

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

JUNE 30, 2020 AND 2019

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

JUNE 30, 2020 AND 2019

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Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements and the discretely presented component unit, of Vegas PBS, as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise Vegas PBS's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Vegas PBS and its discretely presented component unit as of June 30, 2020 and 2019 and the respective changes in financial position and, where applicable, cash flows, thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter***Clarification of Reporting Entity***

As discussed in Note 1, the financial statements of Vegas PBS are intended to present the financial position and changes in financial position and cash flows of only that portion of the financial reporting entity of the Clark County School District that is attributable to the transactions of Vegas PBS. They do not purport to, and do not, present fairly the financial position of the Clark County School District as of June 30, 2020 and 2019, the changes in its financial position, or where applicable, its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 through 11, the schedule of the proportionate share of net pension liability and defined benefit plan contributions, and the schedules of changes in the Entity's total OPEB liability and related ratios on pages 49 through 53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Las Vegas, Nevada
February 11, 2021

**VEGAS PBS AND COMPONENT UNIT SOUTHERN NEVADA PUBLIC TELEVISION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

The Management's Discussion and Analysis (MD&A) provides narrative and analysis on the financial position and activities of Vegas PBS for the fiscal years ending June 30, 2020, 2019, and 2018. The financial statements include the financial activity of several service units of Vegas PBS and its related 501(c)3 nonprofit corporation, Southern Nevada Public Television (SNPT). SNPT is a legally separate and tax-exempt entity which meets all of the amended GASB 61 criteria to be discretely presented as a component unit to Vegas PBS. The activities of SNPT are not included in the MD&A.

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

Overview of the Financial Statements

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

The financial statements consist of the following components:

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

The statement of net position combines and consolidates all of Vegas PBS' current financial resources presenting them as capital assets, deferred outflows of resources, long term obligations, and deferred inflows of resources using the accrual basis of accounting as of June 30, 2020 and 2019. The end result is net position that is separated into three components: investment in capital assets, restricted and unrestricted net position.

**VEGAS PBS AND COMPONENT UNIT SOUTHERN NEVADA PUBLIC TELEVISION
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FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

The Statement of Revenues, Expenses and Changes in Net Position shows operating revenues and expenses during fiscal years 2020 and 2019 resulting in net operating income/(loss) which includes depreciation and is then combined with non-operating revenues/(expenses), capital and endowment contributions to provide the total change in net position. Non-operating revenues include interest income, income from endowments, gains or losses on investments, testamentary gifts, and other revenues not directly related to daily operations.

The Statement of Cash Flows shows the sources and uses of cash flows from operations, cash flows from non-capital financing activities, cash flows from capital and related financing activities and cash flows from investing activities during fiscal years 2020 and 2019.

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

The Supplemental Schedule of Functional Expenses is a voluntary schedule offered to help readers, donors, and those concerned with charitable accountability understand the Vegas PBS combined expenditures by function with depreciation expense being detailed as a separate line in the supplemental schedule. Vegas PBS spent 80% of its budget on program services and 20% on fundraising and administrative costs during 2020, 77% of its budget on program services and 23% on fundraising and administrative costs during 2019 and 78% on program services with 22% on fundraising and administrative costs during 2018. All expenditures are reported by related function as prescribed by the Corporation for Public Broadcasting's application of principles of accounting and financial reporting to public telecommunications entities.

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

For the past six years, Vegas PBS has offered members the opportunity to pay their pledges over the span of a year or through an ongoing sustaining donor program in which donors have a predetermined amount automatically deducted each month from their personal account. Management makes historical estimates of amounts of installment pledges collectible and has determined that the rate of 15% accurately reflects the uncollectible rate. The \$31,762 in pledges receivable at June 30, 2020 represents the outstanding pledges due less a 15% allowance for uncollectable pledges of \$5,605. On June 30, 2019, the pledges receivable balance was \$40,135 which represented outstanding pledges due less a 15% allowance for uncollectable pledges of \$7,083. On June 30, 2018 the pledges receivable balance was \$33,905 which represented outstanding pledges due less a 15% allowance for uncollectable pledges of \$5,983.

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

**VEGAS PBS AND COMPONENT UNIT SOUTHERN NEVADA PUBLIC TELEVISION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

Analysis of the Financial Statements

Condensed Statement of Net Position

	<u>2020</u>	<u>2019</u>	<u>2018</u>
ASSETS			
Current assets	\$ 1,496,846	\$ 662,926	\$ 1,586,523
Restricted current assets	2,744,355	2,336,428	2,648,139
Capital assets, net	26,166,454	27,516,585	29,240,622
TOTAL ASSETS	<u>30,407,655</u>	<u>30,515,939</u>	<u>33,475,284</u>
DEFERRED OUTFLOWS	<u>907,608</u>	<u>1,095,391</u>	<u>965,828</u>
LIABILITIES			
Current liabilities	1,900,224	925,020	1,537,910
Noncurrent liabilities	5,615,653	7,273,506	6,798,221
TOTAL LIABILITIES	<u>7,515,877</u>	<u>8,198,526</u>	<u>8,336,131</u>
DEFERRED INFLOWS	<u>592,728</u>	<u>450,729</u>	<u>474,970</u>
NET POSITION			
Net investment in capital assets	26,166,454	27,516,585	29,240,622
Restricted for:			
Endowment	2,744,355	2,336,428	2,648,139
Unrestricted	(5,704,151)	(6,890,938)	(6,258,750)
TOTAL NET POSITION	<u>\$ 23,206,658</u>	<u>\$ 22,962,075</u>	<u>\$ 25,630,011</u>

Current assets, including cash and cash equivalents, receivables and prepaid expenses, changed from \$662,926 in 2019 to \$1,496,846 in 2020. The \$833,920 increase was primarily due to the \$666,520 increase in unearned revenues and the \$235,012 increase in accounts payable. \$634,664 in cash was generated in operating activities and grant receivables increased by \$241,708. Current assets decreased \$923,597 from 2018 to 2019.

Capital Assets continues to decrease due to depreciation expenses of \$1,607,122 in 2020 and \$1,724,037 in 2019. Vegas PBS has not significantly invested in new capital equipment over the last 2 years. With its existing equipment at or approaching end of life and as ATSC 3.0 standards for Ultra HD capabilities continuing to move forward, Vegas PBS is moving forward with a plan of replacing major equipment starting with its playout server system in FY21 and continuing with approximately \$6 Million - \$9 Million in equipment replacement over the next 3-5 years.

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

**VEGAS PBS AND COMPONENT UNIT SOUTHERN NEVADA PUBLIC TELEVISION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

Capital Assets, presented below, are recorded at cost.

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Land	\$ 2,026,492	\$ 2,026,492	\$ 2,026,492
Building and improvements	34,188,733	33,931,742	33,973,122
Vehicles and equipment	<u>15,104,299</u>	<u>15,104,299</u>	<u>15,124,827</u>
Total cost of capital assets	51,319,524	51,062,533	51,124,441
Less: accumulated depreciation	<u>(25,153,070)</u>	<u>(23,545,948)</u>	<u>(21,883,819)</u>
Net capital assets	<u>\$ 26,166,454</u>	<u>\$ 27,516,585</u>	<u>\$ 29,240,622</u>

In accordance with GASB 68 and subsequent adjustments required by GASB 82, Vegas PBS recognized its portion of the CCSD deferred inflows and outflows related to the pension liability CCSD carries as a participant in the state of Nevada's Public Employees Retirement System. As of June 30, 2020, the deferred pension and OPEB related outflows were \$1,095,391 with deferred pension and OPEB related inflows of \$450,729. A net pension liability of \$6,708,089 was recognized with a net OPEB liability of \$275,312. June 30, 2019 deferred pension related outflows were \$1,095,391 with deferred pension related inflows of \$450,729 and a net pension liability of \$6,708,089 and a net OPEB liability of \$275,312. The June 30, 2018 deferred pension related outflows were \$965,828 with deferred pension related inflows of \$474,970 and a net pension liability of \$6,196,207 and a net OPEB liability of \$275,312.

Current liabilities increased by \$975,204 from June 30, 2019 to June 30, 2020 due to the increase in unearned revenues of \$666,520 which is advanced funding for seasons 3 and 4 of Outdoor Nevada, and an increase in accounts payable of \$235,012. The increase in current liabilities of \$83,956 from June 30, 2018 to June 30, 2019 was due a decrease in unearned revenues by \$123,388 and the repayment made to CCSD in the amount of \$434,630.

**VEGAS PBS AND COMPONENT UNIT SOUTHERN NEVADA PUBLIC TELEVISION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

Condensed Statement of Revenues, Expenses and Changes in Net Position

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Operating revenues	\$ 13,481,550	\$ 12,323,922	\$ 12,656,966
Operating expenses before depreciation	(12,028,072)	(13,348,518)	(12,809,917)
Depreciation expenses	<u>(1,607,122)</u>	<u>(1,724,037)</u>	<u>(1,887,466)</u>
Operating income/(loss)	<u>(153,644)</u>	<u>(2,748,633)</u>	<u>(2,040,417)</u>
Non-operating revenues	71,100	78,284	114,968
Non-operating expenses	<u>(14,972)</u>	<u>-</u>	<u>-</u>
Non-operating income/(loss)	<u>56,128</u>	<u>78,284</u>	<u>114,968</u>
Income/(loss) before capital and endowment contributions	(97,516)	(2,670,349)	(1,925,449)
Capital and endowment contributions	<u>342,099</u>	<u>2,413</u>	<u>16,250</u>
Change in net position	- 244,583 -	(2,667,936)	(1,909,199)
Net Position, July 1	<u>22,962,075</u>	<u>25,630,011</u>	<u>27,807,455</u>
Prior period restatement	<u>-</u>	<u>-</u>	<u>(268,245)</u>
Net position, beginning (as restated)	<u>22,962,075</u>	<u>25,630,011</u>	<u>27,539,210</u>
Net Position, June 30	<u>\$ 23,206,658</u>	<u>\$ 22,962,075</u>	<u>\$ 25,630,011</u>

In 2020 Vegas PBS had an increase in operating revenues of \$1,157,628, or 9.4%, due to a successful legislative campaign in which state funding increased \$528,381 and a change in the calculation of in-kind facilities and administrative services resulting in a \$697,661 increase in operating revenues. Vegas PBS had a significant revenue loss in program sponsorship and corporate support in 2020 due to the shutdown resulting from the COVID-19 outbreak but was able to mitigate this loss with increases in production facility rentals and a \$200,000 distribution of federal CARES funding received from the CPB. From 2018 to 2019 operating revenues decreased from \$12,656,966 in 2018 to \$12,323,922 in 2019 representing a 2.7% decline.

