Financial Statements
September 30, 2018 and 2017

NEVADA PUBLIC RADIO®

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Empowering People to Respond to and Engage with Their Community

EideBailly
CPAs & BUSINESS ADVISORS

Independent Auditor's Report

To the Board of Directors
Nevada Public Radio
Las Vegas, Nevada

Report on the Financial Statements
We have audited the accompanying financial statements of Nevada Public Radio (a nonprofit organization), which comprise the statements of financial position as of September 30, 2018 and 2017, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

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

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Nevada Public Radio as of September 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Eide Bailly LLP

Las Vegas, Nevada
May 7, 2019

NEVADA PUBLIC RADIO
Statements of Financial Position
September 30, 2018 and 2017

	2018	2017
ASSETS		
Current Assets		
Cash and Cash Equivalents, *unrestricted*	$ 68,398	$ 57,065
Cash, *temporarily restricted*	594,027	-
Investments, *unrestricted*	(57,398)	35,569
Accounts Receivable	360,908	346,354
Membership Promises to Give, *net of allowance*	562,538	552,501
Give Voice Major Gift Initiative Promises to Give, *current*	375,000	2,000
Prepaid Expenses	26,051	34,431
Total Current Assets	1,929,524	1,027,920
Long-Term Assets		
Broadcast Frequencies and other Intangible Assets, *net of accumulated amortization*	669,815	710,475
Building, *net of accumulated depreciation*	2,653,616	2,746,909
Equipment, *net of accumulated depreciation*	1,010,938	637,508
Furniture and Fixtures, *net of accumulated depreciation*	58,701	71,759
Other Property, *net of accumulated depreciation*	72,440	75,559
Refundable Deposits	2,894	1,988
Give Voice Major Gift Initiative Promises to Give, *non-current, net of discount*	818,506	11,000
Investments, *temporarily restricted*	1,399,251	1,438,843
Investments, *permanently restricted*	850,310	850,310
Total Long-Term Assets	7,536,471	6,544,351
TOTAL ASSETS	**$ 9,465,994**	**$ 7,572,271**
LIABILITIES AND NET ASSETS		
Liabilities		
Current Liabilities		
Accounts Payable	$ 1,141,629	$ 807,514
Accrued Expenses	276,186	277,103
Capital Lease Payable, *current portion*	-	7,741
Notes Payable, *current portion*	116,835	150,579
Line of Credit	174,255	195,975
Deferred Revenue	102,498	116,271
Total Current Liabilities	1,811,403	1,555,183
Long-Term Liabilities		
Notes Payable, *net of current portion*	314,629	431,097
Total Long-Term Liabilities	314,629	431,097
Total Liabilities	2,126,032	1,986,280
Net Assets		
Unrestricted	2,175,887	1,996,315
Temporarily Restricted	4,313,765	2,739,366
Permanently Restricted	850,310	850,310
Total Net Assets	7,339,962	5,585,991
TOTAL LIABILITIES AND NET ASSETS	**$ 9,465,994**	**$ 7,572,271**

