

BOARD OF EXAMINERS FOR SOCIAL WORKERS  
FINANCIAL STATEMENTS  
JUNE 30, 2024

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*Casey Neilon, Inc.*  
**Accountants and Advisors**

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Board of Examiners for Social Workers  
Reno, Nevada

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities and the major fund of the Board of Examiners for Social Workers (the "Board"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the 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 major fund of the Board, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 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 opinions.

***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 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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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 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 on pages 4-7, the budgetary comparison schedule on page 27, the pension information on page 28-29, and other postemployment benefits information on page 30-31 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.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated **Date Pending, 2024** on our consideration of the 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 Board’s internal control over financial reporting and compliance.

Carson City, Nevada  
**Date Pending, 2024**

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This section of the Board of Examiners for Social Workers (the "Board") annual financial report presents our discussion and analysis of the Board's financial performance during the fiscal year ended June 30, 2024. Please read it in conjunction with the Board's financial statements, which immediately follow this section.

### **Financial Highlights**

- The Board's revenues were \$844,169, which was a \$100,183 increase from the prior year. This increase is attributable primarily to the increase in renewal applications.
- The Board's current assets on June 30, 2024 were \$1,016,354, an increase of \$227,445 from the prior year.

During the past year, the Board has continued to make improvements to internal processes for potential licensees and interns. During the next year, the Board plans to add a new module to bring 35 years of legacy programmatic information into its database. The intent is for the Board to continue to find ways to streamline and improve its processes for efficiency and effectiveness in response to public requests for historical information.

### **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 fund financial statements include a balance sheet, a statement of revenues, expenditures, and changes in fund balance, and notes to the financial statements.

The Statement of Net Position and Governmental Fund Balance Sheet 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, deferred outflows, liabilities, and deferred inflows, with the difference reported as net position/fund balance. Over time, increases and decreases in net position/fund balance are one indicator of whether the financial position of the Board is improving or deteriorating.

The Statement of Net Position and Governmental Fund Balance Sheet provide information about the nature and amount of resources and obligations at year-end. The Statement of Activities and Governmental Fund Revenue, Expenditures and Changes in Fund Balance presents the results of the activities over the course of the fiscal year and information as to how the fund balance and net position changed during the year. The fund balance changes under the modified accrual method when revenue is received or the expenditures 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.

### **Financial Analysis**

The basic financial statements, as well as the required supplementary information, serve as the key financial data for the Board members' and management's monitoring and planning.

### **Statement of Net Position**

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.

During the year ended June 30, 2015, the Board implemented GASB Statements No. 68 and No. 71, *Accounting and Financial Reporting for Pensions and Pension Transitions for Contributions Made Subsequent to the Measurement Date*, respectively. In March 2016, the GASB issued Statement No. 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73*, effective for periods beginning after June 15, 2016, or June 15, 2017 when an employer's pension liability is measured on a date other than the employer's most recent fiscal year-end. The objective of this statement is to address certain issues that have been raised with respect to GASB Statements No. 67, No. 68, and No. 73 regarding: 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. Management implemented the statement during the year ended June 30, 2018.

During the year ended June 30, 2022, the Board implemented GASB Statement No. 75, *Accounting and Financial Reporting For Post-Employment Benefits other than Pensions*. The objective of this statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This statement was effective for periods beginning after June 15, 2017. Management implemented the statement during the year ended June 30, 2022.

### **Government-Wide Financial Analysis**

Net position may serve over time as a useful indicator or a government's financial position. In the case of the Board of Examiners for Social Workers, total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$347,343 as of June 30, 2024. The following presents a summary of the Board's net position for the following fiscal years.

Board of Examiners for Social Workers  
Management's Discussion and Analysis  
June 30, 2024

	June 30, 2024	June 30, 2023
Current assets	\$ 1,016,354	\$ 788,909
Capital assets, net	111,687	55,264
Deferred outflows of resources	201,485	221,397
Total Assets & Deferred Outflows of Resources	1,329,526	1,065,570
Current liabilities	118,070	130,293
Long-term liabilities	811,930	740,319
Deferred inflows of resources	52,183	62,770
Total Liabilities & Deferred Inflows of Resources	982,183	933,382
Net position		
Net investment in capital assets	4,916	3,627
Unrestricted	342,427	128,561
Total Net Position	\$ 347,343	\$ 132,188

**Changes in Net Position**

The Board's total revenues for the fiscal year ended June 30, 2024 were \$844,169. The total cost of all programs and services were \$629,014. The following is a summary of the changes for the following years:

	June 30, 2024	June 30, 2023
Revenues		
Program Revenue	\$ 831,916	\$ 736,465
General Revenue	12,253	7,521
Total Revenue	844,169	743,986
Expenses		
Operation expenses	601,928	570,624
Depreciation expense	3,331	5,208
Amortization expense	23,755	23,860
Total Expenses	629,014	599,692
Change in Net Position	\$ 215,155	\$ 144,294



## **Financial Analysis of Board of Examiners for Social Workers' Funds**

As noted earlier, the Board of Examiners for Social Workers uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### **General Fund Budgetary Highlights**

The Board's actual expenses were less than budgeted due to contract services, salaries/wages and benefits, and operating expenses. The budget is based on prior year's activity plus any anticipated changes. Please refer to these changes discussed above under Financial Highlights.

