	-	-	5,724,000	-
Prestamos SUB-CDE 28, LLC, Note B	2,116,000	-	-	2,116,000	-
Clearinghouse NMTC (SUB 72), LLC, Note A	8,256,000	-	-	8,256,000	-
Clearinghouse NMTC (SUB 72), LLC, Note B	3,264,000	-	-	3,264,000	-
Total notes payable (direct placement)	58,730,000	-	-	32,440,000	-
Lease obligations					
Facilities lease	63,410	-	(15,789)	47,621	16,310
Subscription software obligations					
Subscription software	795,321	1,267,177	(537,360)	1,525,138	612,071
Compensated absences	8,416,365	4,414,495	(4,007,333)	8,421,827	3,822,701
Postemployment benefits other than pensions	1,208,708	47,907	(234,177)	1,022,438	-
Net pension liability	61,174,909	6,395,219	(7,179,675)	60,390,453	-
Total governmental activities	\$ 130,338,713	\$ 47,135,290	\$ (8,062,145)	\$ 103,847,477	\$ 30,527,669

The District's notes payable include put and call agreements, which if exercised would result in the acceleration of the maturity dates related to such notes. Certain of these put and call agreements were exercised in July and December 2024. In conjunction with the exercise of these agreements, the related notes payable obligations were canceled.

Subsequent to year end, the District obtained additional financing in an arrangement structured under the NMTC program. On July 29, 2025, the District entered into two notes payable totaling \$17,000,000, which will be secured by a deed of trust and assignments of leases and rents. These notes will bear interest at 1% and will be payable in quarterly interest-only payments through July 2032, and quarterly principal and interest payments thereafter through July 2055.

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.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) **For the Year Ended June 30, 2025**

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 \$10,000,000 and \$5,800,000 for non-construction related services.

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 face lingering effects from the COVID-19 pandemic, which still impact economic activity and public 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 29.48% of general fund revenues compared to 31.4% 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 66.27% of general fund revenues compared to 64.3% in the prior year.

The volatility in U.S. and international economies and supply-chain bottlenecks, although not as significant as experienced during the COVID-19 pandemic, is ongoing. In addition, the current United States political environment is likely to interact with and exacerbate current market conditions and supply-chain bottlenecks.

During the COVID-19 pandemic, the District implemented several cost saving strategies designed to ensure financial sustainability. These strategies continue to successfully provide the District with additional resources to withstand any subsequent financial downturns in the near term. These measures allow the District to continue transferring funds to the Capital Projects Fund, building reserves, and spending on critical projects.

The ultimate long-term impact the ongoing volatility in U.S. and international economies and supply-chain bottlenecks on the District's financial position and changes therein cannot be determined at this time, but may be substantial.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) **For the Year Ended June 30, 2025**

Contingent Liabilities

In the ordinary course of its operations, claims are filed against the District. It is the opinion of management that 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.

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

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2025

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 \$919 per person, per month, and totaled \$80,510 for the year.

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, 2025
Measurement date	June 30, 2025
Discount rate	
Beginning of year	4.1%
End of year	4.8%
Actuarial cost method	Entry age normal, level percent of pay
Total retirees	
Beginning of year	31
End of year	28
Average retiree age	
Beginning of year	78.4 years
End of year	79.0 years
Projected pay increase *	6.75% per annum, decreasing 0.25% per year to an ultimate rate of 4.5%
Projected trend on payments to PEBP	
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	\$ 1,110,460	\$ 1,022,438	\$ 945,721
	1% Decrease in Healthcare Trend Rate	Healthcare Trend Rate	1% Increase in Healthcare Trend Rate
Total OPEB liability	\$ 950,072	\$ 1,022,438	\$ 1,103,435

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2025

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

Interest on total OPEB liability	\$ 47,907
Differences between expected and actual experience	(34,525)
Change in assumptions and other inputs	(119,142)
Service cost *	-
OPEB expense	(105,760)
Benefit payments (equal to employer contributions)	(80,510)
Net change in total OPEB liability	(186,270)
Total OPEB liability, beginning of year **	1, 208,708
Total OPEB liability, end of year **	\$ 1,022,438

* 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, all 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. PERS 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.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) **For the Year Ended June 30, 2025**

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.

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.

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.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) **For the Year Ended June 30, 2025**

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 indicating the 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 years ended June 30, 2024 and 2025, the required employer/employee match rates were 17.5% for regular and 25.75% for police/fire members. The EPC rates were 33.5% for regular and 50.0% for police/fire members.