A decrease in operating expenses from \$13,348,518 in 2019 to \$12,028,072 in 2020 was due to a large adjustment in pension and OPEB expenses recognized in benefit expenses as well as significant cost savings due to the COVID-19 shutdown. An increase in operating expenses from \$12,809,917 in 2018 to \$13,348,518 in 2019 was due to a one-time payment of \$560,000 related to a contractual agreement associated with the health card content through June 2019 even though minimal health card trainings were provided.

**VEGAS PBS AND COMPONENT UNIT SOUTHERN NEVADA PUBLIC TELEVISION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

Requests for Information

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

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

VEGAS PBS AND COMPONENT UNIT SOUTHERN NEVADA PUBLIC TELEVISION
A PUBLIC TELECOMMUNICATIONS ENTITY LICENSED TO THE BOARD OF TRUSTEES OF THE CLARK COUNTY SCHOOL DISTRICT
STATEMENTS OF NET POSITION
JUNE 30, 2020 AND 2019

	2020		2019	
	Primary (Vegas PBS)	Component Unit (SNPT)	Primary (Vegas PBS)	Component Unit (SNPT)
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 663,856	\$ 821,795	\$ 296,983	\$ 1,065,213
Accounts receivable	444,797	187	203,088	-
Due from SNPT	291,529	-	96,088	-
Pledges receivable, net allowance	31,762	-	40,135	-
Grants receivable	64,902	96,061	26,632	140,918
	<u>1,496,846</u>	<u>918,043</u>	<u>662,926</u>	<u>1,206,131</u>
Restricted current assets:				
Investments held by trustees	<u>2,744,355</u>	<u>2,417,316</u>	<u>2,336,428</u>	<u>2,086,972</u>
Total current assets	<u>4,241,201</u>	<u>3,335,359</u>	<u>2,999,354</u>	<u>3,293,103</u>
Noncurrent Assets:				
Capital assets, net	<u>26,166,454</u>	<u>-</u>	<u>27,516,585</u>	<u>-</u>
Total assets	<u>30,407,655</u>	<u>3,335,359</u>	<u>30,515,939</u>	<u>3,293,103</u>
DEFERRED OUTFLOWS OF RESOURCES				
OPEB related - contributions	105,963	-	17,507	-
Pension related	801,645	-	1,077,884	-
Total deferred outflows of resources	<u>907,608</u>	<u>-</u>	<u>1,095,391</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>31,315,263</u>	<u>3,335,359</u>	<u>31,611,330</u>	<u>3,293,103</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	569,922	2,575	334,910	86,677
Accrued salaries and benefits	305,801	-	237,017	-
Due to Vegas PBS	-	291,529	-	96,088
Compensated absences-current	357,981	-	353,093	-
Unearned revenue	666,520	-	-	-
Total current liabilities	<u>1,900,224</u>	<u>294,104</u>	<u>925,020</u>	<u>182,765</u>
Noncurrent Liabilities:				
Compensated absences	282,786	-	294,228	-
Total OPEB liability	330,845	-	271,189	-
Net pension liability	5,002,022	-	6,708,089	-
Total noncurrent liabilities	<u>5,615,653</u>	<u>-</u>	<u>7,273,506</u>	<u>-</u>
Total liabilities	<u>7,515,877</u>	<u>294,104</u>	<u>8,198,526</u>	<u>182,765</u>
DEFERRED INFLOWS OF RESOURCES				
OPEB related - difference between projected and actual experiences and investment earnings	2,662	-	5,099	-
Pension related - difference between projected and actual experiences and investment earnings	590,066	-	445,630	-
Total deferred outflows of resources	<u>592,728</u>	<u>-</u>	<u>450,729</u>	<u>-</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>8,108,605</u>	<u>294,104</u>	<u>8,649,255</u>	<u>182,765</u>
NET POSITION				
Net investment in capital assets	26,166,454	-	27,516,585	-
Restricted for:				
Endowments:				
Expendable	2,744,355	2,217,316	2,336,428	1,886,972
Nonexpendable	-	200,000	-	200,000
Unrestricted	<u>(5,704,151)</u>	<u>623,939</u>	<u>(6,890,938)</u>	<u>1,023,366</u>
TOTAL NET POSITION	<u>\$ 23,206,658</u>	<u>\$ 3,041,255</u>	<u>\$ 22,962,075</u>	<u>\$ 3,110,338</u>

See accompanying notes.

VEGAS PBS AND COMPONENT UNIT SOUTHERN NEVADA PUBLIC TELEVISION
A PUBLIC TELECOMMUNICATIONS ENTITY LICENSED TO THE BOARD OF TRUSTEES OF THE CLARK COUNTY SCHOOL DISTRICT
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	2020		2019	
	Primary (Vegas PBS)	Component Unit (SNPT)	Primary (Vegas PBS)	Component Unit (SNPT)
OPERATING REVENUES:				
Instructional media fees from the Clark County School District	\$ 3,280,328	\$ -	\$ 3,323,967	\$ -
Membership donations	2,640,273	169,366	2,775,974	178,351
Community service grant from Corporation for Public Broadcasting	1,385,151	-	1,450,007	-
Corporate spectrum leasing	1,261,383	-	1,224,644	-
In kind facilities and administrative services from Clark County School District	1,095,667	-	398,006	-
Educational media grants	864,724	17,500	840,804	81,628
Grants-state and local government	660,513	96,061	132,132	241,772
SNPT contribution to Vegas PBS	657,472	-	430,026	-
Program sponsorship, corporation and foundation donations	462,061	140,700	984,668	849,557
Workforce development	460,300	-	326,885	80,703
Direct support services from Clark County School District	409,193	-	375,424	-
Other revenue	202,902	80	3,089	-
Contract production	101,200	-	44,340	-
Special events	-	-	13,350	-
Royalties and rebates	383	-	606	-
Total operating revenues	<u>13,481,550</u>	<u>423,707</u>	<u>12,323,922</u>	<u>1,432,011</u>
OPERATING EXPENSES:				
Contribution to Vegas PBS	-	657,472	-	430,026
Programming and production	4,414,489	29,151	4,325,160	27,702
Educational media services	2,078,821	-	1,824,745	2,352
Broadcasting	1,695,893	-	1,851,292	-
Membership services	1,320,813	822	1,547,582	2,450
Management and general	754,283	30,138	1,346,227	47,022
Promotion	695,658	2,987	596,892	460
Sponsor solicitation	602,956	15	639,538	133
Workforce development	465,159	146,024	1,217,082	268,965
Operating expenses before depreciation	<u>12,028,072</u>	<u>866,609</u>	<u>13,348,518</u>	<u>779,110</u>
Depreciation - Building, Land Impr.	1,009,664	-	1,009,664	-
Depreciation - Equipment, Furniture/Fixtures	597,458	-	714,373	-
Total Depreciation	<u>1,607,122</u>	<u>-</u>	<u>1,724,037</u>	<u>-</u>
Total operating expenses	<u>13,635,194</u>	<u>866,609</u>	<u>15,072,555</u>	<u>779,110</u>
Total operating income/(loss)	<u>(153,644)</u>	<u>(442,902)</u>	<u>(2,748,633)</u>	<u>652,901</u>
NON-OPERATING REVENUES (EXPENSES):				
Earnings/(loss) on investments	71,100	71,636	78,284	102,536
Investment Fees	(14,972)	(11,879)	-	-
Total non-operating revenues/(expenses)	<u>56,128</u>	<u>59,757</u>	<u>78,284</u>	<u>102,536</u>
Income/(loss) before capital and endowment contributions	(97,516)	(383,145)	(2,670,349)	755,437
Contributions to endowments	<u>342,099</u>	<u>314,062</u>	<u>2,413</u>	<u>656,858</u>
Change in net position	244,583	(69,083)	(2,667,936)	1,412,295
Net position - July 1	22,962,075	3,110,338	25,630,011	1,698,043
Net position - June 30	<u>\$ 23,206,658</u>	<u>\$ 3,041,255</u>	<u>\$ 22,962,075</u>	<u>\$ 3,110,338</u>

See accompanying notes.

**VEGAS PBS AND COMPONENT UNIT SOUTHERN NEVADA PUBLIC TELEVISION
A PUBLIC TELECOMMUNICATIONS ENTITY LICENSED TO THE BOARD OF TRUSTEES OF THE CLARK COUNTY SCHOOL DISTRICT
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

	Primary (Vegas PBS) 2020	Primary (Vegas PBS) 2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 1,654,772	\$ 890,994
Cash received from Clark County School District	3,280,328	3,323,967
Cash received from other sources	7,241,062	7,796,818
Cash paid for services and supplies	(4,486,677)	(5,364,440)
Cash paid to employees	(7,054,821)	(6,294,415)
Net cash provided by operating activities	<u>634,664</u>	<u>352,924</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Purchase of equipment	(256,991)	-
Due/(Repayment) to Clark County School District	-	(434,630)
Net cash used by capital and related financing activities	<u>(256,991)</u>	<u>(434,630)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Earnings (loss) on investments	(7,829)	(21,313)
Disbursement from/(additions to) Endowment Funds	(2,971)	400,000
Net cash flows from investing activities	<u>(10,800)</u>	<u>378,687</u>
Net increase (decrease) in cash and cash equivalents	366,873	296,981
CASH AND CASH EQUIVALENTS, beginning of year	<u>296,983</u>	<u>-</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 663,856</u>	<u>\$ 296,983</u>
Reconciliation of operating loss to cash provided (used) by operating activities:		
Operating income (loss)	\$ (153,644)	\$ (2,748,633)
<i>Adjustments to reconcile operating loss to net cash provided (used) by operating activities:</i>		
Depreciation	1,607,122	1,724,037
Admin fees charged to endowment funds	1,100	13,719
Changes in assets and liabilities:		
(Increase)/Decrease in accounts receivable	(437,150)	417,585
(Increase)/Decrease in pledges receivable	8,373	(6,230)
(Increase)/Decrease in prepaid expense	-	334,457
(Increase)/Decrease in grants receivable	(38,270)	474,768
Increase/(Decrease) in accounts payable	235,012	(49,464)
Increase/(Decrease) in accrued salaries and benefits	68,784	(2,703)
Increase/(Decrease) in compensated absences	(6,554)	(35,179)
Increase/(Decrease) in pension liability and related deferrals	(1,376,285)	358,078
Increase/(Decrease) in OPEB liability and related deferrals	59,656	(4,123)
Increase/(Decrease) in unearned revenue	666,520	(123,388)
Total adjustments	<u>788,308</u>	<u>3,101,557</u>
Net cash provided by operating activities	<u>\$ 634,664</u>	<u>\$ 352,924</u>
Noncash investing, capital, and financing activities		
Contributions/(Distributions) and earnings from capital endowment held by a third-party trustee	<u>\$ 407,927</u>	<u>\$ (311,711)</u>

See accompanying notes.