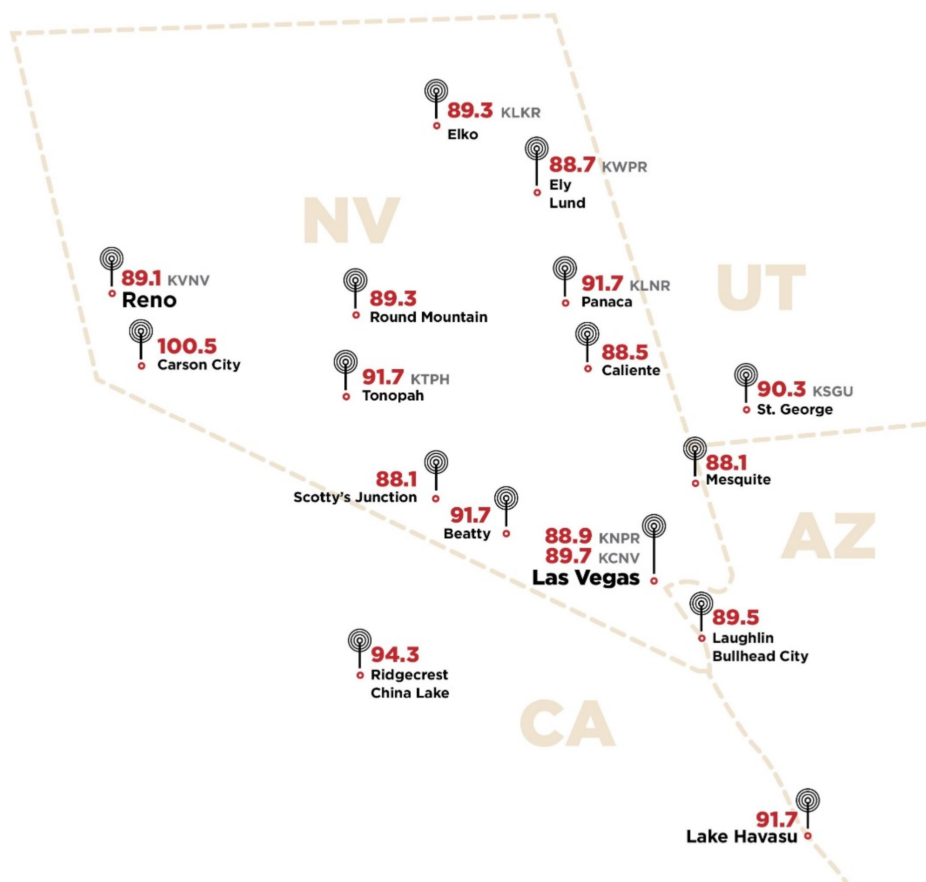
	2018	2017
Unrestricted Net Assets		
Revenue, Gains and Other Support		
Membership	$ 1,905,440	$ 1,782,994
Corporate Support/Underwriting	3,026,700	2,989,858
Federal Funding (CPB Grants)	351,202	349,815
State Funding (Nevada Legislative Grant)	144,956	146,849
Donated Services and Equipment	29,902	31,477
Net Investment Return/(Loss)		
Endowment	20,719	53,414
Cash Reserves	9	(503)
Sales, Subscriptions and Other Revenue	73,590	203,936
Sale of Donated Items	413,741	469,064
	5,966,260	6,026,904
Net Assets Released from Restrictions through Satisfaction of Program and Time Restrictions	1,852,708	1,433,265
Total Unrestricted Revenue, Gains and Other Support	**7,818,968**	**7,460,169**
Expenses		
Program Services		
Broadcast Programming	1,356,573	1,282,639
Engineering and Operations	1,063,880	1,007,082
Community Relations	243,600	243,852
Desert Companion	1,203,681	1,310,551
News	691,186	716,682
Total Program Services Expense	4,558,920	4,560,806
Fundraising		
Membership and Special Events	1,128,504	1,087,919
Give Voice Major Gift Initiative	272,847	28,000
Corporate Support/Underwriting	971,763	966,131
Total Fundraising Expense	2,373,114	2,082,050
Management and General		
Administration	707,362	736,756
Total Management and General Expense	707,362	736,756
Total Expenses	**7,639,396**	**7,379,612**
Change in Unrestricted Net Assets	**179,572**	**80,557**
Temporarily Restricted Net Assets		
Revenue, Gains and Other Support		
Membership Revenue	562,538	549,403
Give Voice Major Gift Initiative Revenue	2,690,268	15,000
Federal Funding (CPB Grants)	116,494	114,985
Net Investment Return/(Loss)		
Endowment	120,313	238,855
Give Voice Major Gift Initiative Interest	3,111	-
Net Assets Released from Restrictions through Satisfaction of Program and Time Restrictions	(1,852,708)	(1,433,265)
Total Temporarily Restricted Revenues, Gains and Other Support	1,640,016	(515,022)
Loss on Uncollectible Temporarily Restricted Membership Revenue	(65,617)	(47,812)
Change in Temporarily Restricted Net Assets	**1,574,399**	**(562,834)**
Change in Net Assets	**1,753,971**	**(482,276)**
Beginning Net Assets	5,585,991	6,068,267
Ending Net Assets	**$ 7,339,962**	**$ 5,585,991**