The Board prepares its budget prior to the start of each year. This budget was not subsequently revised during the year. A comparison of this budget with actual results is provided in the required supplementary information section of this report.

### **Capital Assets and Debt Administration**

As of June 30, 2024, the Board has \$4,916 in net investment in capital assets. Assets are recorded as expenses in the year they are purchased for governmental fund financial statements. In government-wide financial statements, these assets are reflected at their historical costs less accumulated amortization and depreciation. Additional information can be found in the footnotes to these financial statements.

### **Economic Factors and Next Year's Budget and Rates**

The Board uses no specific economic factors in preparing its budget for the next fiscal year. The Board's revenue is limited by maximum license fees specified in the Nevada Revised Statutes. For expenses, the Board typically assumes an increase of 5% to 10% over the prior year for non-contract items.

### **Requests for Information**

This financial report is designed to provide the reader with a general overview of the Board's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Executive Director, Vikki Erickson, at 4600 Kietzke Lane, Suite O264, Reno, Nevada 89502.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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Board of Examiners for Social Workers  
Statement of Net Position and Governmental Fund Balance Sheet  
June 30, 2024

	Government Fund	Adjustments (Note 10)	Statement of Net Position
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 1,011,696	\$ -	\$ 1,011,696
Prepaid expenses	4,658	-	4,658
Total Current Assets	<u>1,016,354</u>	<u>-</u>	<u>1,016,354</u>
<b>NONCURRENT ASSETS</b>			
Capital assets, net of accumulated depreciation	-	111,687	111,687
Total Noncurrent Assets	<u>-</u>	<u>111,687</u>	<u>111,687</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Net pension liability related	-	189,472	189,472
Net OPEB liability related	-	12,013	12,013
Total Deferred Outflows of Resources	<u>-</u>	<u>201,485</u>	<u>201,485</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 1,016,354</u>	313,172	1,329,526
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payables	\$ 19,865	-	19,865
Accrued expenses	8,950	-	8,950
Current portion of lease liabilities	-	20,804	20,804
License fees received in advance	68,451	-	68,451
Total Current Liabilities	<u>97,266</u>	<u>20,804</u>	<u>118,070</u>
<b>NONCURRENT LIABILITIES</b>			
Accrued compensated absences	-	7,862	7,862
Net pension liability	-	521,275	521,275
Net OPEB liability	-	196,826	196,826
Lease liabilities	-	85,967	85,967
Total Noncurrent Liabilities	<u>-</u>	<u>811,930</u>	<u>811,930</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Net pension liability related	-	35,914	35,914
Net OPEB liability related	-	16,269	16,269
Total Deferred Inflows of Resources	<u>-</u>	<u>52,183</u>	<u>52,183</u>
Total Liabilities and Deferred Inflows of Resources	<u>97,266</u>	<u>884,917</u>	<u>982,183</u>
<b>FUND BALANCE/NET POSITION</b>			
<b>FUND BALANCE</b>			
Nonspendable	4,658	(4,658)	-
Unassigned	914,430	(914,430)	-
Total Liabilities and Fund Balance	<u>\$ 1,016,354</u>		
<b>NET POSITION</b>			
Net investment in capital assets		4,916	4,916
Unrestricted		342,427	342,427
Total Net Position		<u>\$ 347,343</u>	<u>\$ 347,343</u>

Board of Examiners for Social Workers  
Statement of Activities and Governmental Fund Revenue, Expenditures, and Changes in Fund Balance  
Year Ended June 30, 2024

	Government Fund	Adjustments (Note 10)	Statement of Activities
Expenditures/Expenses			
Board operations	\$ 607,194	\$ (5,266)	\$ 601,928
Depreciation expense	-	3,331	3,331
Amortization expense	-	23,755	23,755
Total expenditures/expenses	607,194	21,820	629,014
Program Revenue			
Charges for services, licensing revenue	831,916	-	831,916
Net Program Revenue	224,722	(21,820)	202,902
General Revenue			
Investment income	1,021	-	1,021
Gain on early termination of lease	-	592	592
Other income	10,640	-	10,640
Total General Revenue	11,661	592	12,253
Excess (Deficiency) of Revenue over (under) Expenditures	236,383	(236,383)	-
Change in Net Position	-	215,155	215,155
Fund Balance/Net Position			
Fund Balance/Net Position, June 30, 2023	682,705	(550,517)	132,188
Fund Balance/Net Position, June 30, 2024	<u>\$ 919,088</u>	<u>\$ (571,745)</u>	<u>\$ 347,343</u>

