NEVADA PHYSICAL THERAPY BOARD

ANNUAL REPORT

JUNE 30, 2025 AND 2024

NEVADA PHYSICAL THERAPY BOARD

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The Board members' and management's discussion and analysis of the Nevada Physical Therapy Board (Board) financial condition and activities for the fiscal years ended June 30, 2025 and 2024, are presented in conjunction with the audited financial statements.

Financial Highlights

Revenue for the fiscal years ended June 30, 2025 and 2024, was $622,357 and $598,941, respectively, an increase of $23,416.

Overview of Annual Financial Report

Management's Discussion and Analysis (MD&A) serves as an introduction to, and should be read in conjunction with, the basic audited financial statements and supplementary information. The MD&A represents the Board members' and management's examination and analysis of the Board's financial condition and performance. Summary financial statement data, key financial and operational indicators used in the Board's strategic plan, budget, and other management tools were used for this analysis.

The Board uses the modified accrual basis of accounting for internal financial statement reporting. The financial statements have been prepared in accordance with generally accepted accounting principles as they apply to governmental units. The financial statements include Governmental Fund Balance Sheets and Statements of Net Position, the Governmental Fund Revenue, Expenditures, and Changes in Fund Balance and Statements of Activities and Notes to the Financial Statements.

The Governmental Fund Balance Sheets and Statements of Net Position present the financial position of the Board on both the modified accrual basis under the general fund and the full accrual basis as net position. This statement provides information on the Board's assets and liabilities with the difference reported as net position. Over time, increases and decreases in net position are one indicator of whether the financial position of the Board is improving or deteriorating.

The Governmental Fund Balance Sheets and Statements of Net Position provide information about the nature and amounts of resources and obligations at year end. The Governmental Fund Revenue, Expenditures, and Changes in Fund Balance and the Statements of Activities present the results of the activities over the course of the fiscal year and information as to how the fund balance and net positions changed during the year. The fund balance changes under the modified accrual method when revenue is received or the expenditure is made, while changes in net assets under the full accrual method are recorded as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. This statement also provides certain information about the Board's recovery of its costs.

The notes to financial statements provide required disclosures and other information that are essential to a full understanding of material data provided in the statements. The notes present information about the Board's accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies, and subsequent events, if any.

The financial statements were prepared from the detailed books and records of the Board. The financial statements were audited during the independent external audit process.

Financial Analysis

The basic financial statements, as well as the required supplementary information, the Statement of Revenue and Expenditures – Budget and Actual, pension, and OPEB information, serve as the key financial data for the Board members' and management's monitoring and planning. Comments regarding budget-to-actual variances and year-to-year variances are included in the following results of operations by the name on the statement or account.

Statements of Net Position

As of June 30,	2025	2024	2023
Cash	$ 1,090,532	$ 1,106,011	$ 1,058,584
Accounts receivable	9,993	-	2,230
Prepaid expenses	6,285	2,858	8,838
Capital assets	-	-	369
Lease assets, net of accumulated amortization	138,640	176,227	202,650
Software subscription assets	62,354	13,716	41,146
Total assets	1,307,804	1,298,812	1,313,817
Deferred outflows of resources	271,099	212,583	242,995
Total assets and deferred outflows of resources	1,578,903	1,511,395	1,556,812
Liabilities	1,211,824	1,203,892	1,179,356
Deferred inflows of resources	78,214	21,223	44,267
Total liabilities and deferred inflows of resources	1,290,038	1,225,215	1,223,623
Net position	$ 288,865	$ 286,180	$ 333,189

The Board's net position remains strong at year end with adequate liquid assets to fulfill its responsibilities. The Board members and management believe the current financial condition and staff capabilities are sufficient to meet anticipated operating expenses and operational objectives.

Statements of Activities

Years Ended June 30,	2025	2024	2023
License revenue	$ 622,330	$ 589,431	$ 564,969
Grant income	-	9,510	29,060
Investment income	27	-	-
Total revenue	$ 622,357	$ 598,941	$ 594,029

Revenue: The license revenue received by the Board is generated though the registration, renewal and licensure of physical therapists and physical therapist assistants. Total revenue received by the Board for the fiscal year ended June 30, 2025, was $622,357, representing a $23,416 increase from the fiscal year ended June 30, 2024.

Statements of Activities (continued)

Years Ended June 30,	2025	2024	2023
Board operations/total expenses	$ 619,672	$ 645,950	$ 700,745

Expenses: Operating expenses for the fiscal year ended June 30, 2025, were $619,672, representing a decrease of $26,278 from the fiscal year ended June 30, 2024.

General Fund Budgetary Highlights

For the year ended June 30, 2025, the Board's revenue was less than the budget by $32,143 and expenses were less than budget by $29,068.

For the year ended June 30, 2024, the Board's revenue was greater than the budget by $11,941 and expenses were greater than budget by $52,450.

Economic Factors and Next Year's Budgets and Rates

The Board is charged with, and given statutory authority, to provide public protection through licensure and regulation of Physical Therapists and Physical Therapist Assistants. The Board provides direction of staff actions towards its mission of public protection through licensure and disciplinary measures. The following economic indicators reflect the growth and prosperity of the Board:

- Reasonable number of licenses
- A continuing demand for physical therapy in the State of Nevada

Through the Board members' and management's review of the annual budget and monthly income and expense statements, it is expected that these tools will continue to provide the Board with sufficient long and short-term planning information.

Management Comments

The Nevada Physical Therapy Board reports an increase in total revenue of $23,416 for the fiscal year ended June 30, 2025. This increase primarily reflects a Board-approved modification to the fee structure for the review and processing of continuing competence course applications. During the fiscal year, the Board transitioned from a three-tiered fee schedule, which was based on the number of continuing education hours approved for each course, to a single standardized fee of $50 for all course applications. This change was implemented to promote consistency, streamline administrative processes, and ensure equitable application fees across all course submissions.