	2018	2017
OPERATING ACTIVITIES		
Change in Net Assets	$ 1,753,971	$ (482,276)
Adjustments to Reconcile Change in Net Assets		
to Net Cash Provided by (Used in) Operations:		
Depreciation of Property and Equipment	286,723	330,870
Amortization of Intangible Assets	71,335	73,598
Realized and Unrealized (Gain)/Loss on Operating Investments	(141,032)	(260,874)
Contributions Restricted to *Give Voice* Major Gift Initiative	(1,496,762)	-
Discount on *Give Voice* Major Gift Initiative Promises to Give	78,285	-
Bad Debt Expense	82,288	56,198
Change in Operating Assets and Liabilities:		
(Increase)/Decrease in Receivables	(1,283,684)	(172,062)
(Increase)/Decrease in Prepaid Expenses	8,380	(6,602)
(Increase)/Decrease in Deposits	(906)	(1,988)
Increase/(Decrease) in Deferred Revenues	(13,773)	(8,904)
Increase/(Decrease) in Accounts Payable and Accrued Expenses	294,584	197,250
Net Cash used in Operating Activities	**(360,591)**	**(274,790)**
INVESTING ACTIVITIES		
Cash Received from Sale of Investments	1,936,427	1,414,254
Cash Paid for Purchase of Investments	(1,744,821)	(644,887)
(Additions to)/Withdrawals from Cash Restricted to Give Voice *Major Gift Initiative*	(594,027)	-
Purchase of Building and Other Property	(521,322)	(288,612)
Purchase of Intangible Assets	(29,164)	(694,734)
Net Cash used in Investing Activities	**(952,907)**	**(213,979)**
FINANCING ACTIVITIES		
Collections of Contributions Restricted to Give Voice *Major Gift Initiative*	1,496,762	-
Proceeds from Issuance of Long-Term Debt	-	600,000
Repayments of Long-Term Debt Obligations	(150,211)	(102,577)
Net (Payments)/Borrowings from Line of Credit	(21,720)	(4,025)
Net Cash Provided by Financing Activities	**1,324,831**	**493,398**
Net Cash Increase for Period	11,332	4,629
Cash at Beginning of Period 09/30/2017	57,066	52,437
Cash at End of Period 09/30/2018	**$ 68,398**	**$ 57,066**
Supplemental Disclosure of Cash Flow Information		
Cash Paid for Interest	$ 27,203	$ 19,504
Supplemental Disclosure of Non-Cash Investing and Financing Activity		
Accounts Payable for Property and Equipment	$ 30,871	$ -

Note 1 - Nature of Business and Significant Accounting Policies

Nature of Business

Nevada Public Radio (NVPR) was incorporated as a nonprofit corporation under the laws of the State of Nevada in December 1975 and commenced broadcasting on March 24, 1980. Nevada Public Radio enhances the quality of life and fosters civic engagement by informing, educating, and inspiring our growing audiences by operating non-commercial broadcast frequencies originating from Las Vegas and Reno, and a network of repeater and translator frequencies in Nevada, St. George, Utah and parts of California and Arizona.



<u>We empower people to respond to and engage with their community.</u> NVPR provides noncommercial news, information and cultural programming and services through broadcast, online and publishing activities. At September 30, 2018, NVPR operated eight FM radio stations – KNPR and KCNV in Las Vegas, KTPH in Tonopah, KLNR in Panaca, KWPR in the Lund/Ely, Nevada area, KSGU in St. George, Utah, KLKR in Elko and Nevada Public Radio's newest channel dedicated to music discovery, KVNV (NV89) in Reno, Nevada at 89.1FM. NVPR also operates nine rural translators repeating News 88.9 KNPR in Nevada, California and Arizona and a repeater of NV89 at 100.5FM is in Carson City, Nevada.