**Note 1 - Reporting Entity and Summary of Significant Accounting Policies**

The Board of Examiners for Social Workers (the “Board”) is regulated by the Nevada Revised Statutes, which also specify the authorized activities of the Board. The Board is the licensing and regulatory agency for the practice of social work in the State of Nevada. The Board was created to examine and pass upon the qualifications of the applicants for certification, to certify qualified applicants, to revoke or suspend certificates, and to collect all fees and make disbursements pursuant to the Nevada Revised Statutes Chapter 641B.

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, 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 by the provisions of NRS 590.485 and 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 of 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 GASB Statement No. 14, paragraph 131 as amended by GASB Statement No. 39. This classification allows for the preparation of GASB Statement No. 34 financial statements under an optional reporting method which combines the fund and government-wide statements into a single presentation. Under GASB Statement No. 34 methodology, 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 changes in 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.

**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.

**Note 1 - Reporting Entity and Summary of Significant Accounting Policies (continued)**

**Basis of Accounting (continued)**

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 collectable within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

**Cash and Cash Equivalents**

Cash is maintained in one commercial bank in Reno, Nevada. The Board participates in the State of Nevada collateralization program to assure that funds deposited are protected.

Cash also consists of time certificates of deposit, which are stated at fair value. The net increase (decrease) in the fair value of the investments is the difference between the cost (if purchased during the fiscal year) or the fair value of the investments at the beginning of the year, and the fair value of the investments at the end of the year. Changes in fair value of the certificates are reflected, together with interest income, as investment income in the accompanying financial statements. The Board's certificates are held in its name and it participates in the State of Nevada Pooled Collateral Program to assure that funds deposited are protected. By statute, all cash must be deposited in entities that are located in the State of Nevada.

The Board has not adopted formal policies that limit the allowable deposits and address the specific types of risk to which the Board is exposed. Due to the nature of holdings, the Board does not believe it is exposed to significant risk.

**Capital Assets**

Capital assets, which include office equipment, are reported in the net position column in the government-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$1,000 and an estimated useful life of at least one year. Such assets are recorded at historical cost. Donated assets are recorded at acquisition 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 the estimated useful lives of three to twenty years.

Under the modified accrual basis of accounting, acquisitions are considered expenditures in the year purchased.

**Leases**

For long term leases, a lease liability and a right-of-use (ROU) intangible asset are recognized at the commencement of the lease term. ROU assets represent the Board's right to use an underlying asset for the lease term and lease liabilities represent the Board's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term.

**Note 1 - Reporting Entity and Summary of Significant Accounting Policies (continued)**

**Compensated Absences**

Compensated absences are accounted for in accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, which requires that a liability for compensated absences relating to services already rendered and that are not contingent on a specified event be accrued as an employee earns the rights to the benefits. Compensated absences relating to future services or that are contingent on a specified event will be accounted for in the period those services are rendered, or those events take place. The Board policy permits employees to accumulate earned but unused comp time, vacation and sick benefits subject to certain limitations on hours based on years of service. The sick time paid upon termination is limited to certain payout requirements and has hereby been reflected in the accompanying financial statements based upon these limitations. For the general fund, only the portion of the compensated absences paid from available resources are reflected as a liability, if applicable. The full liability is reflected in the government-wide financial statements.

**Licensing and License Fees Received in Advance**

Licensing revenue includes fees for applications, registrations and renewals, fines and penalties for late registration, disciplinary fines and charges for administrative duties performed by the Board. The Board receives license fees as specified by the Nevada Revised Statutes. These license fees cover annual periods beginning in the month of licensure.

Licensing fees for renewals received in advance of the licensure period are recorded as licensing fees received in advance.

**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 not be recognized as an outflow of resources (expense/expenditure) until then. The differences between expected and actual experience, changes in assumptions, changes in proportion, and differences between employer contributions and proportionate share of contributions as well as contributions made after the measurement period for pensions and other post-employment benefits 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, differences between projected and actual investment earnings on pension plan investments and other post-employment benefits qualify for reporting in this category.