For the year ending June 30, 2026, the required employer/employee match rates increased to 19.25% for regular and 30.0% for police/fire members. The EPC rates also increase to 36.75% for regular and 58.75% 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, 2024, 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, 2025

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):

Actuarial valuation date	June 30, 2024
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.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2025

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, 2024:

	Target Allocation	Long-term Geometric Expected Real Rate of Return *
U.S. stocks	34%	5.50%
International stocks	14%	5.50%
U.S. bonds	28%	2.25%
Private markets	12%	6.65%
Short-term investments	12%	0.50%

* 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:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Net pension liability	\$ 97,115,160	\$ 60,390,453	\$ 30,092,170

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 \$60,390,453, which represents 0.33424% 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.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2025

For the current year, the District's pension expense was (\$6,395,219) 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	\$ 12,811,619	\$ -
Changes of assumptions or other inputs	3,896,771	-
Net difference between projected and actual earnings on investments	-	5,949,237
Changes in proportion and differences between actual contributions and proportionate share of contributions	2,309,231	2,082,737
Contributions made subsequent to the measurement date	5,425,726	-
	<u>\$ 24,443,347</u>	<u>\$ 8,031,974</u>

At June 30, 2024, the average expected remaining service life was 5.64 years.

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date totaling \$5,425,726 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,

2026	\$ 1,610,606
2027	7,802,178
2028	583,154
2029	(8,640)
2030	998,349
Thereafter	-

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

Net pension liability, beginning of year	\$ 61,174,909
Pension expense	6,395,219
Employer contributions	(4,806,510)
Change in net deferred outflows and inflows of resources	<u>(2,373,165)</u>
Net pension liability, end of year	<u>\$ 60,390,453</u>

At year end, payroll and benefits payable included \$1,155,408 payable to PERS, for the June required contributions and the accrued portion of the 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, 2025

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
2018	²	\$ 71,482	\$ -	\$ (165,020)
2019	²	63,980	-	(80,090)
2020	²	55,202	-	1,781
2021	²	44,022	-	20,429
2022	²	34,005	-	34,771
2023	²	53,425	-	(66,953)
2024	²	49,089	-	16,003
2025	²	47,907	-	(34,525)

For the Year Ended June 30, ^{1,4}	Changes in Assumptions or Other Inputs	Benefit Payments	Net Change in Total OPEB Liability	Total OPEB Liability, Beginning of Year
2018	\$ 22,856	\$ (93,503)	\$ (164,185)	\$ 2,149,156
2019	10,199	(92,336)	(98,247)	1,984,971
2020	(114,655)	(93,298)	(150,970)	1,886,724
2021	29,658	(85,218)	8,891	1,735,754
2022	(311,150)	(88,743)	(331,117)	1,744,645
2023	(44,462)	(87,308)	(145,298)	1,413,528
2024	(42,582)	(82,032)	(59,522)	1,268,230
2025	(119,142)	(80,510)	(186,270)	1,208,708

(Continued)

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Postemployment Benefits Other Than Pensions Schedule of Changes in Total OPEB Liability and Related Ratios (Continued) For the Year Ended June 30, 2025

For the Year Ended June 30, ^{1,4}	Total OPEB Liability, End of Year	Plan Fiduciary Net Position, Beginning of Year	Net OPEB Liability, End of Year	Covered- Employee Payroll
2018	\$ 1,984,971	³	\$ 1,984,971	²
2019	1,886,724	³	1,886,724	²
2020	1,735,754	³	1,735,754	²
2021	1,744,645	³	1,744,645	²
2022	1,413,528	³	1,413,528	²
2023	1,268,230	³	1,268,230	²
2024	1,208,708	³	1,208,708	²
2025	1,022,438	³	1,022,438	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, 2025

For the Year Ended June 30, ^{1,3}	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required	Contribution Excess (Deficiency)	Covered- Employee Payroll
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
2024	82,032	82,032	-	²
2025	80,510	80,510	-	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, 2025

For the Year Ended June 30,	Proportion of the Collective Net Pension Liability	Proportion of the Collective Net Pension Liability	Covered Payroll
2015	0.34184%	38,432,593	19,776,530
2016	0.34184%	46,002,178	20,429,244
2017	0.34239%	45,536,922	21,261,880
2018	0.34021%	46,397,158	21,929,216
2019	0.35145%	47,924,045	23,794,894
2020	0.34596%	48,185,863	25,005,967
2021	0.31152%	28,408,876	25,712,125
2022	0.30851%	55,700,597	22,851,121
2023	0.33515%	61,174,909	28,551,840
2024	0.33424%	60,390,453	35,735,157