In addition, Nevada Public Radio is the publisher of the premiere city regional magazine, *Desert Companion*, with a monthly distribution of 55,000 copies. Honored with numerous national awards (most recently the prestigious Folio award), *Desert Companion* compliments Nevada Public Radio's long-form journalism and reaches additional audiences with high-quality editorial and visual content.

Description of Program Services

Broadcast Programming

Nevada Public Radio's flagship NPR station is the highest rated radio news broadcaster in the market. Delivering high quality, unduplicated broadcast programming is NVPR's core business and is the foundation on which all other station activities rest. Nevada Public Radio has been an exceptional steward of the public airwaves for nearly four decades. We have a sterling reputation for journalistic excellence and as a partner to elevate the civic, cultural and philanthropic life of the communities we share.

Our music stations serve the cultural appetites of the region. Classical 89.7 features full length concert broadcasts including the Las Vegas Philharmonic and provides a haven from the relentless news cycle with timeless classical music 24 hours a day, seven days a week. Our newest music channel, NV89 at 89.1FM in Reno, Nevada, champions emerging artists nationwide with special attention to working musicians in Nevada. NV89 is part of a cohort of taste-making stations that span genres from rock to electronic to Americana and contribute to NPR's national music coverage on air and online.

Engineering and Broadcast Operations

Through an extensive network of stations and translators, NVPR services a geographical area of more than 66,000 square miles. NVPR contracts engineers with years of experience in radio who service our tower sites and equipment year-round. NVPR serves as the LP1 backbone of the Emergency Broadcast Service. Our vast network of signals is used to activate EAS alerts on all other radio, TV and cable channels in times when weather or other dangers threaten life and property.

Community Relations

Nevada Public Radio creates an accessible and ubiquitous media environment that delivers editorial and cultural content that reflects the life of our state. In turn, our channels are the conduit for messaging that tells the story of corporate social responsibility and philanthropy through sponsor and funder recognition. Our investments in editorial capacity are significant and focused on telling Nevada's story to our own audiences and those nationwide through our NPR member station network. We donate hundreds of thousands of dollars of messaging to non-profit organizations to raise awareness of their events and needs. Our engaged audiences participate in recycling events and forgo thank you gifts to activate giving to local food banks. Our portfolio of broadcast, publishing and digital content aggregates a diverse audience united in their appreciation of authentic, non-commercial and independent editorial and entertainment. Nevadans hear themselves in our programming and we give voice to the issues that matter most to them.

Desert Companion

Nevada Public Radio is the publisher of *Desert Companion,* the premier city magazine that celebrates the pursuits, passions and aspirations of Southern Nevadans. With local, regional and national award-winning journalism and design, *Desert Companion* does more than inform and entertain. We spark dialogue, engage people and define the spirit of the Las Vegas Valley. The synergies of scale at Nevada Public Radio make magazine production viable and create opportunities for editorial and event collaboration.

News

"State of Nevada" is the hub of our local journalism that extends to hourly newscasts on air and continuous digital delivery of content wherever audiences seek us out on FM, www.knpr.org or via smart speakers. "State of Nevada" airs weekdays on News 88.9 KNPR and in Reno on NV89 reaching 93% of the state's population. NVPR acquires programming from NPR, the BBC, American Public Media and PRX to create a compelling schedule of thoughtful and timely news and information enjoyed by more than 120,000 listeners each week.

Cash and Cash Equivalents

NVPR considers all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to the *Give Voice* Major Gift Initiative, permanent endowment, or other long-term purposes are excluded from this definition.

Receivables and Credit Policies

Accounts receivable consist of amounts due for underwriting. It is NVPR's policy to charge off uncollectible accounts receivable for underwriting fees when management determines the receivable will not be collected. The underwriting fees are delinquent if not collected after 30 days from the invoice date. There is no allowance for uncollectible accounts receivable as historically, an allowance for uncollectible receivables was not warranted. Therefore, the allowance for both the years ended September 30, 2018 and 2017 was $0.

Promises to Give

Consistent with public broadcasting entities nationwide, NVPR uses its on-air resources to solicit individual membership contributions and provide various incentives for listeners to do so. Periodic over the air appeals are augmented with direct mail, e-mail, and personal solicitation campaigns. Consistent with on-air messaging, membership revenue supports NVPR in all areas of operations.