Additionally, the implementation of CE Broker as the Board's software portal for continuing education course application submission and licensee reporting has expanded access to the Board's continuing education system. This platform has enabled nationwide participation from continuing education vendors and has facilitated an increase in course submissions, contributing to the overall growth in revenue.

The Nevada Physical Therapy Board has been selected as a recipient of the 2025 Excellence in Regulation Award by the Federation of State Boards of Physical Therapy (FSBPT). This national award honors regulatory boards that demonstrate an outstanding commitment to public protection and regulatory best practices in physical therapy.

The Board's accomplishments are the product of a deliberate, multi-year strategy focused on innovation, collaboration, and public protection. Through modernized operations, national engagement, legislative leadership, and a steadfast commitment to its mission, the Board has set a new standard in regulatory excellence. Over the past several years, the Board has made steady and meaningful progress toward strengthening public protection, increasing access to care, and modernizing the regulation of the profession.

Key initiatives include:

- A comprehensive business process review that identified gaps, streamlined workflows, and reduced license application processing time to just two days.

- Implementation of a cloud-based licensing system, significantly enhancing staff efficiency and applicant experience.

- Development and deployment of API-based data submission to participate fully in the FSBPT Exam, Licensure, and Disciplinary Database (ELDD) and the National Practitioner Data Bank (NPDB), improving nationwide data transparency.

- Modernization of the Practice Act aligning with the FSBPT Model Practice Act, including new public protection measures such as a jurisprudence exam, re-entry to practice policy, and continuing competency requirements in ethics, cultural awareness, and diversity, equity, and inclusion.

- Strengthened governance through board member training, creation of manuals and mentorship programs, and adoption of Model Board Action Guidelines to support consistent and transparent disciplinary actions.

In the 2025 legislative session, the Board achieved several significant milestones:

- Passage of SB113, authorizing physical therapists to certify disabilities for special parking placards.

- Enactment of AB269, making physical therapists eligible for the Health Care in Underserved Communities Program, expanding student loan repayment options.

- Unanimous passage of AB248, enabling Nevada's participation in the Physical Therapy Licensure Compact, enhancing licensure portability across states.

These achievements reflect the Board's commitment to continuous improvement, public protection, and expanding access to physical therapy services. The Board remains dedicated to prudent financial management, efficient regulatory practices, and advocacy to support the health and well-being of Nevadans.

NEVADA PHYSICAL THERAPY BOARD

FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

Campbell Jones Cohen CPAs

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INDEPENDENT AUDITOR'S REPORT

To the Members of the Board
Nevada Physical Therapy Board

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities and the fund information of the Nevada Physical Therapy Board (Board), as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Nevada Physical Therapy Board's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the fund information of the Nevada Physical Therapy Board, as of June 30, 2025 and 2024, and the respective changes in financial position in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Nevada Physical Therapy Board's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Nevada Physical Therapy Board's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Nevada Physical Therapy Board's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension information, and net OPEB information on pages 1-4 and 29-31, respectively, be presented to supplement the basic financial statements.

Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Nevada Physical Therapy Board's basic financial statements. The accompanying budgetary comparison information on pages 27-28 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to 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 States of America. In our opinion, the budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2025 on our consideration of the Nevada Physical Therapy Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Nevada Physical Therapy Board's internal control over financial reporting and compliance.

Campbell Jones Cohen CPAs

Campbell Jones Cohen CPAs

Las Vegas, Nevada
November 23, 2025

NEVADA PHYSICAL THERAPY BOARD

GOVERNMENTAL FUND BALANCE SHEETS AND STATEMENTS OF NET POSITION
JUNE 30, 2025 AND 2024

	2025			2024		
	General Fund	Adjustments (Note 8)	Government Wide	General Fund	Adjustments (Note 8)	Government Wide
Assets:						
Cash and cash equivalents	$ 1,090,532	$ -	$ 1,090,532	$ 1,106,011	$ -	$ 1,106,011
Accounts receivable	9,993	-	9,993	-	-	-
Prepaid expenses	6,285	-	6,285	12,947	(10,089)	2,858
Capital assets, net of accumulated depreciation	-	-	-	-	-	-
Lease assets, net of accumulated amortization	-	138,640	138,640	-	176,227	176,227
Subscription assets, net of accumulated amortization	-	62,354	62,354	-	13,716	13,716
Total assets	1,106,810	200,994	1,307,804	1,118,958	179,854	1,298,812
Deferred Outflows of Resources -						
Pension	-	208,706	208,706	-	201,956	201,956
OPEB related	-	62,393	62,393	-	10,627	10,627
Total deferred outflow of resources	-	271,099	271,099	-	212,583	212,583
Total assets and deferred outflows of resources	$ 1,106,810	$ 472,093	$ 1,578,903	$ 1,118,958	$ 392,437	$ 1,511,395
Liabilities:						
Current liabilities:						
Accounts payable and payroll liabilities	$ 46,632	$ 227	$ 46,859	$ 48,562	$ -	$ 48,562
Compensated absences	27,881	-	27,881	25,187	-	25,187
Lease liability, current	-	40,658	40,658	-	40,352	40,352
Software subscription, current	-	22,319	22,319	-	-	-
Licensing fees received in advance	256,915	-	256,915	225,890	-	225,890
Total current liabilities	331,428	63,204	394,632	299,639	40,352	339,991
Non-current liabilities:						
Lease liability, noncurrent	-	117,597	117,597	-	156,875	156,875
Software subscription, noncurrent	-	25,092	25,092	-	-	-
Net pension liability	-	495,222	495,222	-	511,383	511,383
Net OPEB liability	-	179,281	179,281	-	195,643	195,643
Total liabilities	331,428	880,396	1,211,824	299,639	904,253	1,203,892
Deferred Inflows of Resources -						
Pension requirement	-	55,950	55,950	-	5,175	5,175
OPEB related	-	22,264	22,264	-	16,148	16,148
Total liabilities and deferred inflows of resources	331,428	958,610	1,290,038	299,639	925,576	1,225,215
Fund Balance/Net Position						
Fund balance:						
Nonspendable	6,285	(6,285)	-	12,947	(12,947)	-
Unassigned	769,097	(769,097)	-	806,372	(806,372)	-
Total liabilities and fund balance	$ 1,106,810			$ 1,118,958		
Net position:						
Invested in capital assets, net		200,994	200,994		189,943	189,943
Unrestricted		87,871	87,871		96,237	96,237
Total net position		$ 288,865	$ 288,865		$ 286,180	$ 286,180