For the Year Ended June 30,	Proportion of the Collective Net Pension Liability as a Percentage of Covered Payroll	PERS Fiduciary Net Position as a Percentage of Total Pension Liability
2015	194.33%	75.12612%
2016	225.18%	72.22995%
2017	214.17%	74.22995%
2018	211.58%	75.23536%
2019	201.40%	76.45733%
2020	192.70%	77.03999%
2021	110.49%	86.50548%
2022	243.75%	75.12034%
2023	214.26%	76.16119%
2024	168.99%	78.10575%

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, 2025

For the Year Ended June 30,	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required	Contribution Excess (Deficiency)
2016	5,862,383	5,862,383	-
2017	6,174,110	6,174,110	-
2018	6,328,094	6,328,094	-
2019	6,761,114	6,761,114	-
2020	7,567,929	7,567,929	-
2021	6,937,523	6,937,523	-
2022	6,925,529	6,925,529	-
2023	7,414,422	7,414,422	-
2024	9,657,814	9,657,814	-
2025	10,851,453	10,851,453	-

For the Year Ended June 30,	Covered Payroll	Contribution as a Percentage of Covered Payroll
2016	20,429,244	28.70%
2017	21,261,880	29.04%
2018	21,929,216	28.86%
2019	23,794,894	28.41%
2020	25,005,967	30.26%
2021	25,712,125	26.98%
2022	22,851,121	30.31%
2023	28,551,840	25.97%
2024	35,735,157	27.03%
2025	37,275,319	29.11%

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General Fund

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances

- Budget and Actual

For the Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Property taxes	\$ 68,639,254	\$ 68,639,254	\$ 69,743,740	\$ 1,104,486
Intergovernmental shared revenues	31,585,602	31,585,602	31,019,658	(565,944)
Charges for services	950,000	950,000	1,583,303	633,303
Investment income	1,000,000	1,000,000	1,775,758	775,758
Contributions	300,000	300,000	474,567	174,567
Miscellaneous	300,000	300,000	639,988	339,988
Total revenues	<u>102,774,856</u>	<u>102,774,856</u>	<u>105,237,014</u>	<u>2,462,158</u>
Expenditures				
Salaries and wages	41,391,742	41,349,656	37,417,429	3,932,227
Employee benefits	19,338,939	19,315,395	16,383,513	2,931,882
Services and supplies	21,095,160	21,153,268	16,281,321	4,871,947
Capital outlay	14,425,000	14,432,523	14,697,291	(264,768)
Debt service				
Principal	-	-	553,149	(553,149)
Interest	-	-	96,664	(96,664)
Total expenditures	<u>96,250,841</u>	<u>96,250,841</u>	<u>85,429,367</u>	<u>10,821,474</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,524,015</u>	<u>6,524,015</u>	<u>19,807,647</u>	<u>(8,359,316)</u>
Other financing sources and (uses)				
Subscription software issuance	-	-	1,267,177	1,267,177
Transfers out	<u>(16,500,000)</u>	<u>(16,500,000)</u>	<u>(16,500,000)</u>	<u>-</u>
Total other financing sources and (uses)	<u>(16,500,000)</u>	<u>(16,500,000)</u>	<u>(15,232,823)</u>	<u>1,267,177</u>
Change in fund balance	<u>(9,975,985)</u>	<u>(9,975,985)</u>	<u>4,574,824</u>	<u>14,550,809</u>
Fund balance, beginning of year	<u>24,481,978</u>	<u>24,481,978</u>	<u>28,477,786</u>	<u>3,995,808</u>
Fund balance, end of year	<u>\$ 14,505,993</u>	<u>\$ 14,505,993</u>	<u>\$ 33,052,610</u>	<u>\$ 18,546,617</u>

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LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Notes to Required Supplementary Information For the Year Ended June 30, 2025

Note 1. Postemployment Benefits Other Than Pensions

For the current year, 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 current year, 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, 2024.

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.