Contributions may also be solicited through special events, donation of vehicles, bequests and other activities intended to generate individual or corporate gifts. Contributions including unconditional promises to give and membership receipts are recognized as revenue in the period received or given. Member promises to give are typically collected within one year. The Membership receivables are delinquent if not collected within 180 days from the pledge date. The allowance for uncollectable pledges is $51,245 and $50,829 for the years ended September 30, 2018 and 2017, respectively. Contributions and collected pledges are components of the unrestricted operating fund inasmuch as their usage is not limited to specific activities of the organization, with the exception of promises to give, which are not to be received until subsequent to year end. Promises to give that are receivables as of year-end are temporarily restricted due to time. The usage is consistent with appeals for contributions and pledges.

Nevada Public Radio's *Give Voice* Major Gift Initiative emerged from its non-public phase on September 29, 2018. Prior to then, contributions for *Give Voice* were solicited by personal meetings with prospective donors. The *Give Voice* Major Gift Initiative seeks to raise funds for a technical plant upgrade including the replacement and upgrade of the technical infrastructure of all broadcast facilities and equipment. In addition, funds raised in this initiative will enable NVPR to grow journalistic output for a period of approximately six years. Contributions to *Give* Voice are recognized as temporarily restricted until such time as the funds are spent on campaign initiatives. Donors to *Give Voice* chose the payment structure for their gift and current promises to give will be paid in one to five years. In accordance with generally accepted accounting principles, the promises to give for this initiative at September 30, 2018 are discounted to reflect the present value. As management believes that all of the promises to give for this initiative as of September 30, 2018 will be paid in full, no allowance for delinquent promises to give has been made.

Property, Plant and Equipment

NVPR records property, plant and equipment additions over $2,500 (either individually or in aggregate) at cost, or if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from three to thirty-nine years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

Impairment

NVPR reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends and prospects, the manner in which the property is used, and the effects of obsolescence, demand, competition, and other economic factors. Based on this assessment there was no impairment at September 30, 2018 and 2017.

Intangible Assets

Broadcast Frequencies

From time to time, NVPR acquires additional frequencies from other entities with approval from the Federal Communications Commission (FCC). Costs directly associated with the acquisition of any new frequency will be capitalized and amortized over fifteen years.

NVPR operates on their acquired frequencies under licenses obtained from the FCC. Licenses are renewable every seven years. NVPR's next renewal date is October 2021. The risk of non-renewal is inconsequential.

Desert Companion Magazine

Included in intangible assets is a service mark for *Desert Companion*, the city regional magazine published by NVPR and a font family used specifically in the redesign of *Desert Companion* completed in FY16-17. Both assets are amortized using a straight-line method over 15 years and 3 years, respectively.

Investments

The investment balances consist of certificates of deposit and money market accounts, investments in marketable securities with readily determinable market values, and alternative investments in hedge funds. Investment purchases are recorded at cost, or if donated, at fair value on the date of the donation. Thereafter, investments are reported at their fair values in the statement of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less investment management and custodial fees. Investments are exposed to various risks such as significant world events, interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amount reported in the statements of financial position.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Unrestricted Net Assets

Net assets that are not subject to donor-imposed stipulations and are available for use in general operations.

Temporarily Restricted Net Assets

Net assets subject to donor-imposed stipulations that will either be met by actions of NVPR and/or the passage of time and certain income earned on permanently restricted net assets that has not yet been appropriated for expenditure by the NVPR Board of Directors.

NVPR reports contributions as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently Restricted Net Assets

Net assets subject to donor-imposed stipulations that will be maintained permanently by NVPR. The donors of these assets permit NVPR to use the income earned on the related investments for general or specific purposes.

Revenue and Revenue Recognition

Revenue is recognized when earned. Underwriting contract payments received in advance are deferred to the applicable period in which the underwriting credit is provided. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received.

Donated Services and In-Kind Contributions

Contributed materials, supplies, facilities and property are recorded at their estimated fair value at the date of donation. We record donated professional services at the respective fair values of the services received. Contributed advertising and promotion are recorded at the fair value of the contribution portion of the total value received.