NEVADA PHYSICAL THERAPY BOARD

GOVERNMENTAL FUND REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE AND STATEMENTS OF ACTIVITIES YEARS ENDED JUNE 30, 2025 AND 2024

	2025			2024		
	General Fund	**Adjustments (Note 8)**	**Government Wide**	**General Fund**	**Adjustments (Note 8)**	**Government Wide**
Expenditures/Expenses:						
Board operations	$ 666,294	$ (39,094)	$ 627,200	$ 567,169	$ 61,194	$ 628,363
Capital outlay	-	(7,528)	(7,528)	-	17,587	17,587
Total expenditures/expenses	666,294	(46,622)	619,672	567,169	78,781	645,950
Program Revenue:						
Charges for services	622,330	-	622,330	589,431	-	589,431
Net program revenue	(43,964)	46,622	2,658	22,262	(78,781)	(56,519)
General Revenue:						
Grant income	-	-	-	9,510	-	9,510
Interest income	27	-	27	-	-	-
Total general revenue	27	-	27	9,510	-	9,510
Excess of revenue over expenditures	(43,937)	43,937	-	31,772	(31,772)	-
Change in net position	-	2,685	2,685	-	(47,009)	(47,009)
Fund Balance/Net Position:						
Beginning of year	819,319	(533,139)	286,180	787,547	(454,358)	333,189
End of year	$ 775,382	$ (486,517)	$ 288,865	$ 819,319	$ (533,139)	$ 286,180

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nevada Physical Therapy Board ("Board"), formerly known as the Nevada State Board of Physical Therapy Examiners, licenses all physical therapists and physical therapist's assistants in the State of Nevada. The Board's primary revenue is generated by licensing, application, and examination fees.

The financial statements of the Board have been prepared in accordance with generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of the more significant accounting policies.

REPORTING ENTITY

Effective July 1, 2001, and as subsequently amended, Chapter 353 of the Nevada Revised Statutes (NRS) was amended to exempt certain professional and occupational boards from the state budget act and the provisions governing the administration of state funding. The provisions of Chapter 353 do not apply to boards created pursuant to Chapters 623 to 625A, inclusive, 628, 630 to 644A inclusive, 648, 654, and 656 of the NRS and the officers and employees thereof. Accordingly, the Board's budgeting and accounting practices and procedures have been removed from the oversight in the Department of Administration.

The Board's financial statements are not included in the financial statements of the State of Nevada since the State does not exercise financial or administrative control over the Board. This is in conformance with GASB codification Section 2100, *Defining the Government Reporting Entity*.

BASIS OF PRESENTATION

The Board is defined as a single-program special-purpose entity under GASBS 14, paragraph 131 as amended by GASBS 39. This classification allows for the preparation of GASBS 34 financial statements under an optional reporting method which combines the fund and government-wide statements into a single presentation. Under standard GASBS 34 methodologies, the government-wide statement of net position and statement of activities are presented independently from the respective fund balance sheet and statement of revenues, expenditures, and fund balance. A reconciliation of adjustments provided on the modified financial statements demonstrates the changes from the fund financial statements to the government-wide financial statements in order to assist the reader in evaluating these statements. The Board has utilized this optional method of presentation.

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, requires the Board to apply all applicable GASB pronouncements and, unless they conflict with or contradict GASB pronouncements all Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989. Accordingly, the Board has not applied FASB pronouncements issued after that date.

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND ACCOUNTING

Under Chapter 640.070 of the Nevada Revised Statutes, the fees collected by the Board are generally independent of the State General Fund, and all expenses incident to the operation of the Board must be paid from the revenue derived from the collected fees. The net assets of the Board's general fund are generally restricted to being used by the Board to meet its obligation of licensing and regulating the practice of physical therapy in the state of Nevada, with the exception of certain administrative fines collected by the Board which may be required to be deposited into the State General Fund, per Chapter 640.070 of the Nevada Revised Statutes.

BASIS OF ACCOUNTING

The government-wide 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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. The Board only has governmental fund types.

BUDGET DATA

The Board prepared an annual budget. The budget is prepared on a basis similar to generally accepted accounting principles under the modified accrual basis of accounting. All annual appropriations lapse at fiscal year-end.

CASH AND CASH EQUIVALENTS

Cash is maintained in a bank account in the state of Nevada. The Board participated in the State of Nevada collateralization program to ensure that funds deposited are protected. By statute, all cash must be deposited in entities located in the state of Nevada.

ACCOUNTS RECEIVABLE

Accounts receivable represent fees and fines assessed by the Board and expected to be collected within 12 months subsequent to year-end. Therefore, no allowance is needed. At June 30, 2025, accounts receivable was $9,993. At June 30, 2024, there were no accounts receivable.

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CAPITAL ASSETS

Capital assets, which include furniture, fixtures, and equipment, are reported in the net asset column in the government-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of $2,500 or more and an estimated useful life of at least one year. Such assets are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are expensed as incurred. Capital assets are depreciated using the straight-line method over three to twenty years.

LICENSING FEES RECEIVED IN ADVANCE

A license to practice as a physical therapist of physical therapist assistant expires 1 year after the date of its issuance or on the date prescribed by the Board, whichever is later. Licensing fees received in advance represent deferred revenues, which is recognized ratably over the period of licensure.

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

In addition to assets, a separate section is reported for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and will be recognized as an outflow of resources (expense/expenditures) until then. The changes in proportion and differences between employer contributions and proportionate share of contributions as well as contributions made after the measurement period for pensions qualify for reporting in this category.