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NOTE 1 – Summary of Significant Accounting Policies

Reporting Entity

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

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

Discretely Presented Component Unit

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

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

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

Basis of Presentation

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

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NOTE 1 – Summary of Significant Accounting Policies (continued)

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

Measurement Focus and Basis of Accounting

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

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

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

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

Cash and Investments

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

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

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NOTE 1 – Summary of Significant Accounting Policies (continued)

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

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

Vegas PBS has reviewed their investments and determined all investments are either Level 1 or 2 inputs and measured at their fair value levels as of June 30, 2020.

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

Restricted Investments

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

Accounts Receivable

Accounts receivable balances primarily represent amounts due for underwriting and production contracts. Vegas PBS does not anticipate any collection losses with respect to the receivable balances. As a result, a zero allowance for doubtful accounts has been established. If accounts become uncollectible, the balances will be charged to expenses when the determination is made.

Pledges Receivable

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

Grants Receivable

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

Capital Assets

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

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NOTE 1 – Summary of Significant Accounting Policies (continued)

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

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

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

Deferred Outflows and Deferred Inflows of Resources

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

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

Compensated Absences

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

Accrued Salaries and Benefits

Vegas PBS salaries earned but not paid by June 30, 2020 and June 30, 2019 have been accrued as liabilities and shown as expense for the current year.

Long-Term Obligations

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

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NOTE 1 – Summary of Significant Accounting Policies (continued)

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

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

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

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

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

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

Net Position

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

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

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NOTE 1 – Summary of Significant Accounting Policies (continued)

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

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

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

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

Negative Net Position

The effect of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* which records the District's proportionate share of the fiduciary net position liability on their financial statements resulted in a negative net position on Vegas PBS' Statement of Net Position. Contributions are paid into PERS on behalf of the District's employees, and pursuant to statute, there is no obligation on the part of the employer to pay for their proportionate share of the unfunded liability. The impact of recording the net pension liability could possibly result in a negative net position, which for Vegas PBS, both fiscal years 2020 and 2019 reflect a negative balance in unrestricted net assets.

Pledges and Contributions

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

Revenue Recognition

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

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NOTE 1 – Summary of Significant Accounting Policies (continued)

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

In-Kind Support and Revenue

In-kind support and revenue represent contributions for expenses paid by outside parties on behalf of the Station. In accordance with the guidelines established by the Corporation for Public Broadcasting, the Station records all significant contributed support and revenue at fair value at the time of donation, provided the Station has a clearly measurable and objective basis for determining the value. In-kind support and revenue include contributed services, donated materials, supplies, facilities and property, contributed advertising, promotion and indirect administrative support. In 2020, the Corporation for Public Broadcasting changed the process used for calculating indirect administrative support recognized by the station. For all in-kind support and revenue recognized, the Station records a corresponding expense. Such expenses are presented in the Supplemental Schedule of Functional Expenses.

Donated Facilities and Administrative Support

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

Income Taxes

SNPT is organized as a Nevada nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as an organization described in IRC Section 501(c)(3), qualifies for the charitable contribution deduction, and has been determined not to be a private foundation. SNPT is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the entity is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. The Organization determined that SNPT is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Management believes that SNPT has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the consolidated financial statements. The Organization would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Use of Estimates

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

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NOTE 2 – Cash and Investments

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

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

As of June 30, 2020 and 2019, these amounts are broken down as follows:

<u>Vegas PBS</u>	<u>2020</u>	<u>2019</u>
Cash on deposit	\$ (56)	\$ (801)
Clark County School District investment pool	663,912	297,784
Restricted investments	<u>2,744,355</u>	<u>2,336,428</u>
Total cash and investments	<u>\$ 3,408,211</u>	<u>\$ 2,633,411</u>
<u>SNPT</u>	<u>2020</u>	<u>2019</u>
Cash on deposit	\$ 536,368	\$ 780,084
Money market	285,427	285,129
Restricted investments	<u>2,417,316</u>	<u>2,086,972</u>
Total cash and investments	<u>\$ 3,239,111</u>	<u>\$ 3,152,185</u>

Due to the nature of the Clark County School District investment pool, it is not possible to separately identify any specific investment as being that of Vegas PBS. Instead, Vegas PBS owns a proportionate share of each investment based on Vegas PBS's participation percentage in the investment pool. As of June 30, 2020 and 2019, the \$663,912 and \$297,784, respectively, of Vegas PBS investments were held in the investment pool and were categorized as follows:

Investment Type	<u>Percentage of Investment Type</u>	
	<u>2020</u>	<u>2019</u>
U.S. Treasury Bills/Notes	46.6	42.2
U.S. Agency Obligations	25.7	43.3
Commercial Paper	17.3	9.7
Asset Backed Securities	6.0	2.4
Mortgage Backed Securities	<u>4.4</u>	<u>2.4</u>
	<u>100.0 %</u>	<u>100.0 %</u>

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NOTE 2 – Cash and Investments (continued)

The portion of Vegas PBS investments not held in the CCSD investment pool are instead held in an endowment fund with Southern Nevada Public Television. The balances as of June 30, 2020 and June 30, 2019 were \$2,744,355 and \$2,336,428 respectively.

The SNPT investments consist of \$239,308 held in a Wells Fargo endowment fund and \$2,178,008 held in an endowment fund managed by Raymond James as of June 30, 2020. As of June 30, 2019, those amounts were \$279,018 and \$1,807,954 respectively.

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

Investment Type	Percentage of Investment Type to the Total Pool	
	2020	2019
Cash/Cash Equivalents	9.2 %	11.5 %
Fixed Income Funds	30.7	29.2
Domestic Stock	41.2	47.7
International Stock	17.2	11.6
Commodities	0.9	0.0
Alternative Investments	0.8	0.0
	<u>100.0 %</u>	<u>100.0 %</u>

Interest rate risk – Vegas PBS participates in the Clark County School District investment pool; therefore, these investments are subject to the District’s investment policy. While the District pool does not have an overall investment policy that limits investments maturities as a means of managing its exposure to fair value losses arising from interest rate risk, Nevada statutes and District policy do impose certain restrictions by investment instrument. These include limiting maturities on U.S. Treasuries and Agencies to less than 10 years, limiting bankers’ acceptances to 180 days maturity, limiting commercial paper to 270 days maturity and repurchase agreements to 90 days. The District’s approximate weighted average maturity is 1.29 years, including ABS/MBS portfolio.

U.S. Agencies, as reported above, consist of securities issued by the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Farm Credit Bank and Federal Home Loan Bank. Since investments in these agencies are in several cases backed by assets, such as mortgages, they are subject to prepayment risk. Vegas PBS’ cash balance of \$663,912 at June 30, 2019, is subject to this risk.

Interest rate Sensitivity – Interest rate sensitive securities include floating rate, callable, asset-backed, and mortgage-backed securities. As interest rates change, these types of securities may be redeemed early or the coupon rate may change.

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NOTE 2 – Cash and Investments (continued)

Credit risk – State statute and the District’s own investment policy limit investment instruments to the top rating issued by nationally recognized statistical rating organizations (NRSROs). The District’s investment in commercial paper is limited to P-1 rating by Moody’s Investor Service, Standard and Poor’s as A-1 and Fitch Investors Service as F-1. The District’s money market investments are only with those funds rated by a nationally recognized rating service as AAA or its equivalent and invest only in securities issued by the Federal Government, U.S. Agencies or repurchase agreements fully collateralized by such securities. Credit ratings for obligations of U.S. government agencies only implicitly guaranteed by the U.S. Government, such as the Federal National Mortgage Association, the Federal Farm Credit Bank, the Federal Home Loan Bank, and the Federal Home Loan Mortgage Corporation, short and long-term instruments are limited to those rated A-1 / AA, P-1 / Aaa or F1 / AAA, by Standard and Poor’s, Moody’s Investors Service, and Fitch Investors Service, respectively. The investment program through the State of Nevada, NVEST, is not rated by any investment service.

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

Custodial Credit Risk – Deposits – Custodial credit is the risk that, in the event of a bank failure, the government’s deposits may not be returned. In 2010 the SNPT Board of Directors approved a deposit policy to reduce custodial credit risk by opening additional FDIC insured money market accounts at Wells Fargo and US Bank, and if exposure to risk continued to increase, SNPT’s Board instructed management to open additional accounts as needed to eliminate as much credit risk as possible. As of June 30, 2020, \$809,024 of SNPT’s deposits in checking and money market accounts were insured through FDIC insurance accounts, leaving \$109,019 open to exposure. As of June 30, 2019, \$637,393 was insured in FDIC accounts leaving \$427,820 open to exposure. Because of the large monthly fluctuations in balances and the use of PayPal, a non-FDIC insured processor, elimination of all exposure to credit risk is not possible; however, management does try and reduce the risk as much as possible by transferring balances on a monthly basis.

Concentrations of Credit Risk – To limit exposure to concentrations of credit risk, the District’s investment policy limits investment in bankers’ acceptance notes to 15%, repurchase agreements to 25%, commercial paper to 25% and money market mutual funds to 25% of the entire portfolio on the day of purchase. As of June 30, 2019, more than 5% of the District’s investments are in U.S. Treasury Notes/Bills, Federal Home Loan Bank and JP Morgan Money Market Fund. These investments are 42%, 23% and 11%, respectively, of the District’s total investments.

The District has the following recurring fair value measurements as of June 30, 2020:

- U.S. Treasury securities of \$646 million are valued using quoted market prices (Level 1)
- Agency securities of \$357 million are valued using matrix pricing model (Level 2)
- Commercial paper of \$240 million are valued using matrix pricing model (Level 2)
- Asset-backed securities of \$83 million are valued using matrix pricing model (Level 2)
- Mortgage-backed securities of \$61 million are valued using matrix pricing model (Level 2)

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NOTE 2 – Cash and Investments (continued)

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

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

The District does not have recurring fair value measurements as of June 30, 2020 or June 30, 2019, that are valued using significant unobservable inputs (Level 3).

Vegas PBS' endowment managed by Raymond James had the following recurring fair value measurements as of June 30, 2020:

- Cash/Cash Equivalents of \$254,315 are valued using quoted market prices (Level 1)
- Fixed Income funds of \$843,295 are valued using quoted market prices (Level 1)
- Domestic stock funds of \$1,132,393 are valued using quoted market prices (Level 1)
- International stock funds of \$474,006 are valued using quoted market prices (Level 1)
- Exchange traded products of \$24,306 are valued using quoted market prices (Level 1)
- Alternative investments of \$21,306 are valued using quoted market prices (Level 1)

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

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

Vegas PBS does not have recurring fair value measurements as of June 30, 2020 or June 30, 2019, that are valued using significant unobservable inputs (Level 3).