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Other Supplementary Information

Major Governmental Funds

Major Capital Projects Fund

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Major Capital Projects Fund

For the Year Ended June 30, 2025

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 Balances

- Budget and Actual

For the Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Investment income	\$ 1,200,000	\$ 1,200,000	\$ 2,156,243	\$ 956,243
Contributions	-	-	873,627	873,627
Miscellaneous	-	-	129,350	129,350
Total revenues	<u>1,200,000</u>	<u>1,200,000</u>	<u>3,159,220</u>	<u>1,959,220</u>
Expenditures				
Services and supplies	4,109,500	4,109,500	3,088,328	1,021,172
Capital outlay	<u>12,557,500</u>	<u>12,557,500</u>	<u>1,342,146</u>	<u>11,215,354</u>
Total expenditures	<u>16,667,000</u>	<u>16,667,000</u>	<u>4,430,474</u>	<u>12,236,526</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(15,467,000)</u>	<u>(15,467,000)</u>	<u>(1,271,254)</u>	<u>(10,277,306)</u>
Other financing sources and (uses)				
Proceeds from capital asset disposal	-	-	24,230	24,230
Transfers in	<u>16,500,000</u>	<u>16,500,000</u>	<u>16,500,000</u>	<u>-</u>
Total other financing sources and (uses)	<u>16,500,000</u>	<u>16,500,000</u>	<u>16,524,230</u>	<u>24,230</u>
Change in fund balance	<u>1,033,000</u>	<u>1,033,000</u>	<u>15,252,976</u>	<u>14,219,976</u>
Fund balance, beginning of year	<u>42,302,023</u>	<u>42,302,023</u>	<u>46,774,424</u>	<u>4,472,401</u>
Fund balance, end of year	<u><u>\$ 43,335,023</u></u>	<u><u>\$ 43,335,023</u></u>	<u><u>\$ 62,027,400</u></u>	<u><u>\$ 18,692,377</u></u>

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Non-major Governmental Funds

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Non-major Governmental Funds Combining Balance Sheet June 30, 2025

	Non-major Special Revenue Funds	Non-major Debt Service Fund	Non-major Permanent Fund	Total Non- major Funds
Assets				
Cash and cash equivalents, unrestricted	\$ 574,851	\$ 593,983	\$ 10,000	\$ 1,178,834
Taxes receivable	-	2,736	-	2,736
Due from other governments	241,900	-	-	241,900
Due from other funds	74,329	-	-	74,329
Total assets	<u>\$ 891,080</u>	<u>\$ 596,719</u>	<u>\$ 10,000</u>	<u>\$ 1,497,799</u>
Liabilities				
Accounts payable	\$ 2,622	\$ -	\$ -	\$ 2,622
Payroll and benefits payable	25,466	-	-	25,466
Total liabilities	<u>28,088</u>	<u>-</u>	<u>-</u>	<u>28,088</u>
Deferred inflows of resources				
Unavailable revenue, property taxes	<u>-</u>	<u>2,736</u>	<u>-</u>	<u>2,736</u>
Fund balances				
Nonspendable				
Permanent fund principal	-	-	10,000	10,000
Restricted				
Grant programs	273,791	-	-	273,791
Other programs	589,201	-	-	589,201
Assigned				
Debt service	<u>-</u>	<u>593,983</u>	<u>-</u>	<u>593,983</u>
Total fund balances	<u>862,992</u>	<u>593,983</u>	<u>10,000</u>	<u>1,466,975</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 891,080</u>	<u>\$ 596,719</u>	<u>\$ 10,000</u>	<u>\$ 1,497,799</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, 2025

	Non-major Special Revenue Funds	Non-major Debt Service Fund	Non-major Permanent Fund	Total Non- major Funds
Revenues				
Property taxes	\$ -	\$ 187	\$ -	\$ 187
Intergovernmental shared revenues	2,076,918	-	-	2,076,918
Investment income	-	17	-	17
Contributions	641,834	-	-	641,834
Miscellaneous	40,358	-	-	40,358
Total revenues	2,759,110	204	-	2,759,314
Expenditures				
Current				
Culture and recreation	2,442,838	-	-	2,442,838
Capital outlay				
Culture and recreation	519,626	-	-	519,626
Total expenditures	2,962,464	-	-	2,962,464
Excess (deficiency) of revenues over (under) expenditures	(203,354)	204	-	(203,150)
Change in fund balance	(203,354)	204	-	(203,150)
Fund balance, beginning of year	1,066,346	593,779	10,000	1,670,125
Fund balance, end of year	\$ 862,992	\$ 593,983	\$ 10,000	\$ 1,466,975

Non-major Special Revenue Funds

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Non-major Special Revenue Funds For the Year Ended June 30, 2025

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.