**Note 1 - Reporting Entity and Summary of Significant Accounting Policies (continued)**

**Fund Equity and Net Position**

In the governmental fund financial statements, fund balances are classified as follows:

- Nonspendable – represents amounts that are either not in a spendable form or are legally or contractually required to remain intact. The Board includes fund balances that have been prepaid for expenses and deposits on hand in this category.
- Restricted – represents amounts which can be spent only for specific purposes because of state or federal laws, or externally imposed conditions. The Board has no restricted fund balances.
- Committed – represents amounts which can be used only for specific purposes determined by the members of the governing Board’s formal action through a resolution or action. The Board has no committed funds.
- Assigned – represents amounts that are intended by the Board for specific purposes but do not require action by the governing Board. The Board has no assigned funds.
- Unassigned – represents all amounts not included in spendable classifications.

The Board has established a Fiscal Reserve Policy (the “Policy”) during the year ended June 30, 2024. The Policy identifies a target balance for the Operating Reserve Contingency Fund, to protect the Board’s operation when revenues fall short of expenses. The Operating Reserve Contingency Fund is in an amount equal to one year’s operating expenses of the preceding year’s budget, or the total amount available if less than one year’s operating funds are available from the undesignated fund balance. The policy also addresses other areas where the Board may incur substantial expenses outside its normal operating budget, such as Risk Management and Technology Upgrades and Management. Annually, the Board reviews the reserve funds for adjustment or replenishment. As the reserve funds are maintained in the general fund, the fund balance is presented as unassigned.

The Board’s policy is to first apply expenditures against restricted, committed, assigned fund balances and then unassigned balances. On an annual basis, assigned fund balances are determined based upon available resources.

In the government wide financial statements, equity is classified as net position and displayed in the three following components, as applicable:

- Net investment in capital assets – consists of capital assets, net of accumulated depreciation, right-of-use 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, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – net position that is neither classified as “net investment in capital assets” nor as “restricted.”

The Board’s policy is to first apply expenditures against restricted net position and then unrestricted balances.



**Note 1 - Reporting Entity and Summary of Significant Accounting Policies (continued)**

**Pensions**

For 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 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, 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 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 materiality 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.

**New Accounting Pronouncements - Adopted**

During the year ended June 30, 2024, the Board implemented the provisions of GASB Statement No. 100, *Accounting Changes and Error Corrections*. Issued in June 2022, the primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. There is no impact to the Board for implementing this standard.

**New Accounting Pronouncements – Not Yet Adopted**

The following GASB pronouncements have been issued, but are not effective as of June 30, 2024:

GASB Statement No. 101, *Compensated Absences*. Issued in June 2022, Governments commonly provide benefits to employees in the form of compensated absences. The primary 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. Statement No. 101 will be effective for the Board for fiscal year ending June 30, 2025.

**Note 1 - Reporting Entity and Summary of Significant Accounting Policies (continued)**

**New Accounting Pronouncements – Not Yet Adopted (Continued)**

GASB Statement No. 102, *Certain Risk Disclosures*. Issued in December 2023, the primary objective of this Statement is to enhance the quality and completeness of financial reporting by ensuring that stakeholders are informed about significant risks that could impact the entity's financial position. Statement No. 102 will be effective for the Board for fiscal year ending June 30, 2025.

The Board will implement new GASB pronouncements no later than the required effective date. The Board is currently evaluating whether or not the above listed new GASB pronouncements will have a significant impact on the Board's financial statements.

**Subsequent Events**

In preparing these financial statements, the Board has evaluated events and transactions for potential recognition or disclosure through **Date Pending, 2024**, the date the financial statements were available to be issued.

**Note 2 - Compliance with Nevada Revised Statutes and Nevada Administrative Code**

The Board conformed to all significant statutory constraints on its financial administration during the fiscal year under Nevada Revised Statutes.

**Note 3 - Deposits with Financial Institutions**

The Board maintains its checking and certificate of deposit accounts in one commercial bank. Custodial credit risk is the risk that in the event of a bank failure, the Board's deposits may not be returned. The time certificates of deposit are held in the name of the Board. The accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 in the aggregate per bank for the checking accounts.

The bank balance at June 30, 2024 that is not covered by the FDIC is \$758,450. By provisions of statutes, the Board is required to deposit all money in banks or savings and loan associations located in the State of Nevada.

**Note 4 - Capital Assets**

The capital asset activity during the year is as follows:

	June 30, 2023	Additions	Deletions	June 30, 2024
Capital assets being depreciated/amortized				
Office furniture	\$ 2,961	\$ -	\$ -	\$ 2,961
Computer equipment	38,514	-	-	38,514
Software	10,389	-	-	10,389
Leasehold improvement	-	4,337	-	4,337
Right-of-Use Assets: Building	106,405	105,860	(106,405)	105,860
Right-of -Use Assets: Multifunction printer	8,937	-	-	8,937
Right-of-Use Assets: Postage machine	3,958	-	-	3,958
	<u>171,164</u>	<u>110,197</u>	<u>(106,405)</u>	<u>174,956</u>
Less accumulated depreciation/amortization				
Office furniture	2,552	410	-	2,962
Computer equipment	35,403	1,852	-	37,255
Software	9,392	997	-	10,389
Leasehold improvement	-	72	-	72
Right-of-Use Assets: Building	62,070	21,176	(79,717)	3,529
Right-of -Use Assets: Multifunction printer	5,362	1,787	-	7,149
Right-of-Use Assets: Postage machine	1,121	792	-	1,913
	<u>115,900</u>	<u>27,086</u>	<u>(79,717)</u>	<u>63,269</u>
Capital assets, net	<u>\$ 55,264</u>	<u>\$ 83,111</u>	<u>\$ (26,688)</u>	<u>\$ 111,687</u>