SNPT's endowment with Raymond James has the following recurring fair value measurements as of June 30, 2020:

- Cash/Cash Equivalents of \$226,622 are valued using quoted market prices (Level 1)
- Fixed Income funds of \$838,350 are valued using quoted market prices (Level 1)
- Domestic stock funds of \$858,637 are valued using quoted market prices (Level 1)
- International stock funds of \$254,398 are valued using quoted market prices (Level 1)

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

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

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NOTE 3 – Pledges and Grants Receivable

SNPT does not have recurring fair value measurement as of June 30, 2020 or June 30, 2019, that were valued using significant unobservable inputs (Level 3)

SNPT's Wells Fargo investment of \$239,308 as of June 30, 2020 and the \$279,017 as of June 30, 2019 are all Cash and valued at current market prices (Level 1)

The net pledge amount outstanding for Vegas PBS as of June 30, 2020 was \$31,762, consisting of contributions promised by donors for support of the Station and also included an allowance for uncollectable pledges of \$5,605. The net pledge amount outstanding for Vegas PBS as of June 30, 2019 was \$40,135 including an allowance for uncollectable pledges of \$7,083. All current pledges are due in less than one year so no discounting of cash flows is calculated. After an analysis of the collection rate, management maintained the 15 percent rate used in the allowance for uncollectable pledges in the net recognition of pledges receivable for 2020 and 2019. SNPT had no pledges receivable in the last two years.

The \$64,902 grants receivable balance Vegas PBS has as of June 30, 2020 represents the amount due from the Corporation for Public Broadcasting to Vegas PBS for CC- ELM and American Graduate grant expenditures during fiscal year 2020. The \$26,632 grants receivable balance as of June 30, 2019 represents the amount due from the Corporation for Public Broadcasting to Vegas PBS for CC- ELM grant expenditures.

During 2020 SNPT received from the State RPDP division in the amount of \$31,061 and Federal Title II-A pass through grant in the amount of \$65,000 with the Nevada Association of School Administrators as a partner. As of June 30, 2020, SNPT had a total grants receivable from the state in the amount of \$96,061. As of June 30, 2019, SNPT had grants receivable from the State of Nevada in the amount of \$140,918 for Great Teaching and Leading. As of June 30, 2019, SNPT had grants receivable from the State of Nevada in the amount of \$140,918 for Great Teaching and Leading grant expenditures.

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NOTE 4 – Capital Assets

While SNPT has no capital assets, Vegas PBS capital asset activity for the years ended June 30, 2020 and 2019 were as follows:

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Capital assets, not being depreciated:				
Land	\$ 2,026,492	\$ -	\$ -	\$ 2,026,492
Capital assets, being depreciated:				
Buildings and improvements	33,931,742	256,991	-	34,188,733
Vehicles and equipment	15,104,299	-	-	15,104,299
Total capital assets being depreciated	<u>49,036,041</u>	<u>256,991</u>	<u>-</u>	<u>49,293,032</u>
Less accumulated depreciation for:				
Buildings and improvements	(10,488,617)	(1,009,664)		(11,498,281)
Vehicles and equipment	(13,057,331)	(597,458)		(13,654,789)
Total accumulated depreciation	<u>(23,545,948)</u>	<u>(1,607,122)</u>	<u>-</u>	<u>(25,153,070)</u>
Total capital assets being depreciated, net	<u>25,490,093</u>	<u>(1,350,131)</u>	<u>-</u>	<u>24,139,962</u>
Capital assets, net	<u>\$ 27,516,585</u>	<u>\$ (1,350,131)</u>	<u>\$ -</u>	<u>\$ 26,166,454</u>

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

Depreciation expense was charged to the following functions:

	2020	2019
Programming and Production	\$ 24,500	\$ 29,817
Broadcasting	1,457,228	1,543,789
Educational Media	115,698	136,973
Workforce Development	5,996	5,996
Fundraising and membership solicitation	-	1,051
Management and General	<u>3,700</u>	<u>6,411</u>
Total depreciation expense	<u>\$ 1,607,122</u>	<u>\$ 1,724,037</u>

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NOTE 4 – Capital Assets (continued)

Since April 30, 1987, Vegas PBS has acquired certain broadcasting property and equipment under grants from the United States Department of Commerce. The grants carry with them a lien on all property and equipment so acquired in favor of the United States Department of Commerce extending ten years from the end of the grant period. The Station had total liens on property and equipment of \$732,594 at June 30, 2020 and \$1,871,930 at June 30, 2019. The lien expiration dates on the property and equipment are:

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

NOTE 5 – Long-Term Liabilities

Long-term liability activity for the years ended June 30, 2020 and 2019 was as follows:

	<u>Beginning Balance</u>	<u>Change</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences - 2020	\$ <u>647,321</u>	\$ <u>(6,554)</u>	\$ <u>640,767</u>	\$ <u>357,981</u>
Compensated absences - 2019	\$ <u>682,500</u>	\$ <u>(35,179)</u>	\$ <u>647,321</u>	\$ <u>353,093</u>

NOTE 6 – Due to CCSD

Because Vegas PBS participates in the cash and investment pool maintained by the Clark County School District, Vegas PBS cash balances are combined with all District cash deposits. As of June 30, 2020 and June 30, 2019, Vegas PBS was not utilizing cash from the pooled investment account and no liabilities were recorded.

NOTE 7 – Non-Federal Financial Support “NFFS”

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

A “contribution” is cash, property or services given to a public broadcasting entity for general operational purposes. Support received as a contribution by a public broadcasting entity must meet the following criteria to be includable as NFFS: (1) the source may be an entity, except the federal government or any other public broadcasting entity; (2) the contribution may take the form of a gift, grant, bequest, donation or appropriation; (3) the purpose must be for the construction or operation of a noncommercial, educational public broadcast station or for the production, acquisition, distribution or dissemination of an educational television or radio program and related activities; and (4) the recipient must be a public broadcasting entity on behalf of a public broadcast station.

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

To eliminate distortions in the CSG grant program caused by extraordinary infusions of capital investments, all capital contributions received for purposes of acquiring new equipment or upgrading existing or building new facilities regardless of the source or form of the contribution are not included in calculating the 2020 and 2019 NFFS. The Station treats unrestricted funds designated by the board for future capital purchases as ineligible for NFFS inclusion.

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

Reported NFFS for the Station was \$9,120,655 and \$7,545,486 for the years ending June 30, 2020 and 2019, respectively.

NOTE 8 – Unearned Revenue

As of June 30, 2020, Vegas PBS recognized unearned revenues of \$666,520 from funding received from the State of Nevada to produced two seasons of Outdoor Nevada. Because Covid-19 shut state travel down just before the episodes were scheduled to record, recording was delayed. Vegas PBS expects to record both seasons of the show before June 30, 2021.

At June 30, 2019, neither Vegas PBS nor SNPT had any unearned revenues.

NOTE 9 – Contributed In-Kind Support

A summary of contributed support received in 2020 and 2019 is as follows:

	<u>2020</u>	<u>2019</u>
Donated advertising	\$ -	\$ 38,900
Other donated materials and services	-	262,548
Indirect administrative support from CCSD	1,095,667	398,006
Direct administrative support from CCSD	<u>409,193</u>	<u>375,424</u>
 Total	 \$ <u>1,504,860</u>	 \$ <u>1,074,878</u>

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

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NOTE 10 – Commitments and Contingencies

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

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

Since 1968 Vegas PBS's main transmitter and antenna site at Black Mountain has been leased from the site owner. The annual rental paid by Vegas PBS through fiscal year 2007 was \$1,000 plus an in-kind donation valued at \$35,000. At the end of the lease period in 2007, the site's new owners negotiated new terms. The lease value was set with Vegas PBS required to pay \$6,000 in fiscal year 2008 with no in-kind trade and rising 4% each year through 2017, with the option of two 5-year renewals. The annual rent paid by the Station was \$9,606 and \$9,237 for the years ended June 30, 2020 and 2019 respectively.

The Station leases a translator and EBS site at Mount Potosi to serve Pahrump, Nevada from Microwave Inc. for a ten-year period, which expired on June 30, 2016. The station has continued on an annual renewal but no contract has been signed. The annual rental paid by the Station was \$9,181 and \$8,181 for 2020 and 2019, respectively.

The Station leases a translator site at Christmas Tree Pass from Global Tower Partners (GTP) to serve Laughlin, Nevada and Bullhead City, Arizona. The lease was renewed in 2017 for a period of 5 years expiring on June 30, 2022. The rent paid by the Station for the years ended June 30, 2020 and 2019 was \$8,733 and \$8,479, respectively. Vegas PBS is also responsible for power costs which are currently approximately \$2,000/year.

The Station leases space in Alamo from the State of Nevada for translator equipment to serve the surrounding area. The lease agreement was renewed in 2018 for four years expiring on June 30, 2021. The annual rent paid by the Station for the years ended June 30, 2020 and 2019 was \$1,883 and \$2,133, respectively.

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

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

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

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NOTE 10 – Commitments and Contingencies (continued)

Year ending June 30, Payments

2021	\$	21,118
2022		19,655
Total future payments	\$	<u>40,733</u>

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

Additional service credits for broadband services from Sprint are available to the Station. The term for this cancelable operating lease agreement is fifteen years with an automatic renewal option for an additional fifteen years for a maximum of thirty years. Under the lease terms Vegas PBS must provide a level of educational broadband services and maintain its FCC EBS licenses. The spectrum lease is an intangible asset to Vegas PBS and the District which carries no value on the financial statements. The revenue recognized during 2020 and 2019 was \$1,261,383 and \$1,224,644 respectively, which were monthly spectrum licensing fees paid by Sprint.

NOTE 11– Defined Benefit Pension Plan

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

Eligibility for Regular Members:

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

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NOTE 11– Defined Benefit Pension Plan (continued)

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

All employees in the plan are enrolled under a non-contributory plan. District payment of what were formerly employee contributions, was made in lieu of equivalent salary increases. Per Chapter 286 of the Nevada Revised Statutes, the District's contribution was based on the actuarially determined statutory rate of 29.25% in 2019-20 for unified, licensed, and support employees of gross compensation and Vegas PBS' portion amounted to \$762,617 .037% of the \$2,072,217,608 total paid by all employees and employers into the Plan for the year ended June 30, 2020. For the plan year ended June 30, 2019, Vegas PBS' portion amounted to \$1,237,692, .055% of the \$1,931,037,936 total paid by all employees and employers into the plan. The District's contributions to PERS for the years ended June 30, 2020 and 2019 were \$485,822,883 and \$449,958,578, respectively, equal to the required contributions for each year at the actuarially determined statutory rate of 29.25% for 2019-20 and 28.00% for 2018-19, for unified, licensed and support employees.