In addition to liabilities, a separate section is reported for deferred inflows of resources. This separate financial statement element, deferred inflows 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. Differences between expected and actual experience and between projected and actual investment earnings on pension plan investments qualify for reporting in this category.

FUND EQUITY AND NET POSITION

As defined in GASB Statement No. 54, in the governmental fund financial statement, fund balances are classified as follows:

Non-spendable - represents amounts that are either not in a spendable form or are legally or contractually required to remain intact. Prepaid expenses are classified as nonspendable fund balance.

Restricted – amounts that can be used only for specific purposes due to (a) constitutional provisions or enabling legislation or (b) externally imposed constraints.

Committed – amounts that can be used only for specific purposes due to a formal action of the governing body.

Assigned – amounts intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed.

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND EQUITY AND NET POSITION (continued)

Unassigned - represents all amounts not included in other classifications.

The Board's policy is to first apply expenditures against restricted fund balances. In instances where an unrestricted fund balance type could be used, it is the Board's policy to first apply expenditures against committed fund balances. On an annual basis, when applicable, assigned fund balances are determined based upon available resources.

In government-wide financial statements, net position is classified, as follows:

- Net invested in capital assets – amount of capital assets, net of accumulated depreciation and lease assets, net of accumulated amortization and any related debt.
- Restricted net position – consists of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributions, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – amounts not included in other classifications.

The Board's policy is to first apply restricted net position when an expenditure is incurred for which both restricted and unrestricted net position are available.

PENSIONS

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense, information about fiduciary net position of the Public Employees' Retirement System of Nevada (PERS) and additions to/deductions from PERS's fiduciary 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.

POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

For purposes of measuring the net OPEB liability, related deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Self Insurance Trust Fund, Public Employees' Benefits Program (PEBP) and additions to/deductions from PEBP's fiduciary net position have been determined on the same basis as they are reported by PEBP. For this purpose, PEBP recognizes benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. PEBP's cash and cash equivalents consist of short-term, highly liquid investments that are both (a) readily convertible to known amounts of cash and (b) so near to maturity that they present insignificant risk of changes in value due to changing interest rates.

USE OF ESTIMATES

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

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NEW ACCOUNTING PRONOUNCEMENTS

As of July 1, 2024, the Board adopted the provisions of GASB Statement No. 101, *Compensated Absences* (GASBS 101). The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences by governments. This statement increases the usefulness of governments' financial statements by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement requires that liabilities for compensated absences be recognized for leave that has not been used, and leave that has been used but not yet paid in cash or settled through noncash means. The adoption of this standard had no material impact on the Board's financial statements.

As of July 1, 2024, the Board adopted the provision of GASB Statement No. 102, *Certain Risk Disclosures* (GASBS 102). The objective of this statement is to better assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. This statement will improve financial reporting by providing users of the financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. The adoption of this standard had no material impact on the Board's financial statements.

NOTE 2 - CASH AND CASH EQUIVALENTS

The Board maintains its checking account in one major commercial bank. The account is insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per institution, per depositor.

The bank balance at June 30, 2025 totaled $1,090,532 and on June 30, 2024 totaled $1,106,011. Of these amounts, $250,000 and $250,000, respectively, was insured by the FDIC and the balances of $840,532 and $856,011, respectively, were collateralized with securities held by the Nevada Pooled Collateral program.

By provision of statutes, the Board is required to deposit all money in banks or savings and loan associations located in the State of Nevada.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 3 - CAPITAL ASSETS

The Board has custodial responsibility to the State of Nevada for furniture, fixtures and equipment acquired with resources of the Board. The capital asset activity during the years ended June 30, 2025 and 2024, is as follows:

	2023	Increases	Decreases	2024
Office furniture and equipment	$ 9,834	$ -	$ -	$ 9,834
Lease asset	309,935	17,803	-	327,738
Subscription asset	48,004	-	-	48,004
Less: accumulated amortization and depreciation	(123,608)	(72,025)	-	(195,633)
	$ 244,165	$ (54,222)	$ -	$ 189,943

	2024	Increases	Decreases	2025
Office furniture and equipment	$ 9,834	$ -	$ -	$ 9,834
Lease asset	327,738	1,535	(3,429)	325,844
Subscription asset	48,004	72,411	(48,004)	72,411
Less: accumulated amortization and depreciation	(195,633)	(11,462)	-	(207,095)
	$ 189,943	$ 62,484	$ (51,433)	$ 200,994

NOTE 4 - LEASES

The Board entered into an operating lease agreement for office space which began on March 1, 2019, and expired February 28, 2024, and included an option to extend for one five-year period. The extension option has now been exercised, extending the lease until an extended termination date of February 28, 2029. Payments are due monthly in the amount of $3,454 with a 2.0% or 3.0% escalation per annum.

The Board also leases office equipment with a term of five years, ending in February 2030.

Lease assets consist of the following at June 30:

	2025	2024
Lease assets, office	$ 324,309	$ 324,309
Lease assets, office equipment	1,535	3,429
Accumulated amortization	(187,204)	(151,511)
	$ 138,640	$ 176,227

NOTE 4 – LEASES (CONTINUED)

Future minimum lease payments are required as follows during the years ended June 30:

	Principal	Interest	Total
2026	$ 40,658	$ 2,411	$ 43,069
2027	42,504	1,701	44,205
2028	44,269	961	45,230
2029	30,647	219	30,866
2030	177	5	182
	$ 158,255	$ 5,297	$ 163,552

Lease liability activity is as follows during the years ended June 30:

2023	Increases	Decreases	2024	Current Portion (June 30, 2024)
$ 249,797	$ 3,297	$ (55,867)	$ 197,227	$ 40,352

2024	Increases	Decreases	2025	Current Portion (June 30, 2025)
$ 197,227	$ 1,444	$ (40,416)	$ 158,255	$ 40,658

NOTE 5 - PENSIONS

GENERAL INFORMATION ABOUT THE PENSION PLAN

Plan Description

PERS (System) administers a cost-sharing, multiple-employer, defined benefit pension public employees' retirement system which includes both Regular and Police/Fire members. The System was established by the Nevada Legislature in 1947, effective July 1, 1948. The System is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earning capacities have been removed or substantially impaired by age or disability.