Volunteers contribute time to our program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet the recognition criteria prescribed by generally accepted accounting principles.

Corporation for Public Broadcasting Community Service Grants

The Corporation for Public Broadcasting (CPB) is a private, nonprofit grant making organization responsible for providing funding to more than 1,000 television and radio stations. CPB distributes annual Community Service Grants (CSGs) to qualifying organizations. CSGs are used to augment the financial resources of organizations and thereby to enhance the quality of programming and expand the scope of the organizations. Each CSG may be expended over one or two federal fiscal years as described in the Communications Act, 47 United States Code Annotated, Section 396(k)(7). In any event, each grant must be expended within two years of the initial grant authorization.

According to the Communications Act, funds may be used at the discretion of recipients for purposes relating primarily to production and acquisition of programming. Also, the grants may be used to sustain activities begun with CSGs awarded in prior years.

Certain General Provisions must be satisfied in connection with the application for and use of the grants to maintain eligibility and meet compliance requirements. These General Provisions pertain to the use of grant funds, record keeping, audits, financial reporting, mailing lists, staff training, diversity reporting and licensee status with the Federal Communication Commission.

Advertising Costs

Advertising costs are expensed in the period in which they are incurred. They amounted to $150,345 and $114,940 for the years ended September 30, 2018 and 2017, respectively. A majority, if not all, of advertising expense consists of underwriting acknowledgements to donors in exchange for advertising services.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program services and supporting (fundraising and management and general) services benefited.

Income Taxes

NVPR is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, NVPR qualifies for the charitable contribution deduction under Section 170(b)(1)(A). In the preparation of tax returns, tax positions are taken based on interpretation of federal, state and local income tax laws. In accordance with the accounting standards, management periodically reviews and evaluates the status of uncertain tax positions and makes estimates of amounts, including interest and penalties, ultimately due or owed. No amounts have been identified, or recorded as uncertain tax positions. NVPR would recognize future accrued interest and penalties in income related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred. Federal, state, and local tax returns generally remain open for examination by the various taxing authorities for a period of three to six years.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and, although not likely, those differences could be material.

Financial Instruments and Credit Risk

NVPR manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, NVPR has not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates. Investments are made by diversified investment managers whose performance is monitored by management and the Investment Committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, management and the Investment Committee believe that the investment policies and guidelines are prudent for the long-term welfare of the organization.

Reclassifications

Certain reclassification of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The Core principle of ASU 2014-09 is that revenue should be recognized in a manner that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 defines a five-step process to achieve this core principle which may require the use of judgment and estimates. The entity may adopt ASU 2014-09 either by using a full retrospective approach for all periods presented or a modified retrospective approach. This standard is effective for annual reporting periods beginning after December 15, 2018, or October 1, 2019, for NVPR. NVPR has not yet selected a transition method and is currently evaluating the impact of this standard on its financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires lessees to recognize leases on the balance sheet and disclose key information about leasing arrangements. The new standard establishes a right-of-use (ROU) model that requires a lessee to recognize a ROU asset and lease liability on the balance sheet for all leases with a term longer than 12 months. Leases will be classified as finance or operating, with classification affecting the pattern and classification of the expense recognition in the income statement. The new standard is effective for NVPR beginning October 1, 2020. NVPR is currently assessing the impact of the adoption of the standard but expects it will have a material effect on the financial statements.

In August 2016, the FASB issued ASU No. 2016-14, *Not-for-Profit Entities (Topic 958), Presentation of Financial Statements of Not-for-Profit Entities*. The intent of the FASB is to improve the current net asset classification requirements and the information presented in financial statements and notes about a not-for-profit entity's liquidity and cash flows. This standard is effective for annual reporting periods beginning after December 15, 2017, or October 1, 2018, for NVPR. NVPR is currently evaluating the impact of this standard on its financial statements.

Subsequent Events

We have evaluated subsequent events through May 7, 2019, the date the financial statements were available to be issued.

Note 2 - Fair Value Measurements and Disclosures

NVPR reports certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1

Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2

Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3

Unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particulate input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk or liquidity profile of the asset or liability.