**Note 5 – Leases**

The Board currently leases office space in Reno, Nevada. The previously existing lease, which was set to expire on July 31, 2025, was terminated early in May 2024, resulting in an early termination gain of \$592, as presented on the Statement of Activities. The Board entered into a new lease with the same landlord on May 1, 2024 with a lease term of 60 months, and the monthly rental payment ranges from \$1,905 to \$2,144. In addition, the Board leases a multifunction printer and a postage machine. The existing lease of the multifunction printer commenced on July 1, 2020 and is set to expire on June 30, 2025. The existing lease of the postage machine commenced on February 1, 2022 and is set to expire on January 1, 2027.

At the time of initial measurement, there was no interest rate specified in the original lease agreement. Accordingly, the Board has used an incremental borrowing rate equal to the five year treasury rate as reported by the US Treasury Department to discount the annual lease payments to recognize the intangible right to use this asset and the lease liability as of June 30, 2024.

	June 30, 2023	Additions	Deletions	June 30, 2024	Amount due in one year
Lease liabilities:					
Right-of-Use Assets: Building	\$ 45,151	\$105,860	\$ (48,142)	\$ 102,869	\$ 18,201
Right-of -Use Assets: Multifunction printer	3,592	-	(1,793)	1,799	1,799
Right-of-Use Assets: Postage machine	2,894	-	(791)	2,103	804
	<u>\$ 51,637</u>	<u>\$105,860</u>	<u>\$ (50,726)</u>	<u>\$ 106,771</u>	<u>\$ 20,804</u>

**Note 5 – Leases (continued)**

Annual requirements to amortize long- term obligations and related interest are as follows:

Year Ending June 30	Principal	Interest	Total
2025	\$ 20,804	\$ 4,813	\$ 25,617
2026	20,552	3,950	24,502
2027	21,842	3,021	24,863
2028	23,083	2,022	25,105
2029	20,490	952	21,442
	\$ 106,771	\$ 14,758	\$ 121,529

**Note 6 - Pensions**

*Plan Description*

PERS (System) administers a cost-sharing, multiple-employer, defined benefit 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 earnings capacities have been removed or substantially impaired by age or disability.

*Benefits Provided*

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

Monthly benefit allowances for members are computed as 2.5% 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% service time factor and for regular members entering the System on or after July 1, 2015, there is a 2.25% multiplier. 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.

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

**Note 6 – Pensions (continued)**

*Vesting*

Regular members entering the System prior to January 1, 2010 are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with thirty 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 10 years of service, or any age with thirty 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 20 years of service, or at age 55 with 30 years of service, or at any age with 33 1/3 years of service.

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*

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. Contributions are shared equally by employer and employee. Employees can take a reduced salary and have contributions made by the employer (EPC) or can make contributions by a payroll deduction matched by the employer.

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

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 actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 486.450.0

The actuary funding method used is the Entry Age Actuarial Cost Method. It is intended to meet the funding objective and result in relatively level long-term contributions requirements as a percentage of salary.

For the year ended June 30, 2023, the Statutory Employer/Employee matching rate was 17.5% for Regular employees. The Employer-pay contribution (EPC) rate was 33.50%, for June 30, 2023 for Regular employees.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

At June 30, 2024, the Board reported a liability of \$521,275 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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 contributions relative to the total combined employer contributions for all employers for the period ended June 30, 2023. At June 30, 2023, the Board's proportion was 0.00286%.

**Note 6 – Pensions (continued)**

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)*

For the year ended June 30, 2024, the Board recognized pension expense of \$72,641. Amounts totaling \$67,187 resulting from Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in year ended June 30, 2024. For the year ended June 30, 2024, the Board contributed \$67,187 under the statutes requirements based on covered payroll of \$268,365 which equates to 25.04% overall to the plan. At June 30, 2024, the Board reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 67,945	\$ -
Changes of assumptions	48,853	-
Net difference between projected and actual earnings on pension plan investments	-	4,879
Changes in proportion and differences between employer contributions and proportionate share of contributions	5,487	31,035
Contributions subsequent to the measurement date	67,187	-
	\$ 189,472	\$ 35,914

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

Years ending June 30,

2025	\$ 4,138
2026	8,805
2027	65,990
2028	6,018
2029	1,420
	\$ 86,371

The net difference between projected and actual investment earnings on pension plan investments will be recognized over five years, all the other above deferred outflow and deferred inflows will be recognized over the average expected remaining services lives, which was 5.63 years for the measurement period ending June 30, 2023.