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Non-major Special Revenue Funds Combining Balance Sheet June 30, 2025

	Grant Fund	Gift Fund	Total Non- major Special Revenue Funds
Assets			
Cash and cash equivalents, unrestricted	\$ 56,886	\$ 517,965	\$ 574,851
Due from other governments	241,900	-	241,900
Due from other funds	-	74,329	74,329
Total assets	<u>\$ 298,786</u>	<u>\$ 592,294</u>	<u>\$ 891,080</u>
Liabilities			
Accounts payable	\$ 548	\$ 2,074	\$ 2,622
Payroll and benefits payable	24,447	1,019	25,466
Total liabilities	<u>24,995</u>	<u>3,093</u>	<u>28,088</u>
Fund balances			
Restricted			
Grant programs	273,791	-	273,791
Other programs	-	589,201	589,201
Total fund balances	<u>273,791</u>	<u>589,201</u>	<u>862,992</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 298,786</u>	<u>\$ 592,294</u>	<u>\$ 891,080</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, 2025

	Grant Fund	Gift Fund	Total Non- major Special Revenue Funds
Revenues			
Intergovernmental shared revenues	\$ 2,076,918	\$ -	\$ 2,076,918
Contributions	-	641,834	641,834
Miscellaneous	-	40,358	40,358
Total revenues	2,076,918	682,192	2,759,110
Expenditures			
Current			
Culture and recreation	1,618,626	824,212	2,442,838
Capital outlay			
Culture and recreation	515,290	4,336	519,626
Total expenditures	2,133,916	828,548	2,962,464
Excess (deficiency) of revenues over (under) expenditures	(56,998)	(146,356)	(203,354)
Change in fund balance	(56,998)	(146,356)	(203,354)
Fund balance, beginning of year	330,789	735,557	1,066,346
Fund balance, end of year	\$ 273,791	\$ 589,201	\$ 862,992

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Grant Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances

- Budget and Actual

For the Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Intergovernmental shared revenues	<u>\$ 20,000,000</u>	<u>\$ 20,000,000</u>	<u>\$ 2,076,918</u>	<u>\$ (17,923,082)</u>
Expenditures				
Salaries and wages	1,300,000	1,144,229	952,529	191,700
Employee benefits	700,000	961,472	338,636	622,836
Services and supplies	10,000,000	9,922,684	327,461	9,595,223
Capital outlay	<u>8,000,000</u>	<u>7,971,615</u>	<u>515,290</u>	<u>7,456,325</u>
Total expenditures	<u>20,000,000</u>	<u>20,000,000</u>	<u>2,133,916</u>	<u>17,866,084</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(56,998)</u>	<u>(35,789,166)</u>
Change in fund balance	-	-	(56,998)	(56,998)
Fund balance, beginning of year	<u>360,539</u>	<u>360,539</u>	<u>330,789</u>	<u>(29,750)</u>
Fund balance, end of year	<u><u>\$ 360,539</u></u>	<u><u>\$ 360,539</u></u>	<u><u>\$ 273,791</u></u>	<u><u>\$ (86,748)</u></u>

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Gift Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances

- Budget and Actual

For the Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Contributions	\$ 8,000,000	\$ 8,000,000	\$ 641,834	\$ (7,358,166)
Miscellaneous	<u>2,000,000</u>	<u>2,000,000</u>	<u>40,358</u>	<u>(1,959,642)</u>
Total revenues	<u>10,000,000</u>	<u>10,000,000</u>	<u>682,192</u>	<u>(9,317,808)</u>
Expenditures				
Salaries and wages	200,000	208,641	315,460	(106,819)
Employee benefits	-	94,801	146,131	(51,330)
Services and supplies	6,000,000	5,900,000	362,621	5,537,379
Capital outlay	<u>3,800,000</u>	<u>3,796,559</u>	<u>4,336</u>	<u>3,792,223</u>
Total expenditures	<u>10,000,000</u>	<u>10,000,000</u>	<u>828,548</u>	<u>9,171,452</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(146,356)</u>	<u>(18,489,260)</u>
Change in fund balance	-	-	(146,356)	(146,356)
Fund balance, beginning of year	<u>675,983</u>	<u>675,983</u>	<u>735,557</u>	<u>59,574</u>
Fund balance, end of year	<u><u>\$ 675,983</u></u>	<u><u>\$ 675,983</u></u>	<u><u>\$ 589,201</u></u>	<u><u>\$ (86,782)</u></u>