At June 30, 2020, Vegas PBS reported a liability of \$5,002,022 for its proportionate share of the District's net pension liability. The District's net pension liability was measured as of June 30, 2019 and was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the level percentage-of-payroll contribution rates required to fund the Retirement System on an actuarial reserve basis. Vegas PBS' portion was determined based its percentage of the District's payroll. At June 30, 2020 Vegas PBS' proportionate share of the District's net pension liability was 0.1570%. At June 30, 2019 Vegas PBS' Net pension liability was \$6,708,089 and 0.2037% respectively. For the years ended June 30, 2020 and 2019, Vegas PBS recognized pension expense of (\$1,285,392) and \$366,868 respectively. At June 30, 2020 and 2019 Vegas PBS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	As of June 30, 2020		As of June 30, 2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 187,568	\$ 144,392	\$ 210,146	\$ 311,370
Changes of assumptions	203,560	-	353,474	-
Net difference between projected and actual earnings on pension plan investments	-	249,031	-	31,937
Changes in proportion and differences between District contributions and proportionate share of contributions	29,240	196,643	55,992	102,323
Contributions subsequent to the measurement date	381,277	-	458,272	-
Total	<u>\$ 801,645</u>	<u>\$ 590,066</u>	<u>\$ 1,077,884</u>	<u>\$ 445,630</u>

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NOTE 11– Defined Benefit Pension Plan (continued)

The amount of \$381,277 was reported as deferred outflows of resources related pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows/(inflows) of resources related to pensions will be recognized in pension expense as follows:

<u>Reporting period ending June 30:</u>	<u>Amount</u>
2021	\$ (3,734)
2022	(128,646)
2023	(15,845)
2024	(9,016)
2025	(9,978)
Thereafter	<u>(2,479)</u>
Total	<u>\$ (169,698)</u>

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.75%
Productivity pay increase	0.50%
Projected salary increases	Regular: 4.25% to 9.15%, dependng on service Rates include inflation and productivity increases
Investment return	7.50%
Other assumptions	Same as those used in the June 30, 2019 funding actuarial valuation

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

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

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

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

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

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NOTE 11– Defined Benefit Pension Plan (continued)

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

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
Domestic equity	42%	5.50%
International equity	18%	5.50%
Domestic Fixed Income	28%	0.75%
Private Markets	12%	6.65%

* As of June 30, 2019, PERS' long-term inflation assumption was 2.75%.

Discount rate. The discount rate used to measure the total pension liability was 7.50% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed that employees and employer contributions will be made at the rate specified in statute.

Based on that assumption, the pension plan's fiduciary net position at June 30, 2019, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2019.

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

	Discount Rate (6.50%)	Discount Rate (7.50%)	Discount Rate (8.50%)
Net Pension Liability	\$ 7,745,026	\$ 5,002,022	\$ 2,721,890

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

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

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

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NOTE 12 – Risk Management

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

1. Worker's compensation up to \$1,250,000.
2. General liability, with retention of \$3,500,000.
3. Motor vehicle liability, with retention of \$3,000,000
4. Errors and omissions and employment practices liability, with retention of \$3,000,000 per occurrence.
5. Property, including boiler, machinery and terrorism, with retention of \$250,000 for everything except flood which is \$500,000.
6. Media professional liability, with retention of \$5,000.
7. Crime/employee dishonesty, with retention of \$50,000.
8. National flood insurance program, with retention of \$50,000 for specific schools.
9. Pollution liability – environmental, with retention of \$100,000.
10. Cyber liability, with retention of \$100,000 per claim.
11. Non-owned aircraft liability and premises liability, with retention of \$1,000.

The District purchases commercial insurance for occurrences in excess of the foregoing retention levels. The District's insurance program is evaluated annually, utilizing industry and claims data to ensure the coverage limits remain adequate. New policies are purchased as new loss exposures are identified. Retention levels are also reviewed annually to ensure that self-funded claim payments remain at a reasonable amount. The District has three pending liability claims that have been reported to the excess insurance carrier that have an estimated settlement amount of over \$1,000,000. These three liability claims have a total of five claimants and all involve causes of loss that are required to be reported to excess insurance. In addition, there are five open worker's compensation claims that are estimated to reach over \$1,000,000 in total expenses.

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

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NOTE 13 – Donor Restricted Endowments

In 1991-92, SNPT received a \$200,000 term endowment where the corpus (principal) is to be held in perpetuity. The donor has provided instructions relating to expending the net appreciation, which is to allow SNPT to spend the corresponding appreciation to support programming concerning sports or athletics and/or finance. As of June 30, 2020 and June 30, 2019 there is \$39,308 and \$36,457 respectively, of net appreciation available to be spent.

In 2003-04, Vegas PBS received a \$650,000 term endowment, an additional \$100,000 in 2005, \$138,000 in 2006, \$10,500 in 2007, \$9,892 in 2010 and \$469 in 2015, where the corpus (principal) is restricted from use for a set period of time. The donor and probate court have provided instructions relating to expending the net appreciation, which is to allow Vegas PBS to spend the corresponding appreciation as they see fit for their various programs. In Fiscal Year 2019-2020 management chose not to draw down on the appreciation amount. In Fiscal Year 2018-2019, management drew down \$350,000 to offset the loss of revenue suffered from the cancellation of the food safety training contract with Southern Nevada Health District. The appreciation balance in this fund as of June 30, 2020 and June 30, 2019 was \$242,384 and \$206,259 respectively.

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

Vegas PBS Endowment Fund		SNPT Endowment Fund	
<u>Year of Donation</u>	<u>Donation Amount</u>	<u>Year of Donation</u>	<u>Donation Amount</u>
Prior to 2012	656,311	Prior to 2012	202,803
2012	46,629	2012	11,108
2013	22,050	2013	1,000
2014	61,250	2014	1,704
2015	21,250	2015	30,682
2016	31,250	2016	19,286
2017	67,250	2017	490,677
2018	16,250	2018	221,622
2019	2,413	2019	656,858
2020	342,099	2020	314,062
	<u>\$ 1,266,752</u>		<u>\$ 1,949,802</u>

It is the policy of Vegas PBS and SNPT to hold the corpus of such gifts and to spend the corresponding appreciation according to the donor's directions. These endowment funds are administered by Southern Nevada Public Television's Planned Giving Council and are invested with the investment firm of Raymond James in accordance with SNPT's investment policy statement. The SNPT Planned Giving Council reviews the endowment's performance once and year and submits its recommendations for withdrawing appreciations to the SNPT Board for approval.

The District does not currently have a policy restricting the authorization and spending of endowment investment income. State statute, NRS 164, allows a local government to authorize expenses of net appreciation as is prudent for the government. As of June 30, 2020 and 2019, the net appreciation amounts are \$328,653 and \$302,305, respectively in the Vegas PBS Endowment and \$231,176 and \$172,214, respectively in the SNPT endowment. During fiscal year 2020 Management chose not to draw down on the endowment appreciations. During Fiscal year 2019 management drew down \$50,000 on the Vegas PBS endowment appreciation and \$50,000 on the SNPT endowment appreciation.

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NOTE 14 – Transactions between SNPT and Vegas PBS

Cash expenditures made by Vegas PBS on behalf of SNPT such as expenditures primarily associated with grants received by SNPT for the operation of Vegas PBS programs and productions are recorded as revenues and expenses in Vegas PBS. Such cash expenditures for fiscal years ended June 30, 2020 and 2019 amounted to \$657,472, and \$430,026, respectively, and have been listed on the statement of revenues, expenses and changes in net position.

NOTE 15 – Post Employment Healthcare Plans

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

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

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

Plan description. The Licensed Employee Plan is a non-trust, single-employer defined benefit postemployment healthcare plan administered by the Teachers Health Trust (THT). The THT and the Clark County Education association (CCEA) currently determine their health insurance plan designs. Currently, no financial report has been made publicly available by THT.

Provided Benefits

Support Staff and Police Plan provides medical, dental, vision and life for retirees and their dependents. The District negotiates insurance plans with the insurance carriers and has the authority to establish and amend benefit provisions. Employees have the option at retirement to pay the retiree (full monthly premium) rate premium. Benefits are provided through United Healthcare/ Health Plan of Nevada.

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

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

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NOTE 15 – Post Employment Healthcare Plans (continued)

Employees covered by benefit terms

As of the last valuation date of July 1, 2019, the following aggregated employees were covered by the benefit terms:

	Support Staff / Police Plan	Administrative Plan	Licensed Plan	Total all plans
Inactive employees or beneficiaries				
currently receiving benefit payments	291	240	301	832
Active employees	11,907	1,289	17,292	30,488
Covered spouses	85	82	4	171
Total	12,283	1,611	17,597	31,491

Contributions

Support Staff and Police plan: The ESEA and the District negotiate contributions to the plan and together, have authority to establish and amend those contributions. Rates are established based on a contractual basis. The District does not pay a subsidy for current Support Staff and Police employees and retirees must pay their monthly premium to maintain coverage. Employees have the option at retirement to pay the active rate premium. For fiscal year 2020, the District did not directly contribute to the plan but an implied subsidy of \$1,327,800 was recognized and the Vegas PBS portion recognized was \$1,208. The District's average contribution rate was 0.34 percent of covered payroll.

Administrative Employee plan: CCASAPE and the District negotiate contributions to the plan and together, have authority to establish and amend those contributions. The CCASAPE Health Trust negotiates its insurance contracts with the carriers. Rates are established based on a contractual basis. Employees have the option to pay the active rate premium. The District (via Article 21-5 of the CCSD/CCASAPE negotiated agreement) contributes \$7.50 per administrative employee per month, in addition to an implied subsidy, for a total of \$987,000 in fiscal year 2020. Vegas PBS recognized \$5,094 in fiscal year 2020. The District's average contribution rate was 0.75 percent of covered payroll.

Licensed Employee plan: The CCEA and the District negotiate contributions to the plan and together, have authority to establish and amend those contributions. Rates are established based on a contractual basis. Per Article 28-10 of CCSD/CCEA negotiated agreement, the District does not make any contributions to the plan. Employees have the option at retirement to pay the active rate premium. For fiscal year 2020, the District contributed an implied subsidy of \$2,153,000. Vegas PBS recognized \$229 in fiscal year 2020. The District's average contribution rate was 0.20 percent of covered payroll. The Teachers Health Trust offers a subsidy to retirees based upon years of service and unused sick leave balances.

Total OPEB Liability

The District's total OPEB liability was measured as of July 1, 2019 and was determined by an actuarial valuation as of July 1, 2019.