Reconciliation of the net pension liability at June 30, 2024 is as follows:

Beginning net pension liability	\$ 527,734
Pension expense	72,641
Employer contributions	(33,061)
Current year net deferred (inflows) and outflows	(46,039)
Ending net pension liability	\$ 521,275

**Note 6 – Pensions (continued)**

*Actuarial Assumptions*

The System's net pension liability was measured as of June 30, 2023, 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	4.2% to 9.1%, depending on service
	Rates include inflation and productivity increases
Other assumptions	Same as those used in the June 30, 2023 funding actuarial valuation

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of the experience study covering the period from July 1, 2016 to June 30, 2020.

The discount rate used to measure the total pension liability was 7.25% as of June 30, 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, 2023, was projected to be available to make all projected future benefit payments for 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, 2023.

*Investment Policy*

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

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return *
U.S. Stocks	42%	5.50%
International Stocks	18%	5.50%
U.S. Bonds	28%	0.75%
Private Markets	12%	6.65%

\*As of June 30, 2023, PERS' long-term inflation assumption was 2.5%.

**Note 6 – Pensions (continued)**

*Discount Rate and Pension Liability Discount Rate Sensitivity*

The following presents the net pension liability of the PERS as of June 30, 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:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 812,360	\$ 521,275	\$ 282,428

*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 Fiscal Report (ACFR) available on the PERS website at [www.nvpers.org](http://www.nvpers.org) under Quick Links – Publications.

**Note 7 - Other Post-Employment Benefits (OPEB)**

*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, and certain other participating public employers within the State of Nevada. PEBP does not provide for refunds of employee contributions. The Self Insurance Trust Fund issues a publicly available financial report that can be obtained at <https://pebp.state.nv.us>.

*Benefits Provided*

PEBP provides medical, dental, vision, mental health and substance abuse 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 Boards’ contractually required contribution for the year June 30, 2024, was \$9,247, actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year. Employees are not required to contribute to the OPEB plan.



**Note 7 - Other Post-Employment Benefits (OPEB) (Continued)**

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

At June 30, 2024, the Board reported a liability of \$196,826 for its proportional share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. 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, actuarially determined. At June 30, 2023 the Board's proportion was 0.01350%.

For the year ended June 30, 2024, the Board recognized OPEB expense of \$20,371. At June 30, 2024, the Board 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
Differences between expected and actual experience	\$ -	\$ 3,861
Changes of assumptions	2,766	12,351
Net difference between expected and actual earnings on OPEB plan investments	-	57
System contributions subsequent to the measurement date	9,247	-
	\$ 12,013	\$ 16,269

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

Year ending June 30,	
2025	\$ (5,641)
2026	(6,547)
2027	(584)
2028	(576)
2029	(155)
	\$ (13,503)

*Actuarial Assumptions*

The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

**Note 7 - Other Post-Employment Benefits (OPEB) (Continued)**

*Actuarial Assumptions (Continued)*

Inflation rate	2.50%
Discount rate	3.65%
Investment rate of return	2.50%
Productivity pay increase	0.50%
Promotional and merit salary increase	Regular: 1.20% to 6.10%, 2.78% average
Healthcare cost trend rates	4.8% initial, 4.50% ultimate

Healthy Mortality rates were based on the Public Retirement Plans General Mortality Table weighted by Headcount, projected by MP-2020 for civilians, and on the Public Retirement Plans Safety Mortality Table weighted by Headcount, projected by MP-2020 for officers. Disabled Mortality rates were based on the Public Retirement Plans General Disabled Mortality Table weighted by Headcount, projected by MP-2020 for civilians, and on the Public Retirement Plans Safety Disabled Mortality Table weighted by Headcount, projected by MP-2020 for officers.

Plan fiduciary net position (plan asset) was valued as of the measurement date of June 30, 2023 and the total OPEB liability was determined from actuarial valuation using data as of measurement date June 30, 2023.

*Discount Rate*

The discount rate basis under GASB Statement No. 75 is required to be consistent with a 20-year Municipal Bond Index. The Bond Buyer General Obligation 20-Bond Municipal Bond Index is used for the determination of the discount rate.