Non-major Debt Service Fund

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Non-major Debt Service Fund

For the Year Ended June 30, 2025

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 Balances

- Budget and Actual

For the Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Property taxes	\$ -	\$ -	\$ 187	\$ 187
Investment income	<u>10,000</u>	<u>10,000</u>	<u>17</u>	<u>(9,983)</u>
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>204</u>	<u>(9,796)</u>
Expenditures				
Services and supplies	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>204</u>	<u>(19,796)</u>
 Change in fund balance	-	-	204	204
Fund balance, beginning of year	<u>593,703</u>	<u>593,703</u>	<u>593,779</u>	<u>76</u>
Fund balance, end of year	<u>\$ 593,703</u>	<u>\$ 593,703</u>	<u>\$ 593,983</u>	<u>\$ 280</u>

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Non-major Permanent Fund

LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT

Non-major Permanent Fund

For the Year Ended June 30, 2025

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 Balances

- Budget and Actual

For the Year Ended June 30, 2025

	<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><u>\$ 10,000</u></u>	<u><u>\$ 10,000</u></u>	<u><u>\$ 10,000</u></u>	<u><u>\$ -</u></u>

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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, 2025, 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, 2025.

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

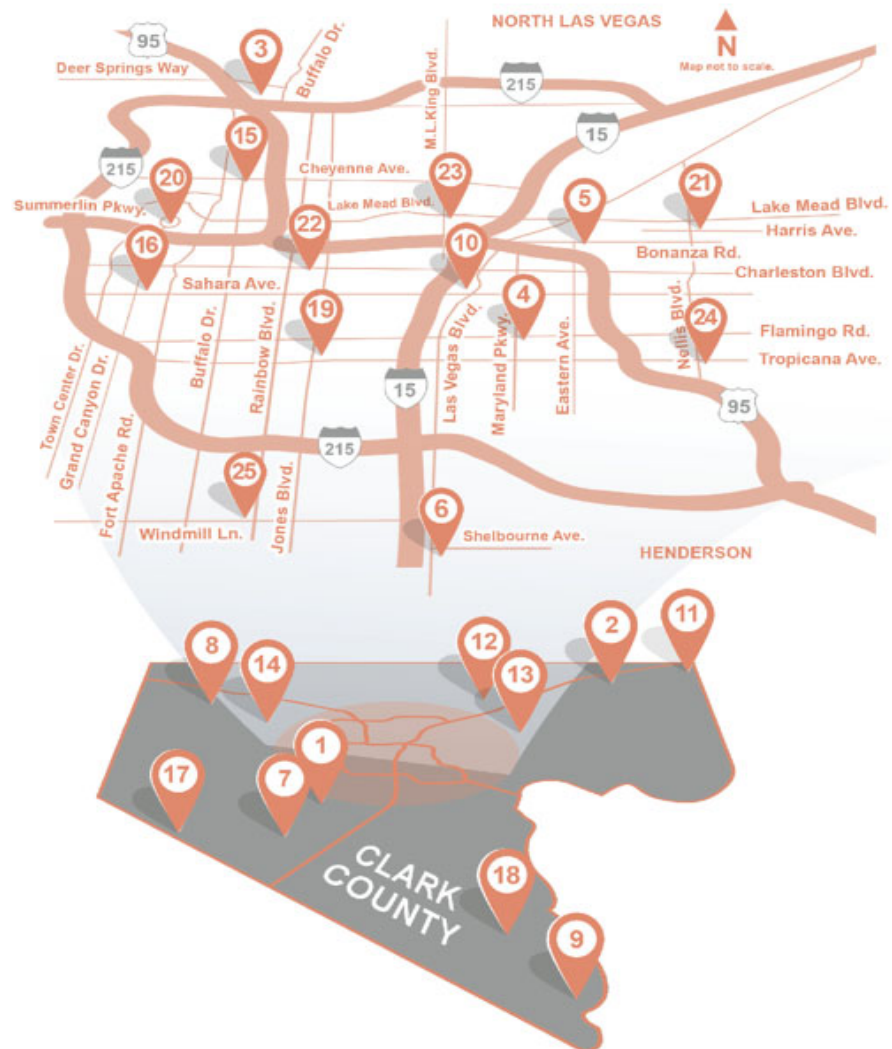
Mesquite, Nevada
October 23, 2025



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.