Benefits Provided

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

NOTE 5 - PENSIONS (CONTINUED)

Benefits Provided (continued)

b) Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.5% multiplier, and for regular members entering the System on or after July 1, 2015, there is a 2.25% factor. The System offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

c) Post-retirement increases are provided by authority of NRS 286.575-286.579.

Vesting

a) Regular members entering the System prior to January 1, 2010, are eligible for retirement at age 65 with five years services, at age 60 with ten years of service, or at any age with 30 years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service or age 62 with ten years of service, or any age with 30 years of service. Regular members who entered the System on or after July 1, 2015, are eligible for retirement at age 65 with 5 years of service, or at age 62 with 10 years of service, or at age 55 with 30 years of service, or at any age with 33 1/3 years of service.

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

Contributions

a) The authority for establishing and amending the obligation to make contributions and member contribution rates is set by statute. New hires, in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two contribution plans. In one plan, contributions are shared equally by employer and employee. In the other plan, employees can take a reduced salary and have contributions made by the employer (EPC).

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

c) The System receives an actuarial valuation on an annual basis indicating the contribution rates required to fund the System on an actuarial reserve basis. Contributions made are in accordance with the required rate established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450.

NOTE 5 - PENSIONS (CONTINUED)

Contributions (continued)

d) The actuarial funding method used is the Entry Age Normal Cost Method. It is intended to meet the funding objective and results in a relatively level long-term contributions requirement as a percentage of salary.

e) For the years ended June 30, 2025 and 2024, the statutory employer/employee matching rate was 17.50% and 15.50%, respectively, for Regular employees. The Employer-Pay Contribution (EPC) rate was 33.50% and 29.75%, respectively, for the fiscal years ended June 30, 2025 and 2024, for Regular employees.

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At June 30, 2025, and 2024, the Board reported a liability of $495,222 and of $511,383, respectively for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates. The Board's proportion of the net pension liability was based on total contributions due on wages paid during the measurement period. Each employer's proportion of the net pension liability is based on their combined employer and member contributions relative to the total combined employer and member contributions for all employers for the periods ended June 30, 2024, and 2023. At June 30, 2024 and 2023, the Board's proportion was .00274% and .00280%, respectively.

For the years ended June 30, 2025 and 2024, the Board recognized pension expense of $111,945 and $104,719, respectively. Amounts totaling $40,598 resulting from Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. At June 30, the Board reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	June 30, 2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 105,060	$ -
Changes of assumptions	31,955	-
Net difference between projected and actual investment earnings on pension plan investments	-	48,785
Changes in proportion and differences between employer contributions and proportionate share of contributions	31,093	7,165
Contributions subsequent to the measurement date	40,598	-
	$ 208,706	$ 55,950

NOTE 5 - PENSIONS (CONTINUED)

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (continued)

	June 30, 2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 66,656	$ -
Changes of assumptions	47,926	-
Net difference between projected and actual investment earnings on pension plan investments	-	4,786
Changes in proportion and differences between employer contributions and proportionate share of contributions	51,224	389
Contributions subsequent to the measurement date	36,150	-
	$ 201,956	$ 5,175

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, without regard to the contributions subsequent to the measurement date, are expected to be recognized in pension expense as follows:

Year ended June 30:	
2026	$ 12,931
2027	62,641
2028	4,682
2029	(69)
2030	8,015
Thereafter	-

Actuarial Assumptions

The System's net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.50%
Investment rate of return	7.25%
Productivity pay increase	0.50%
Projected salary increases	Regular: 4.20%-9.10%, depending on service Rates include inflation and productivity increases
Other assumptions	Same as those used in the June 30, 2024, funding Actuarial valuation

NOTE 5 - PENSIONS (CONTINUED)

Actuarial Assumptions (continued)
Actuarial assumptions used in the June 30, 2024 and 2023 valuation were based on the results of the experience study for the period July 1, 2016 through June 30, 2020.

The discount rate used to measure the total pension liability was 7.25% as of June 30, 2024 and 2023. The projection of cash flows used to determine the discount rate assumed that employee 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, 2024 and 2023, 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, 2024 and 2023.

Investment Policy
The System's policies which determine the investment portfolio target asset allocation are established by the Retirement Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System. The following was the Retirement Board's adopted policy target asset allocation as of June 30, 2024 and 2023:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
Domestic Equity	34%	5.50%
International Equity	14%	5.50%
Domestic Fixed Income	28%	2.25%
Private Markets	12%	6.65%
Short-term investments	12%	0.50%

*As of June 30, 2024 and 2023, PERS' long-term inflation assumption was 2.50%.

Discount Rate and Pension Liability Discount Rate Sensitivity
The following presents the net pension liability of the PERS as of June 30, 2024 and 2023, calculated using the discount rate of 7.25%, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current discount rate:

Discount Rate	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability / (Asset)	$ 796,117	$ 495,222	$ 246,685

NOTE 5 - PENSIONS (CONTINUED)

Pension Plan Fiduciary Net Position
Additional information supporting the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer is located in the PERS Annual Comprehensive Financial Report available on the PERS website at www.nvpers.org.

NOTE 6 - SYSTEM POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*, which requires the liability of employers and non-employers contributing entities to employees for defined benefit other postemployment benefits (OPEB) to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees past periods of service, less the amount of the OPEB plan's fiduciary net position.