The discount rate as of June 30, 2023 was 3.65%. Additional detail regarding the discount rates as of June 30, 2023 is provided in the "Actuarial Assumptions and Actuarial Cost Method" 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 net OPEB liability, as well as what the Board's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Net OPEB liability	\$ 215,888	\$ 196,826	\$ 208,506

*Sensitivity of the Board's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates*

The following presents the Board's proportionate share of the net OPEB liability, as well as what the Board's proportionate share of the net OPEB liability would be if it were calculated using health care cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current health care cost trend rates:

**Note 7 - Other Post-Employment Benefits (OPEB) (Continued)**

*Sensitivity of the Board's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates (Continued)*

	Health Care Cost Trend Rates		
	1% Decrease	Trend rate	1% Increase
Net OPEB liability	\$ 215,888	\$ 196,826	\$ 180,292

*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 8 - Compensated Absences**

The current portion of compensated absences is defined as those benefits that would be liquidated with available expendable resources as a result of employees who have terminated employment with 60 days subsequent to year end. The current portion of the cost of compensated absences is recorded as a payroll expenditure.

The additions and deletions to compensated absences were as follows:

	Balance June 30, 2023	Increase (Decrease)	Balance June 30, 2024
Vacation	\$ 4,534	\$ 3,328	\$ 7,862
Sick leave	13,587	(13,587)	-
Accrued compensated absences	\$ 18,121	\$ (10,259)	\$ 7,862

These amounts are reflected in the government-wide financial statements as compensated absences, under current and noncurrent liabilities.

**Note 9 - Litigation**

The Board is subject to legal proceedings and claims, which have arisen in the ordinary course of its business and have not been finally adjudicated. These actions, when ultimately concluded and determined, in the opinion of the Board, will not have a material adverse effect on the financial position of the Board, and, accordingly, no provisions for losses have been recorded.

**Note 10 - Conversion to Government-Wide Financial statements**

Adjustments on the face of the financial statements were made to the fund balance sheet and statement of revenue, expenditures, and changes in fund balance in order to reconcile the fund financial statements to the government-wide statements of net position and activities.

Statement of Net Position and Governmental Fund Balance Sheet Adjustments – Increase (decreases):

Capitalization of fixed assets of \$56,201, accumulated depreciation of (\$50,678) – \$5,523  
Capitalization of right of use assets of \$118,755, accumulated amortization of (\$12,591) – \$106,164  
Inclusion of lease liabilities of (\$106,771)  
Pension activity including deferred outflows of \$189,472, net pension liability of (\$521,275) and deferred inflow of (\$35,914) – (\$367,717)  
OPEB activity including deferred outflows of \$12,013, net OPEB liability of (\$196,826) and deferred inflow of (\$16,269) – (\$201,082)  
Inclusion of compensated absences – (\$7,862)

Statement of Activities and Governmental Fund Revenue, Expenditures, and Changes in Fund Balances Adjustments – Increases (decreases):

Increase (decrease) in operating expenditures/expenses:  
Increase in net pension liability and related accounts – \$8,167  
Increase in net OPEB liability and related accounts - \$8,366  
Increase in salaries – \$5,984  
Increase in interest expense – \$972  
Addition of depreciation expense – \$3,331  
Addition of amortization expense – \$23,755  
Removal of rental payment to right of use assets – (\$28,755)

Increase (decrease) in revenues:  
Gain on early termination of lease– \$592

REQUIRED SUPPLEMENTARY INFORMATION

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Board of Examiners for Social Workers  
 Budgetary Comparison Schedule – General Fund  
 For the year ended June 30, 2024

	Original Budget	Final Budget	Actual	Over (Under) Budget
<b>REVENUES</b>				
Program revenues	\$ 706,600	\$ 706,600	\$ 831,916	\$ 125,316
Investment income	5	5	1,021	1,016
Other income	8,000	8,000	10,640	2,640
Total revenue	<u>714,605</u>	<u>714,605</u>	<u>843,577</u>	<u>128,972</u>
<b>EXPENDITURES</b>				
Salaries, wages and benefits	440,000	440,000	411,711	(28,289)
Contract services	154,000	154,000	102,778	(51,222)
Operating costs	89,200	89,200	73,547	(15,653)
Professional dues	8,250	8,250	375	(7,875)
Bank charges and credit card processing	14,250	14,250	16,005	1,755
Travel	5,000	5,000	2,100	(2,900)
Office equipment	3,000	3,000	678	(2,322)
Total expenditures	<u>713,700</u>	<u>713,700</u>	<u>607,194</u>	<u>(106,506)</u>
Excess of revenue over expenditures	<u>\$ 905</u>	<u>\$ 905</u>	<u>\$ 236,383</u>	<u>\$ 235,478</u>

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Board of Examiners for Social Workers  
Pension Information – Schedule of Proportionate Share of the Net Pension Liability  
Last Ten Fiscal Years