A significant portion of NVPR investment assets are classified within Level 1 because they are comprised of open-end mutual funds and equity securities with readily determinable fair values based on daily redemption values. U.S. Government obligations are valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates and market-rate assumptions, and are classified within Level 2. The fair values of hedge funds are based on the fair value of fund investments as reported by the NVPR investment advisor. These are considered to be Level 3 measurements.

NVPR uses Net Asset Value (NAV) per share, to estimate the fair values of the hedge funds, which do not have readily determinable fair values. Investments valued at NAV are classified within Level 2 if we have the ability to redeem the investment at NAV per share at the measurement date or within the near term; otherwise, the investment is classified within Level 3.

Level 3 assets are held long in hedge funds as of the years ended September 30, 2018 and 2017. There were no unfunded commitments as of the years thus ended. All investments in hedge funds are invested in PMF TEI Fund, LP, which seeks to preserve capital and to generate consistent long-term appreciation across a market cycle of five to seven years. It is not actively managed as it is a liquidating fund that will distribute cash as the underlying assets of the current portfolio are liquidated. Distributions will occur quarterly as available. The process to fully liquidate is expected to take up to ten years.

The following tables present assets measured at fair value on a recurring basis in summary and detail form, except those measured at cost as identified below, at their respective dates as identified.

at September 30, 2018 **- Summary**		Fair Value Measurements at Report Date Using		
Security Type	Total	Quoted Prices in Active Markets for Identical Assets **(Level 1)**	Significant Other Observable Inputs **(Level 2)**	Significant Unobservable Inputs **(Level 3)**
Equity Securities	$ 1,470,404	$ 1,467,202	$ 3,202	$ -
Mutual Funds	421,891	421,891	-	-
Fixed Income	182,519	41,398	141,121	-
Alternative Investments	60,813	-	-	60,813
CD/Money Market/Cash	650,216	181	650,035	-
Total	**$ 2,785,843**	**$ 1,930,672**	**$ 794,358**	**$ 60,813**

***at September 30, 2018* - Detail**		Fair Value Measurements at Report Date Using		
Security Type	Total	Quoted Prices in Active Markets for Identical Assets **(Level 1)**	Significant Other Observable Inputs **(Level 2)**	Significant Unobservabl e Inputs **(Level 3)**
Equity Securities				
Consumer Discretionary	$ 151,257	$ 151,257	$ -	$ -
Consumer Staples	98,232	98,232	-	-
Energy	73,992	73,992	-	-
Equities Blend	78,788	78,788	-	-
Financials	225,273	222,071	3,202	-
Health Care	231,887	231,887	-	-
Industrials	187,602	187,602	-	-
Information Technology	297,479	297,479	-	-
Materials	42,295	42,295	-	-
Real Estate	21,930	21,930	-	-
Telecommunication Services	34,426	34,426	-	-
Utilities	27,243	27,243	-	-
Total Equities Securities	**1,470,404**	**1,467,202**	**3,202**	**-**
Mutual Funds				
Blended Equities	87,537	87,537	-	-
Nontraditional Bond	29,433	29,433	-	-
Multisector Bond	304,921	304,921	-	-
Intermediate Term Bond	-	-	-	-
Total Mutual Funds	**421,891**	**421,891**	**-**	**-**
Fixed Income				
US Treasury Bonds	41,398	41,398	-	-
US Treasury Agency Notes	31,980	-	31,980	-
US Mortgage/Asset Backed Notes	49,099	-	49,099	-
Corporate Bonds	55,294	-	55,294	-
International Bonds	4,748	-	4,748	-
Total Fixed Income	**182,519**	**41,398**	**141,121**	**-**
Alternative Investments				
Hedge Funds	60,813	-	-	60,813
Total Alternative Investments	**60,813**	**-**	**-**	**60,813**
Money Market Funds/Cash				
Cash	181	181	-	-
CD	594,027	-	594,027	-
Money Market Funds (at cost)	56,008	-	56,008	-
Total Money Market Funds/Cash	**650,216**	**181**	**650,035**	**-**
Total Securities	**$2,785,843**	**$ 1,930,672**	**$ 794,358**	**$ 60,813**