Actuarial assumptions. The total OPEB liability for all plans as of June 30, 2020 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified (see following page):

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NOTE 15 – Post Employment Healthcare Plans (continued)

Actuarial Assumptions

Actuarial Cost Method	Entry Age Normal -- Level % of Salary Method	
Measurement Date	First Day of fiscal year (i.e. -- July 1, 2019)	
Measurement Period	July 1, 2019 to June 30, 2020	
Actuarial Valuation Date	July 1, 2019	
Census Data	As of July 1, 2019	
Service Cost	The Actuarial Present Value of benefits is allocated as a level percentage over the earnings of an individual between entry age (i.e. - age at hire) and assumed retirement age(s).	
Discount Rates	For the Fiscal Year Ending June 30, 2020: 3.50% For the Fiscal Year Ending June 30, 2019: 3.87% For the Fiscal Year Ending June 30, 2018: 3.58%	
Municipal Bond Rate Basis	Bond Buyer General Obligation 20-Bond Municipal Bond Index	
CPI	2.50%	
Salary Scale	Inflation:	2.75%
	Productivity Pay Increases:	0.50%
	Promotional and Merit Salary Increases:	
	<u>Years of Service</u>	<u>Regular</u>
	< 1	5.90%
	1	4.80%
	2	4.00%
	3	3.60%
	4	3.30%
	5	3.00%
	6	2.80%
	7	2.70%
	8	2.50%
	9	2.35%
	10	2.15%
	11	1.75%
	12	1.50%
	13	1.25%
	14	1.10%
	15 or more	1.00%

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NOTE 15 – Post Employment Healthcare Plans (continued)

Mortality: PUB-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019

Retirement Rates:

<u>Age</u>	<u>Years of Service (%)</u>				
	<u>5 - 9</u>	<u>10 - 19</u>	<u>20 - 24</u>	<u>25 - 29</u>	<u>30+</u>
45 - 49	0.00	0.00	0.75	6.50	16.00
50 - 54	0.50	1.50	1.50	8.50	18.00
55 - 59	1.50	3.50	5.00	12.00	20.00
60 - 61	6.50	11.00	17.00	22.00	22.00
62 - 64	9.00	13.00	17.00	22.00	22.00
65 - 69	20.00	20.00	22.00	25.00	25.00
70 - 74	30.00	30.00	40.00	40.00	40.00
75+	100.00	100.00	100.00	100.00	100.00

Withdrawal Rates:

<u>Years of Service</u>	<u>% Regular</u>
0 - 1	16.00
1 - 2	12.50
2 - 3	10.25
3 - 4	8.00
4 - 5	7.50
5 - 6	6.00
6 - 7	5.25
7 - 8	4.25
8 - 9	4.00
9 - 10	3.75
10 - 11	3.25
11 - 12	3.00
12 - 13	2.75
13 - 14	2.50
14 - 15	2.25
15 - 16	2.00
16 - 17	2.00
17 - 18	1.75
18 - 19	1.75
19 - 20	1.75
20+	1.75

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NOTE 15 – Post Employment Healthcare Plans (continued)

Disability Rates:

<u>Age</u>	<u>% Regular</u>
20 - 24	0.01
25 - 29	0.03
30 - 34	0.06
35 - 39	0.10
40 - 44	0.21
45 - 49	0.35
50 - 54	0.60
55 - 59	0.75
60 - 64	0.40
65+	0.00

Claims Cost Trend

<u>Year</u>	<u>Blended Rates</u>
2019 - 2020	6.25%
2020 - 2021	6.00%
2021 - 2022	5.75%
2022 - 2023	5.50%
2023 - 2024	5.30%
2024 - 2025	5.10%
2025 - 2026	4.90%
2026 - 2027	4.70%
2027 and after	4.50%

Spouse Age

Male participants are assumed to be four years older than spouses and female participants are assumed to be two years younger than spouses.

All assumptions used in the valuation other than the participation assumption and per capita claim costs are consistent with the assumptions used for the GASB valuations for the fiscal year ending June 30, 2020 State of Nevada valuations, as applicable.

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

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NOTE 15 – Post Employment Healthcare Plans (continued)

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

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

<u>Years of Service</u>	<u>Regular</u>	<u>Police/Fire</u>
< 1	5.90%	10.65%
1	4.80%	7.15%
2	4.00%	5.20%
3	3.60%	4.60%
4	3.30%	4.30%
5	3.00%	4.15%
6	2.80%	3.90%
7	2.70%	3.50%
8	2.50%	3.15%
9	2.35%	2.90%
10	2.15%	2.50%
11	1.75%	1.90%
12	1.50%	1.50%
13	1.25%	1.30%
14	1.10%	1.30%
15 or more	1.00%	1.30%

Retirement Rates:

<u>Age</u>	<u>Years of Service (%)</u>				
	<u>5 - 9</u>	<u>10 - 19</u>	<u>20 - 24</u>	<u>25 - 29</u>	<u>30+</u>
Under 40	0.00	0.00	0.00	0.00	0.00
40 - 44	0.00	0.00	3.50	0.00	0.00
45 - 49	0.00	1.00	6.50	18.00	18.00
50 - 54	1.50	4.50	13.00	20.00	24.00
55 - 59	3.50	10.00	20.00	25.00	28.00
60 - 64	9.00	18.00	25.00	35.00	35.00
65 - 69	50.00	50.00	60.00	60.00	60.00
70+	100.00	100.00	100.00	100.00	100.00

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NOTE 15 – Post Employment Healthcare Plans (continued)

Withdrawal Rates:	<u>Years of Service</u>	<u>% Police/Fire</u>
	0 - 1	15.00
	1 - 2	8.00
	2 - 3	7.50
	3 - 4	6.00
	4 - 5	5.00
	5 - 6	3.75
	6 - 7	3.50
	7 - 8	2.50
	8 - 9	2.25
	9 - 10	1.90
	10 - 11	1.50
	11 - 12	1.30
	12 - 13	1.00
	13 - 14	0.90
	14 - 15	0.80
	15 - 16	0.70
	16 - 17	0.60
	17 - 18	0.50
	18 - 19	0.50
	19 - 20	0.50
	20+	0.45

Disability Rates:	<u>Age</u>	<u>% Police/Fire</u>
	20 - 24	0.00
	25 - 29	0.06
	30 - 34	0.12
	35 - 39	0.30
	40 - 44	0.45
	45 - 49	0.65
	50 - 54	0.80
	55 - 59	0.65
	60 - 64	0.05
	65+	0.00

2019 Claims Cost per Capita:	Sample rates are as follows		
	<u>Age</u>	<u>PPO</u>	<u>HMO</u>
	25	\$ 4,047	\$ 2,727
	30	\$ 4,613	\$ 3,115
	35	\$ 5,279	\$ 3,572
	40	\$ 6,061	\$ 4,110
	45	\$ 6,981	\$ 4,743
	50	\$ 8,238	\$ 5,608
	55	\$ 9,972	\$ 6,800
	60	\$ 12,164	\$ 8,308
	64	\$ 13,984	\$ 9,562

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NOTE 15 – Post Employment Healthcare Plans (continued)

2019 Retiree		<u>PPO</u>	<u>HMO</u>
Contributions:	Retiree	\$ 8,139	\$ 5,242
	Retiree & Spouse	\$ 15,499	\$ 9,994

Participation Assumed 14% of current eligible actives will elect retiree plan coverage when they retire. This assumption was provided by CCSD. Future retiree election percentage is based on the current retiree plan enrollment distribution (30% PPO and 70% HMO).

Spouse Age For future retirees, male participants are assumed to be four years older than spouses and female participants are assumed to be two years younger than spouses.

Married Percentage 30% of active males and 15% of active females will elect retiree spouse coverage.

Administrative Plan differences in actuarial assumptions and methods:

2019 Claims Cost per Capita:	Sample rates are as follows		
	<u>Age</u>	<u>PPO</u>	<u>HMO</u>
	40	\$ 6,302	\$ 4,760
	45	\$ 7,291	\$ 5,477
	50	\$ 8,644	\$ 6,459
	55	\$ 10,508	\$ 7,810
	60	\$ 12,868	\$ 9,521
	64	\$ 14,828	\$ 10,942

2019 Monthly Retiree Contributions Net of Dental, Vision, and Life:		<u>PPO</u>	<u>HMO</u>
	Retiree	\$ 743.35	\$ 522.83
	Retiree & Spouse	\$ 1,434.41	\$ 1,004.38

Actual retiree contributions were provided by the School District. Future retiree contributions were based on the Plan Year 2020 premium rate sheet provided by the School District.

Participation Assumed 70.6% of current eligible actives will elect retiree plan coverage when they retire. This assumption was provided by CCSD. Future retiree election percentage is based on the current retiree plan enrollment distribution (30% PPO and 70% HMO).

Married Percentage 30% of active males and 15% of active females will elect retiree spouse coverage.

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NOTE 15 – Post Employment Healthcare Plans (continued)

Licensed Plan differences in actuarial assumptions and methods:

Pre-Retirement Mortality: PUB-2010 "Teachers" Classification headcount-weighted mortality table with fully generational mortality improvement projections from central year using Scale MP-2019.

2019 Claims Cost per Capita: Sample rates are as follows

<u>Age</u>	<u>Medical, Rx & Admin</u>
40	\$ 6,042
45	\$ 7,003
50	\$ 8,319
55	\$ 10,130
60	\$ 12,424
64	\$ 14,329

2019 Monthly Retiree

		<u>Years of Service at Retirement</u>				
		5-9	10-19	20 - 25	26 - 29	30 or more
Contributions Net of Dental, Vision, and Life:	Retiree Only	\$1,122	\$ 771	\$ 596	\$ 479	\$ 327
	Retiree + 1 Dependent	\$ 2,291	\$ 1,940	\$ 1,765	\$ 1,648	\$ 1,496

Retiree Contributions are not assumed to increase in the future. This assumption was provided by CCSD.

Participation Assumed 17% of current eligible actives will elect retiree plan coverage when they retire. This assumption was provided by CCSD.

Spouse Participation Assumption 2.5% of active males and females will elect retiree spouse coverage. This assumption was based upon the current percentage of retirees under plan who elected to have retiree medical coverage for their spouses.

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

Discount rate. The discount rate used to measure the total OPEB liability was 3.50 percent, down from 3.87 percent in the prior fiscal year. As the plans are not funded, the discount rate determination does not depend on the long-term rate of return on plan assets assumption.

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NOTE 15 – Post Employment Healthcare Plans (continued)

Changes in the Total OPEB Liability for Vegas PBS

	Support Staff / Police Plan	Administrative Plan	Licensed Plan	Total OPEB Liability
Balance recognized at June 30, 2019	\$ 83,266	\$ 183,391	\$ 4,532	\$ 271,189
Changes Recognized for the Fiscal Year				
Service Cost	1,599	2,824	266	4,689
Interest on the Total OPEB Liability	786	3,367	180	4,333
Differences Between Expected and Actual Experience	1,908	547	67	2,522
Change of Assumptions	2,587	48,765	3,291	54,643
Benefit Payments	(1,208)	(5,094)	(229)	(6,531)
Net Changes	5,672	50,409	3,575	59,656
Balance Recognized at June 30, 2020	\$ 88,938	\$ 233,800	\$ 8,107	\$ 330,845

Benefit Changes: None

Difference Between Expected and Actual Experience: The increase in liability from June 30, 2019 to June 30, 2020 is due to changes in census, claims and premium data.

Changes in Assumptions: The increase in the liability from June 30, 2019 to June 30, 2020 is due to the net impact of changes in trend, mortality assumptions, demographic decrements, participation assumption and a decrease in the assumed discount rates from 3.87% as of June 30, 2019 to 3.50% as of June 30, 2020.