Plan Description

Employees of the Board are provided with OPEB through the Self Insurance Trust Fund, Public Employees' Benefits Program (PEBP) – a cost-sharing multiple-employer defined benefit OPEB plan administered by the Public Employees' Benefits Program Board (PEBP Board),which was created in 1983 by the Nevada Legislature to administer group health, life and disability insurance for covered employees, both active and retired, of the State of Nevada (State), and certain other participating public employers within the State. PEBP does not provide for refunds of employee contributions. The Self Insurance Trust Fund issues a publicly available financial report that can be obtained on the PEBP website. The Board is reporting plan information consistent with the PEBP's accounting methods and assumptions as disclosed in the annual report. No information has come to our attention that indicates significant changes to the plan's disclosures.

OPEB Benefits

PEBP provides medical, dental, vision, mental health and substance abuse benefits, and also offers fully insured HMO products. Long-term disability and life insurance benefits are fully insured by outside carriers.

Contributions

Per NRS 287 contribution requirements of the participating entities and covered employees are established and may be amended by the PEBP Board. The Board's contractually required contribution for the years ended June 30, 2025 and 2024 was $11,217, and $7,881, respectively, actuarily determined as an amount that is expected to finance the costs of benefits earned by employees during those years. Employees are not required to contribute to the OPEB plan.

NOTE 6 - SYSTEM POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

At June 30, 2025 and 2024, the Board reported liabilities of $179,281 and $195,368 for it's proportionate share of the collective net OPEB liability. The net OPEB liability was measured as of June 30, 2024 and 2023, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of those dates. The Board's proportion of the net OPEB liability was based on a projection of the Board's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating state agencies, actuarily determined. OPEB plan relative to the total contributions of all participating OPEB employers and members. At June 30, 2024 and 2023, the Board's proportion was 0.0132% and 0.0134%.

For the year ended June 30, 2025, the Board recognized a reduction to OPEB expense in the amount of $57,478 due to changes in the proportion of deferred outflows of resources as reported below. For the year ended June 30, 2024, the Board recognized OPEB expense of $35,691. Board contributions totaling $11,217 and $7,881 for the years ended June 30, 2025 and 2024, respectively, made subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the following years. The Board reposted deferred outflows of resource and deferred inflows of resources related to OPEB from the following sources:

	June 30, 2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance of Deferred Outflows and Inflows Due to:		
Differences between expected and actual experience	$ -	$ 2,293
Changes of assumptions	-	17,398
Net difference between projected and actual investment earnings on OPEB plan investments	-	46
Changes in proportion and differences between State contributions and proportionate share of contributions	51,402	2,527
State contributions subsequent to the measurement date	10,991	-
Total	$ 62,393	$ 22,264

NOTE 6 - SYSTEM POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

	June 30, 2024	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Balance of Deferred Outflows and Inflows Due to:		
Differences between expected and actual experience	$ -	$ 3,832
Changes of assumptions	2,746	12,259
Net difference between projected and actual investment earnings on OPEB plan investments	-	57
Changes in proportion and differences between State contributions and proportionate share of contributions	-	-
State contributions subsequent to the measurement date	7,881	-
Total	$ 10,627	$ 16,148

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB, without regard to the contribution subsequent to the measurement date, will be recognized in OPEB expense as follows:

Year ended June 30:	
2026	$ 25,476
2027	3,111
2028	3,119
2029	(1,648)
	$ 30,058

Actuarial assumptions

The total OPEB liabilities at June 30, 2025 and 2024, were determined by using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	4.20% to 9.10%
Investment rate of return	3.93%
Healthcare cost trend rates	8.0% for 2025, see report for additional years

Healthy mortality rates were based on the Headcount-weighted MP-2020 Pub-2010 Public Retirement Plans General Mortality Table for civilians, and Headcount-weighted MP-2020 Pub-2010 Public Retirement Plans Safety Mortality Table for officers. For Disabled participants, the Pub-2010 Public Retirement Plans Safety Disabled Mortality Table weighted by Headcount, projected by MP-2020 was used for officers, and the Pub-2010 Public Retirement Plans General Disabled Mortality Table weighted by Headcount, projected by MP-2020 was used for civilians.

NOTE 6 - SYSTEM POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

The actuarial assumptions used in the June 30, 2024 and 2023 valuation were based on the results of an actuarial valuation date of September 10, 2021, adjusted by using roll-forward procedures to determine the liability at the measurement date.

Discount rate

The discount rate basis under GASB 75 is required to be based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The Bond Buyer General Obligation 20-Bond GO Index is used for determination of the discount rate.

The discount rate used to measure the total OPEB liability was 3.93%. Additional detail regarding the discount rates as of June 30, 2024 are provided in the "Actuarial Assumptions and Methods" section of the report provided by the PEBP Board.

Sensitivity of the Board's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the Board's proportionate share of the collective net OPEB liability, as well as what the Board's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93 percent) or 1-percentage-point higher (4.93 percent) than the current discount rate:

	1% Decrease (2.93%)	Current Rate (3.93%)	1% Increase (4.93%)
Board's proportionate share of the collective net OPEB liability	$ 196,542	$ 179,281	$ 164,283

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued PEBP financial report.

NOTE 7 - COMPLIANCE WITH NEVADA REVISED STATUTES AND NEVADA ADMINISTRATIVE CODE

The Board conformed to all significant statutory constraints on its financial administration.

NOTE 8 - CONVERSION TO GOVERNMENT-WIDE FINANCIAL STATEMENTS

Adjustments on the face of the financial statements were made to the fund balance sheets and statements of revenue, expenditures, and changes in fund balance in order to reconcile the fund financial statements of the government-wide statement of net position and activities. These adjustments as of June 30, 2025 and 2024 are:

- capitalization of fixed assets of $9,834 and $9,834;
- accumulated depreciation of $9,834 and $9,834, and related depreciation expense of $0 and $369;
- capitalization of lease assets of $325,844 and $327,738;
- capitalization of subscription assets of $72,411 and $48,004;
- accumulated amortization of $197,261 and $185,799, and related amortization expense of $62,894 and $71,657;
- changes in rent expense of ($43,544) and ($42,594);
- changes in accounts payable of $0 and ($6,635);
- interest expense of $5,003 and $4,625;
- current lease liability of $40,658 and $40,352;
- noncurrent lease liability of $117,597 and $156,875;
- current subscription liability of $22,319 and $0;
- noncurrent subscription liability of $25,092 and $0;
- net deferred inflows and outflows of resources due to the pension and OPEB requirements of $192,885 and $191,260; and related changes in pension expense of $0 and ($459);
- net pension liability of $495,222 and $511,383, respectively; and
- net OPEB liability of $179,281 and $195,643, respectively.