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Schedule of Changes in Net Pension Liability  
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability	0.00286%	0.00292%	0.00294%	0.00294%	0.00305%	0.00372%	0.00256%	0.00243%	0.00243%	0.00248%
Proportionate share of the net pension liability	\$521,275	\$ 527,733	\$ 268,291	\$ 409,647	\$ 416,417	\$ 507,744	\$ 340,782	\$ 327,186	\$ 277,899	\$ 258,970
Covered payroll	\$ 230,795	\$ 207,524	\$ 201,923	\$ 200,984	\$ 202,745	\$ 238,200	\$ 158,610	\$ 142,165	\$ 141,253	\$ 142,026
Proportionate share of the net pension liability as a percentage of its covered payroll	225.86%	254.30%	132.87%	203.82%	205.39%	213.16%	214.86%	230.15%	196.74%	182.34%
Plan fiduciary net position as a percentage of the total pension liability	76.16%	75.12%	86.51%	77.04%	76.50%	75.20%	74.40%	72.20%	75.10%	76.31%

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Board of Examiners for Social Workers  
Pension Information – Schedule of Contributions  
Last Ten Fiscal Years

	Schedule of Contributions Last Ten Fiscal Years									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contributions	\$ 67,187	\$ 35,773	\$ 32,225	\$ 30,793	\$ 30,650	\$ 29,398	\$ 34,539	\$ 22,999	\$ 20,614	\$ 18,716
Contributions in relation to contractually required contributions	<u>(67,187)</u>	<u>(35,773)</u>	<u>(32,225)</u>	<u>(30,793)</u>	<u>(30,650)</u>	<u>(29,398)</u>	<u>(34,539)</u>	<u>(22,999)</u>	<u>(20,614)</u>	<u>(18,716)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered employee payroll	\$ 268,365	\$ 230,795	\$ 207,524	\$ 201,923	\$ 200,984	\$ 202,745	\$ 238,200	\$ 158,610	\$ 142,165	\$ 141,253
Contributions as a percentage of covered payroll	25.04%	15.50%	15.53%	15.25%	15.25%	14.50%	14.50%	14.50%	14.50%	13.25%

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Board of Examiners for Social Workers  
Other Postemployment Benefits information – Schedule of Proportionate Share of the Net OPEB Liability  
Last Ten Fiscal Years

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	Schedule of Changes in Net OPEB Liability Last Ten Fiscal Years						
	2023	2022	2021	2020	2019	2018	2017
Proportion of the net OPEB liability	0.01350%	0.01270%	0.01250%	0.01210%	0.01240%	0.01270%	0.00690%
Proportionate share of the net OPEB liability	\$ 196,826	\$ 183,160	\$ 193,420	\$ 181,448	\$ 172,871	\$ 167,661	\$ 89,984
Covered payroll	\$ 230,795	\$ 289,265	\$ 261,285	\$ 247,648	\$ 246,941	\$ 240,150	\$ 114,806
Proportionate share of the net OPEB liability as a percentage of its covered payroll	85.28%	63.32%	74.03%	73.27%	70.01%	69.82%	78.38%
Plan fiduciary net position as a percentage of the total OPEB liability	-2.14%	-1.41%	-0.65%	-0.38%	0.02%	0.12%	0.11%

Note: GASB Statement No. 75 requires ten years of information to be presented in these tables. However, until a full 10-year trend is compiled, the Board will present information for those years for which information is available.

Board of Examiners for Social Workers  
Other Postemployment Benefits information – Schedule of Contributions  
Last Ten Fiscal Years

Schedule of Contributions Last Ten Fiscal Years		2024	2023	2022	2021	2020	2019	2018
Contractually required contributions		\$ 9,247	\$ 5,184	\$ 5,049	\$ 4,937	\$ 5,295	\$ 5,079	\$ 5,022
Contributions in relation to contractually required contributions		(9,247)	(5,184)	(5,049)	(4,937)	(5,295)	(5,079)	(5,022)
Contribution deficiency (excess)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board's covered employee payroll		\$ 314,926	\$ 230,795	\$ 289,265	\$ 261,285	\$ 247,648	\$ 246,941	\$ 240,150
Contributions as a percentage of covered payroll		2.94%	2.25%	1.75%	1.89%	2.14%	2.06%	2.09%

Note: GASB Statement No. 75 requires ten years of information to be presented in these tables. However, until a full 10-year trend is compiled, the Board will present information for those years for which information is available.

COMPLIANCE SECTION

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*Casey Neilson, Inc.*  
Accountants and Advisors

**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 Board of Directors of  
Board of Examiners for Social Workers  
Reno, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Board of Examiners for Social Workers (the "Board") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated **Date Pending, 2024**.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 charged with governance.

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

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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* and in considering the Board’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carson City, Nevada  
Date Pending, 2024

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