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

Discount Rate

	1% Decrease 2.50%	Current Rate 3.50%	1% Increase 4.50%
Support Staff/Police Plan	98,420	88,938	80,771
Administrative Plan	256,455	233,800	213,246
Licensed Plan	9,006	8,107	7,299
Total OPEB Liability (Ending)	\$ 363,881	\$ 330,845	\$ 301,316

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

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NOTE 15 – Post Employment Healthcare Plans (continued)

	1% Decrease 6.5% decreasing to 3.5%	Trend Rate 7.5% decreasing to 4.5%	1% Increase 8.5% decreasing to 5.5%
Support Staff/Police Plan	78,777	88,938	101,177
Admin Plan	208,760	233,800	262,803
Licensed Plan	6,810	8,107	969
Total OPEB Liability (Ending)	<u>\$ 294,347</u>	<u>\$ 330,845</u>	<u>\$ 364,949</u>

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

For the year ended June 30, 2020, Vegas PBS recognized OPEB expenses of \$(31,237). The breakdown of the \$(31,237) by plan are as follows:

	Support Staff / Police Plan	Administrative Plan	Licensed Plan	Total all plans
OPEB expense	\$ (8,503)	\$ (23,212)	\$ 478	\$ (31,237)

At June 30, 2020, Vegas PBS reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Support Staff/Police Plan		
Differences between expected and actual experience	\$ 14,747	\$ -
Changes of assumptions	-	864
Contributions made in Fiscal Year Ending 2020 after July 1, 2019 Measurement Date	4,294	-
Total Support Staff/Police Plan	<u>\$ 19,041</u>	<u>\$ 864</u>
Administrative Plan		
Differences between expected and actual experience	\$ 74,938	\$ -
Changes of assumptions	-	3,442
Contributions made in Fiscal Year Ending 2020 after July 1, 2019 Measurement Date	8,686	-
Total Administrative Plan	<u>\$ 83,624</u>	<u>\$ 3,442</u>

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NOTES TO FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

NOTE 15 – Post Employment Healthcare Plans (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Licensed Plan		
Differences between expected and actual experience	\$ 3,068	\$ -
Changes of assumptions	-	64
Contributions made in Fiscal Year Ending 2020 after July 1, 2019 Measurement Date	230	-
Total Licensed Plan	\$ 3,298	\$ 64
TOTAL ALL PLANS		
Differences between expected and actual experience	\$ 92,752	\$ -
Changes of assumptions	-	2,662
Contributions made in Fiscal Year Ending 2020 after July 1, 2019 Measurement Date	13,211	-
Total All Plans	\$ 105,963	\$ 2,662

The amounts of \$13,211 reported as deferred outflows of resources related to OPEB from Vegas PBS' portion of the District contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	Support Staff / Police Plan	Administrative Plan	Licensed Plan	Total all plans
2020	\$ 1,604	\$ 10,207	\$ 332	\$ 12,143
2021	1,604	10,207	332	12,143
2022	1,604	10,207	332	12,143
2023	1,604	10,207	332	12,143
2024	1,604	10,207	332	12,143
Thereafter	5,865	22,168	1,342	29,375
	\$ 13,885	\$ 73,203	\$ 3,002	\$ 90,090

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

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

Public Employees' Retirement System of Nevada

Last 10 Fiscal Years*

	2014**	2015	2016	2017	2018	2019
Vegas PBS' proportion of the net pension liability (asset)	0.061%	0.041%	0.045%	0.047%	0.049%	0.037%
Vegas PBS' proportionate share of the net pension liability (asset)	6,339,081	4,720,543	6,095,942	6,196,207	6,708,089	5,002,022
Vegas PBS' covered payroll	\$ 3,546,732	\$ 2,459,545	\$ 2,736,905	\$ 2,977,610	\$ 3,249,121	\$ 2,515,196
Vegas PBS' proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	178.73%	191.93%	222.73%	208.09%	206.46%	198.87%
Plan fiduciary net position as a percentage of the total pension liability	76.3%	75.1%	72.2%	74.4%	75.2%	76.5%

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

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

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

SCHEDULE OF VEGAS PBS' CONTRIBUTIONS

Public Employees' Retirement System of Nevada

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Contractually required contribution	\$ 472,898	\$ 353,060	\$ 402,199	\$ 427,910	\$ 458,345	\$ 381,308
Contributions in relation to the contractually required contribution	<u>(472,898)</u>	<u>(353,060)</u>	<u>(402,199)</u>	<u>(427,910)</u>	<u>(458,345)</u>	<u>(381,308)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Vegas PBS' covered-employee payroll	\$ 3,546,732	\$ 2,459,545	\$ 2,736,905	\$ 2,977,610	\$ 3,249,121	\$ 2,515,196
Contributions as a percentage of covered payroll	13.3%	14.4%	14.7%	14.4%	14.1%	15.2%

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

Note: Pursuant to GASB Statement No. 82, portions of contractually required contributions made by an employer to satisfy member contributions are no longer recognized as employer contributions. For comparability, prior year values have been restated.

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

**Notes to Required Supplementary Information
for the Year Ended June 30, 2020**

Public Employees' Retirement System of Nevada

Changes of benefit terms

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

Changes of assumptions

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

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

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

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

Support Staff / Police Plan	2017	2018	2019	2020
Total OPEB Liability				
Service cost	\$ 5,832	\$ 6,784	\$ 6,920	\$ 1,599
Interest	2,584	2,194	3,041	786
Differences between expected and actual experience	-	-	-	1,908
Changes of assumptions	4,363	(3,892)	5,982	2,587
Benefit payments	(4,756)	(4,756)	(5,557)	(1,208)
Net change in total OPEB liability	8,023	330	10,386	5,672
Total OPEB liability - beginning	64,527	72,550	72,880	83,266
Total OPEB liability - ending	\$ 72,550	\$ 72,880	\$ 83,266	\$ 88,938
Covered payroll	\$ -	\$ 1,332,829	\$ 1,516,754	\$ 1,255,009
Vegas PBS' total OPEB liability as a percentage of covered payroll	0.00%	5.47%	5.85%	7.18%

Notes to Required Supplementary Information for the Year Ended June 30, 2020

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

Changes of benefit terms.

None

Difference between expected and actual experience

The \$6,784 increase in the liability from June 30, 2019 to June 30, 2020 is due to changes in census, claims and premium data.

Changes of assumptions.

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

The \$9,200 increase in the liability from June 30, 2019 to June 30, 2020 is due to the decrease in the assumed discount rate from 3.87% as of June 30, 2019 to 3.50% as of June 30, 2020.

All Total OPEB Liability numbers reflect the plan provisions that are currently in effect. The Total OPEB Liabilities prior to June 30, 2020 are shown for illustrative purposes and differ solely due to the discount rate in effect at each date.

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

Administrative Plan	2017	2018	2019	2020
Total OPEB Liability				
Service cost	\$ 5,975	\$ 7,150	\$ 6,059	\$ 2,824
Interest	7,335	5,971	6,680	3,367
Differences between expected and actual experience	-	-	-	547
Changes of assumptions	14,278	(11,300)	(15,600)	48,765
Benefit payments	(12,292)	(12,292)	(11,714)	(5,094)
Net change in total OPEB liability	15,297	(10,471)	(14,575)	50,409
Total OPEB liability - beginning	193,141	208,437	197,966	183,391
Total OPEB liability - ending	\$ 208,437	\$ 197,966	\$ 183,391	\$ 233,800
Covered payroll	\$ -	\$ 1,438,675	\$ 1,644,597	\$ 1,156,516
Vegas PBS' total OPEB liability as a percentage of covered payroll	0.00%	13.76%	11.15%	19.85%

Notes to Required Supplementary Information for the Year Ended June 30, 2020

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

Changes of benefit terms.

None

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

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

Difference between expected and actual experience

The \$933 increase in the liability from June 30, 2019 to June 30, 2020 is due to changes in census, claims and premium data.

Changes of assumptions.

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

The \$83,122 increase in the liability from June 30, 2019 to June 30, 2020 is due to the decrease in the assumed discount rate from 3.87% as of June 30, 2019 to 3.50% as of June 30, 2020.

All Total OPEB Liability numbers reflect the plan provisions that are currently in effect. The Total OPEB Liabilities prior to June 30, 2020 are shown for illustrative purposes and differ solely due to the discount rate in effect at each date.

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

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

LICENSED PLAN	2017	2018	2019	2020
Total OPEB Liability				
Service cost	\$ 253	\$ 302	\$ 272	\$ 266
Interest	159	135	165	180
Differences between expected and actual experience	-	-	-	67
Changes of assumptions	328	(276)	(135)	3,291
Benefit payments	(241)	(241)	(237)	(229)
Net change in total OPEB liability	499	(80)	65	3,575
Total OPEB liability - beginning	4,048	4,547	4,467	4,532
Total OPEB liability - ending	\$ 4,547	\$ 4,467	\$ 4,532	\$ 8,107
Covered payroll	\$ -	\$ 114,074	\$ 113,274	\$ 115,684
Vegas PBS' total OPEB liability as a percentage of covered payroll	0.00%	3.92%	4.00%	7.01%

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

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

Changes of benefit terms.

None

Difference between expected and actual experience

The \$67 increase in the liability from June 30, 2019 to June 30, 2020 is due to changes in census, claims and premium data.

Changes of assumptions.

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

The \$3,305 increase in the liability from June 30, 2019 to June 30, 2020 is due to the increase in the assumed discount rate from 3.87% as of June 30, 2019 to 3.50% as of June 30, 2020.

All Total OPEB Liability numbers reflect the plan provisions that are currently in effect. The Total OPEB Liabilities prior to June 30, 2020 are shown for illustrative purposes and differ solely due to the discount rate in effect at each date.