NOTE 9 - SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT

The Board renewed their subscription-based information technology arrangement in February 2025, for the purpose of designing and maintaining their licensee database and website portal. Payments of $25,000, $26,000 and $27,040 are due annually over an initial period of 3 years ending on January 1, 2028. The database was placed into service in April 2023. Upon termination of the initial 3-year term, the Board has the option to continue these subscription services annually, for two additional years, with fees equal to $28,125 and $29,250 annually due upon the first day of each contract year.

The subscription assets consist of the following at June 30,

	2025	2024
Subscription assets	$ 72,411	$ 48,004
Accumulated amortization	(10,057)	(34,288)
	$ 62,354	$ 13,716

NOTE 9 - SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT (CONTINUED)

Future minimum subscription payments are required as follows during the year ended June 30:

	Principal	Interest	Total
2026	$ 22,319	$ 3,681	$ 26,000
2027	25,092	1,948	27,040
	$ 47,411	$ 5,629	$ 53,040

Subscription liability activity is as follows:

2023	Increases	Decreases	2024	Current Portion (June 30, 2024)
$ 15,997	$ -	$ (15,997)	$ -	$ -

2024	Increases	Decreases	2025	Current Portion (June 30, 2025)
$ -	$ 47,411	$ -	$ 47,411	$ 22,319

NOTE 10 – COMPENSATED ABSENCES

The Board provides its employees with vacation leave that accumulates each month at rates based on total amount of years employed at the board. Accrued leave may be carried over to the next year, with a carryover limit of 240 hours. At times, with Board approval, excess unused accrued leave may be paid out to the employee. The liability for compensated absences is based on historical usage and current wage rates.

Compensated absences balances were as follows for the years ended June 30:

2023	2024	Change
$ 22,268	$ 25,187	$ 2,919
$ 22,268	$ 25,187	$ 2,919

2024	2025	Change
$ 25,187	$ 27,881	$ 2,694
$ 25,187	$ 27,881	$ 2,694

NOTE 11 - DATE OF MANAGEMENT'S REVIEW

The Board has evaluated subsequent events through November 23, 2025 which is the date the financial statements were available to be issued. The Board is not aware of any material subsequent events.

NEVADA PHYSICAL THERAPY BOARD

STATEMENTS OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUAL TOTALS FOR THE YEAR ENDED JUNE 30, 2024)

	2025			2024
	Original and Final Budget	Actual Amounts Budgetary Basis	Variance to Final Budget Favorable (Unfavorable)	Actual (Memorandum Only)
Revenue:				
License fees	$ 500,000	$ 418,429	$ (81,571)	$ 441,674
Application fees	125,000	102,796	(22,204)	121,868
Grant income	-	-	-	9,510
Examination fees	4,000	3,925	(75)	3,975
Other income	25,500	92,265	66,765	21,914
Administrative costs	-	4,942	4,942	-
Total revenue	654,500	622,357	(32,143)	598,941
Expenditures:				
Audit fees	13,500	13,500	-	10,000
Attorney General	25,000	27,621	(2,621)	21,504
Bank fees	13,500	11,274	2,226	13,703
CEAC	7,000	8,010	(1,010)	6,899
Contractual services	48,000	48,000	-	24,000
Court reporter	-	-	-	-
Dues	4,500	1,510	2,990	4,345
Host	100	436	(336)	161
Insurance		791	(791)	-
Investigations	1,500	2,244	(744)	1,565
Legislative Counsel Bureau	1,000	-	1,000	-
Miscellaneous	500	2,752	(2,252)	916
Office expense	2,000	2,110	(110)	1,578
Office supplies	1,500	1,108	392	1,184
Postage	2,000	559	1,441	1,430
Printing and reproduction	250	48	202	-
Professional services	7,000	7,517	(517)	7,224
Rent	43,000	-	43,000	-
Salaries and related benefits	437,690	395,109	42,581	457,867
Security	600	2,106	(1,506)	492
Telephone	600	467	133	504
Travel:				
Out of state	2,000	832	1,168	-
In state	8,000	1,365	6,635	3,847
Total current expenditures	619,240	527,359	91,881	557,219
Capital outlay:				
Amortization	-	62,894	(62,894)	71,657
Data processing	29,500	22,212	7,288	12,080
Depreciation	-	-	-	369
Equipment and furniture	-	2,204	(2,204)	-
Total capital outlay	29,500	87,310	(57,810)	84,106
Interest	-	5,003	(5,003)	4,625
Total expenditures	648,740	619,672	29,068	645,950
Excess (deficiency) of revenue over (under) expenditures	$ 5,760	$ 2,685	$ (3,075)	$ (47,009)

See accompanying independent auditor's report.