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

Vegas PBS

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

Supplemental Schedule of Functional Expenses

For The Year Ended June 30, 2020

(With Comparative Totals For The Year Ended June 30, 2019)

Category	Programming & Production	Broadcasting	Promotion	Educational Media	Workforce Development
Salary	\$ 1,555,793	\$ 913,044	\$ 254,003	\$ 798,787	\$ 214,081
Programming	1,580,048	-	-	230,745	-
Benefits	291,736	159,768	51,755	63,382	31,170
Professional Services	180,838	49,698	117,608	31,153	3,798
Engineering / Legal / Technical	103,036	36,553	-	-	-
Supplies	21,233	26,627	1,843	372,461	1,053
Utilities	140,148	113,633	12,335	67,739	14,260
Printing	15	15,951	109,851	4,685	326
Repairs & Maintenance	-	13,408	-	-	-
Premiums	-	-	-	-	-
Dues & Fees	10,628	4,913	16,422	26,312	151,078
Equipment Rental	2,282	9,943	-	-	-
Fiber & Tower Leases	-	29,613	-	-	-
Advertising	201	1,585	53,217	53,928	691
Postage	171	648	33,000	4,444	-
Travel & Conference	8,341	-	4,442	7,068	1,040
Vehicle Maintenance	1,691	3,290	-	848	-
Equipment (minor)	27,472	2,896	-	-	-
Communication Services	-	70,801	-	-	-
Donor Recognition	-	-	-	-	51
Technology Supplies/Software	7,344	11,898	-	46,051	-
Special Events	-	-	-	-	-
Service Contracts	15,608	50,527	-	145,047	-
Total Non-Inkind Expenses	3,946,585	1,514,796	654,476	1,852,650	417,548
Indirect Administrative Support	467,904	181,097	41,182	226,171	47,611
Donor Recognition	-	-	-	-	-
Communications	-	-	-	-	-
Supplies	-	-	-	-	-
Advertising	-	-	-	-	-
Total Inkind Expenses	467,904	181,097	41,182	226,171	47,611
Total Expenses Before Depreciation	4,414,489	1,695,893	695,658	2,078,821	465,159
Depreciation	24,500	1,457,228	-	115,698	5,996
Total Expenses Including Depreciation	\$ 4,438,989	\$ 3,153,121	\$ 695,658	\$ 2,194,519	\$ 471,155
Percentage of total expenses	33%	23%	5%	16%	3%

Total	Membership Services	Sponsor Solicitation	Management and General	Total	Current Year	Prior Year
\$ 3,735,708	\$ 351,719	\$ 322,632	\$ 545,337	\$ 1,219,688	\$ 4,955,396	\$ 4,720,841
1,810,793	-	-	-	-	1,810,793	1,727,983
597,811	52,195	78,409	16,613	147,217	745,028	2,208,422
383,095	46,690	144,868	64,252	255,810	638,905	593,610
139,589	810	3,483	335	4,628	144,217	137,711
423,217	6,795	823	4,439	12,057	435,274	453,113
348,115	15,020	8,603	15,822	39,445	387,560	353,474
130,828	4,676	30	30	4,736	135,564	127,384
13,408	-	-	-	-	13,408	51,757
-	186,414	45	-	186,459	186,459	229,743
209,353	83,813	4,076	44,627	132,516	341,869	940,892
12,225	-	-	-	-	12,225	11,915
29,613	-	-	-	-	29,613	31,022
109,622	698	2,177	140	3,015	112,637	95,823
38,263	6,713	12	70	6,795	45,058	56,711
20,891	14,580	3,655	8,562	26,797	47,688	114,954
5,829	-	-	-	-	5,829	6,727
30,368	-	-	-	-	30,368	-
70,801	39,153	-	90	39,243	110,044	57,532
51	9,349	-	-	9,349	9,400	5,679
65,293	-	5,420	1,139	6,559	71,852	13,996
-	88,786	-	-	88,786	88,786	58,493
211,182	363,249	-	-	363,249	574,431	651,282
8,386,055	1,270,660	574,233	701,456	2,546,349	10,932,404	12,649,064
963,965	50,153	28,723	52,827	131,703	1,095,668	398,006
-	-	-	-	-	-	120,305
-	-	-	-	-	-	89,916
-	-	-	-	-	-	52,327
-	-	-	-	-	-	38,900
963,965	50,153	28,723	52,827	131,703	1,095,668	699,454
9,350,020	1,320,813	602,956	754,283	2,678,052	12,028,072	13,348,518
1,603,422	-	-	3,700	3,700	1,607,122	1,724,037
\$ 10,953,442	\$ 1,320,813	\$ 602,956	\$ 757,983	\$ 2,681,752	\$ 13,635,194	\$ 15,072,555
80%	10%	4%	6%	20%	100%	

Southern Nevada Public Television
A 501 c(3) non-profit entity supporting Vegas PBS
Supplemental Schedule of Functional Expenses
For The Year Ended June 30, 2020
(With Comparative Totals For The Year Ended June 30, 2019)

Category	Contribution to Vegas PBS	Programming & Production	Promotion	Workforce Development	Total
Contribution to Vegas PBS	\$ 657,472	\$ -	\$ -	\$ -	\$ 657,472
Professional Services	-	2,000	-	129,518	131,518
Salary	-	-	-	-	-
Dues & Fees	-	-	50	542	592
Supplies	-	20,270	1,126	2,154	23,550
Travel & Conference	-	5,881	-	11,951	17,832
Benefits	-	-	-	-	-
Engineering / legal / technical	-	-	1,811	-	1,811
Printing	-	-	-	-	-
Special Events	-	1,000	-	-	1,000
Technology Supplies/Software	-	-	-	-	-
Postage	-	-	-	-	-
Service Contracts	-	-	-	-	-
Advertising	-	-	-	-	-
Utilities	-	-	-	-	-
Donor Recognition	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-
Equipment (minor)	-	-	-	-	-
Equipment Rental	\$ -	\$ -	-	\$ 1,860	1,860
Total Non-Inkind Expenses	657,472	29,151	2,987	146,025	835,635
Total Inkind Expenses	-	-	-	-	-
Total Expenses Before Depreciation	657,472	29,151	2,987	146,025	835,635
Depreciation	-	-	-	-	-
Total Expenses Including Depreciation	\$ 657,472	\$ 29,151	\$ 2,987	\$ 146,025	\$ 835,635
Percentage of total expenses	76%	3%	0%	17%	96%

Membership Services	Sponsor Solicitation	Management and General	Total	Current Year	Prior Year
\$ -	\$ -	\$ -	\$ -	\$ 657,472	\$ 430,026
-	-	29,575	29,575	161,093	131,000
-	-	-	-	-	129,010
750	15	30	795	1,387	42,946
72	-	533	605	24,155	23,296
-	-	-	-	17,832	11,812
-	-	-	-	-	7,670
-	-	-	-	1,811	2,080
-	-	-	-	-	1,079
-	-	-	-	1,000	133
-	-	-	-	-	36
-	-	-	-	-	22
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	1,860	-
822	15	30,138	30,975	866,610	779,110
-	-	-	-	-	-
822	15	30,138	30,975	866,610	779,110
-	-	-	-	-	-
\$ 822	\$ 15	\$ 30,138	\$ 30,975	\$ 866,610	\$ 779,110
0%	0%	3%	4%	100%	

Vegas PBS and Southern Nevada Public Television
A Public Telecommunications Entity Licensed to the Board of Trustees of the Clark County School District
Supplemental Schedule of Functional Expenses
For The Year Ended June 30, 2020
(With Comparative Totals For The Year Ended June 30, 2019)

Category	Programming & Production	Broadcasting	Promotion	Educational Media	Workforce Development
Salary	\$ 1,555,793	\$ 913,044	\$ 254,003	\$ 798,787	\$ 214,081
Programming	1,580,048	-	-	230,745	-
Benefits	695,297	396,605	117,641	270,582	86,701
Professional Services	182,838	49,698	117,608	31,153	133,316
Engineering / Legal / Technical	103,036	36,553	1,811	-	-
Supplies	41,503	26,627	2,969	372,461	3,207
Utilities	140,148	113,633	12,335	67,739	14,260
Printing	15	15,951	109,851	4,685	326
Repairs & Maintenance	-	13,408	-	-	-
Premiums	-	-	-	-	-
Dues & Fees	10,628	4,913	16,472	26,312	151,620
Equipment Rental	2,282	9,943	-	-	1,860
Fiber & Tower Leases	-	29,613	-	-	-
Advertising	201	1,585	53,217	53,928	691
Postage	171	648	33,000	4,444	-
Travel & Conference	14,222	-	4,442	7,068	12,991
Vehicle Maintenance	1,691	3,290	-	848	-
Equipment (minor)	27,472	2,896	-	-	-
Communication Services	-	70,801	-	-	-
Donor Recognition	-	-	-	-	51
Technology Supplies/Software	7,344	11,898	-	46,051	-
Special Events	1,000	-	-	-	-
Service Contracts	15,608	50,527	-	145,047	-
Total Non-Inkind Expenses	4,379,297	1,751,633	723,349	2,059,850	619,104
Indirect Administrative Support	467,904	181,097	41,182	226,171	47,611
Donor Recognition	-	-	-	-	-
Communications	-	-	-	-	-
Supplies	-	-	-	-	-
Advertising	-	-	-	-	-
Total Inkind Expenses	467,904	181,097	41,182	226,171	47,611
Total Expenses Before Depreciation	4,847,201	1,932,730	764,531	2,286,021	666,715
Depreciation	24,500	1,457,228	-	115,698	5,996
Total Expenses Including Depreciation	\$ 4,871,701	\$ 3,389,958	\$ 764,531	\$ 2,401,719	\$ 672,711
Percentage of total expenses	35%	24%	6%	17%	5%

Total	Membership Services	Sponsor Solicitation	Management and General	Total	Current Year	Prior Year
\$ 3,735,708	\$ 351,719	\$ 322,632	\$ 545,337	\$ 1,219,688	\$ 4,955,396	\$ 4,849,852
1,810,793	-	-	-	-	1,810,793	1,727,983
1,566,826	143,428	162,097	(1,127,323)	(821,798)	745,028	2,216,092
514,613	46,690	144,868	93,827	285,385	799,998	724,609
141,400	810	3,483	335	4,628	146,028	139,791
446,767	6,867	823	4,972	12,662	459,429	476,409
348,115	15,020	8,603	15,822	39,445	387,560	353,476
130,828	4,676	30	30	4,736	135,564	128,464
13,408	-	-	-	-	13,408	51,757
-	186,414	45	-	186,459	186,459	229,743
209,945	84,563	4,091	44,657	133,311	343,256	981,388
14,085	-	-	-	-	14,085	11,915
29,613	-	-	-	-	29,613	31,021
109,622	698	2,177	140	3,015	112,637	95,823
38,263	6,713	12	70	6,795	45,058	56,732
38,723	14,580	3,655	8,562	26,797	65,520	126,767
5,829	-	-	-	-	5,829	6,727
30,368	-	-	-	-	30,368	-
70,801	39,153	-	90	39,243	110,044	57,532
51	9,349	-	-	9,349	9,400	5,680
65,293	-	5,420	1,139	6,559	71,852	14,031
1,000	88,786	-	-	88,786	89,786	58,627
211,182	363,249	-	-	363,249	574,431	653,732
9,533,233	1,362,715	657,936	(412,342)	1,608,309	11,141,542	12,998,150
963,965	50,153	28,723	52,827	131,703	1,095,668	398,006
-	-	-	-	-	-	120,305
-	-	-	-	-	-	89,916
-	-	-	-	-	-	52,327
-	-	-	-	-	-	38,900
963,965	50,153	28,723	52,827	131,703	1,095,668	699,454
10,497,198	1,412,868	686,659	(359,515)	1,740,012	12,237,210	13,697,604
1,603,422	-	-	3,700	3,700	1,607,122	1,724,037
\$ 12,100,620	\$ 1,412,868	\$ 686,659	\$ (355,815)	\$ 1,743,712	\$ 13,844,332	\$ 15,421,641
87%	10%	5%	-3%	13%	100%	