NEVADA PHYSICAL THERAPY BOARD

STATEMENTS OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2024

	2024		
	Original and Final Budget	**Actual Amounts Budgetary Basis**	**Variance to Final Budget Favorable (Unfavorable)**
Revenue:			
License fees	$ 400,000	$ 441,674	$ 41,674
Application fees	135,000	121,868	(13,132)
Grant income	-	9,510	9,510
Examination fees	3,500	3,975	475
Other income	48,500	21,914	(26,586)
Administrative costs	-	-	-
Total revenue	587,000	598,941	11,941
Expenditures:			
Audit fees	10,000	10,000	-
Attorney General	25,000	21,504	3,496
Bank fees	10,000	13,703	(3,703)
CEAC	6,000	6,899	(899)
Contractual services	24,000	24,000	-
Court reporter	500	-	500
Dues	3,000	4,345	(1,345)
Host	100	161	(61)
Insurance	50	-	50
Investigations	4,000	1,565	2,435
Legislative Counsel Bureau	100	-	100
Miscellaneous	200	916	(716)
Office expense	2,000	1,578	422
Office supplies	1,500	1,184	316
Postage	2,000	1,430	570
Printing and reproduction	50	-	50
Professional services	6,000	7,224	(1,224)
Rent	40,000	-	40,000
Salaries and related benefits	410,000	457,867	(47,867)
Security	500	492	8
Telephone	1,000	504	496
Travel:			
Out of state	1,000	-	1,000
In state	5,000	3,847	1,153
Total current expenditures	552,000	557,219	(5,219)
Capital outlay:			
Amortization	-	71,657	(71,657)
Data processing	30,000	12,080	17,920
Depreciation	-	369	(369)
Equipment and furniture	11,500	-	11,500
Total capital outlay	41,500	84,106	(42,606)
Interest	-	4,625	(4,625)
Total expenditures	593,500	645,950	(52,450)
Deficiency of revenue under expenditures	$ (6,500)	$ (47,009)	$ (40,509)

See accompanying independent auditor's report.

NEVADA PHYSICAL THERAPY BOARD

SUPPLEMENTAL PENSION INFORMATION

SCHEDULE OF CHANGES IN NET PENSION LIABILITY
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Portion of the net pension liability (asset)	0.00274%	0.00280%	0.00274%	0.00261%	0.00232%	0.00219%	0.00189%	0.00197%	0.00151%	0.00189%
Proportionate share of the net pension liability (asset)	$ 495,222	$ 511,383	$ 495,398	$ 238,215	$ 323,481	$ 299,260	$ 257,716	$ 262,384	$ 203,043	$ 216,888
Covered payroll	275,934	261,718	218,501	203,057	184,186	155,869	149,988	122,991	117,075	123,956
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	179.47%	195.39%	226.73%	117.31%	175.63%	191.99%	171.82%	213.34%	173.43%	174.97%
Plan fiduciary net position as a percentage of the total pension liability	58.33%	55.96%	165.39%	93.67%	129.61%	89.27%	80.55%	74.40%	72.20%	75.10%

SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contributions	$ 40,598	$ 36,150	$ 29,921	$ 49,367	$ 53,874	$ 45,592	$ 43,871	$ 23,402	$ 17,834	$ 14,002
Contributions in relation to contractually required contributions	(40,598)	(36,150)	(29,921)	(44,552)	(43,952)	(40,416)	(33,860)	(23,402)	(17,834)	(14,002)
Contribution deficiency (excess)	$ -	$ -	$ -	$ 4,815	$ 9,922	$ 5,176	$ 10,011	$ -	$ -	$ -
Board's covered payroll	$ 275,934	$ 261,718	$ 218,501	$ 203,057	$ 184,186	$ 155,869	$ 149,988	$ 122,696	$ 122,991	$ 117,075
Contributions as a percentage of covered payroll	14.71%	13.81%	13.69%	21.94%	23.86%	25.93%	22.58%	19.07%	14.50%	11.96%

NEVADA PHYSICAL THERAPY BOARD

SUPPLEMENTAL NET OPEB INFORMATION

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

Year Ended	Board's proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Actual Covered Member Payroll	Net OPEB Liability as a Percentage of Covered Payroll	Net Position as a Percentage of Net OPEB Liability
6/30/2022	0.0035%	$ 54,591	$ 203,057	26.88%	805.82%
6/30/2023	0.0110%	$ 158,643	$ 218,501	72.61%	210.02%
6/30/2024	0.0134%	$ 195,368	$ 261,718	74.65%	146.48%
6/30/2025	0.0132%	$ 179,281	$ 275,934	64.97%	155.91%

The data provided in the schedule is based as of the measurement date of Net OPEB Liability, which is as of the beginning of the Board's fiscal year.

SCHEDULE OF THE BOARD'S CONTRIBUTIONS FOR THE NET OPEB LIABILITY

Year Ended	Statutorily Required Contribution	Actual Employer Contributions	Contribution Excess/(Deficiency) (Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
6/30/2022	$ 1,200	$ 1,393	$ 193	$ 203,057	0.69%
6/30/2023	$ 4,427	$ 5,937	$ 1,510	$ 218,501	2.72%
6/30/2024	$ 5,506	$ 7,881	$ 2,375	$ 261,718	3.01%
6/30/2025	$ 8,876	$ 11,217	$ 2,341	$ 275,934	4.07%

Note: These schedules are intended to show information for ten years. Additional years will be displayed as they become available.

NEVADA PHYSICAL THERAPY BOARD

NOTES TO THE REQUIRED SCHEDULES FOR THE NET OPEB LIABILITY

Valuation Date	June 30, 2024

Methods and Assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal – Level % of Salary
Asset Valuation Method	Market Value of Assets
Mortality	**Healthy Mortality** Officers: Pub-2010 Public Retirement Plans Safety Mortality Table weighted by Headcount, projected by MP-2020 Civilians: Pub-2010 Public Retirement Plans General Mortality Table weighted by Headcount, projected by MP-2020 **Disabled Mortality** Officers: Pub-2010 Public Retirement Plans Safety Disabled Mortality Table weighted by Headcount, projected by MP-2020 Civilians: Pub-2010 Public Retirement Plans General Disabled Mortality Table weighted by Headcount, projected by MP-2020

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Members of the Board
Nevada Physical Therapy Board

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the fund information of the Nevada Physical Therapy Board (Board), as of and for the years ended June 30, 2025 and 2024, respectively, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated November 23, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Campbell Jones Cohen CPAs

Campbell Jones Cohen CPAs

Las Vegas, Nevada
November 23, 2025