***at September 30, 2017* – Summary**		Fair Value Measurements at Report Date Using		
Security Type	Total	Quoted Prices in Active Markets for Identical Assets **(Level 1)**	Significant Other Observable Input **(Level 2)**	Significant Unobservable Inputs **(Level 3)**
Equity Securities	$1,384,356	$ 1,384,350	$ 6	$ -
Mutual Funds	575,310	575,310	-	-
Fixed Income	178,574	23,342	155,232	-
Alternative Investments	78,313	-	-	78,313
Money Market Funds/Cash	108,169	-	106,060	-
Total	**$2,324,722**	**$ 1,983,002**	**$ 261,298**	**$ 78,313**

***at September 30, 2017* - Detail**		Fair Value Measurements at Report Date Using		
Security Type	Total	Quoted Prices in Active Markets for Identical Assets **(Level 1)**	Significant Other Observable Inputs **(Level 2)**	Significant Unobservable Inputs **(Level 3)**
Equity Securities				
Consumer Discretionary	$ 128,199	$ 128,199	$ -	$ -
Consumer Staples	142,477	142,477	-	-
Energy	70,864	70,864	-	-
Equities Blend	6	-	6	-
Financials	254,136	254,136	-	-
Health Care	204,727	204,727	-	-
Industrials	177,118	177,118	-	-
Information Technology	274,265	274,265	-	-
Materials	51,374	51,374	-	-
Real Estate	22,475	22,475	-	-
Telecommunication Services	19,971	19,971	-	-
Utilities	38,744	38,744	-	-
Total Equities Securities	**1,384,356**	**1,384,350**	**6**	**-**
Mutual Funds				
Blended Equities	190,264	190,264	-	-
Nontraditional Bond	29,596	29,596	-	-
Multisector Bond	174,825	174,825	-	-
Intermediate Term Bond	80,625	180,625		
Total Mutual Funds	**575,310**	**575,310**	**-**	**-**

at September 30, 2017 **- Detail**		Fair Value Measurements at Report Date Using		
Security Type	Total	Quoted Prices in Active Markets for Identical Assets **(Level 1)**	Significant Other Observable Inputs **(Level 2)**	Significant Unobservable Inputs **(Level 3)**
Fixed Income				
US Treasury Bonds	16,042	16,042	-	-
US Treasury Agency Notes	32,472	7,300	25,172	-
US Mortgage/Asset Backed Notes	65,818	-	65,818	-
Corporate Bonds	51,720	-	51,720	-
International Bonds	12,522	-	12,522	-
Total Fixed Income	**178,574**	**23,342**	**155,232**	**-**
Alternative Investments				
Hedge Funds	78,313	-	-	78,313
Total Alternative Investments	**78,313**	**-**	**-**	**78,313**
Money Market Funds/Cash				
Cash	2,109	-	-	-
Money Market Funds (at cost)	106,060	-	106,060	-
Total Money Market Funds/Cash	**108,169**	**-**	**106,060**	**-**
Total Securities	**$ 2,324,722**	**$ 1,983,002**	**$ 261,298**	**$ 78,313**

Below is a reconciliation of the beginning and ending balance of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended September 30, 2018 and 2017:

Fair Value Measurements at Report Date Using Significant Unobservable Inputs (Level 3)	Hedge Funds
Year Ended September 30, 2018	
Balance at September 30, 2017	$ 78,313
Purchases/Contributions of Investments	-
Net Realized and Unrealized Gain/(Loss)	(663)
Transfers out of Level 3	-
Distributions	(16,837)
Balance at September 30, 2018	$ 60,813
Unrealized Gain/(Loss) included in net investment return in the Statement of Activities relating to assets still held at September 30, 2018	$ (1,493)
Year Ended September 30, 2017	
Balance at September 30, 2016	$ 87,972
Purchases/Contributions of Investments	-
Net Realized and Unrealized Gain/(Loss)	5,485
Transfers out of Level 3	-
Distributions	(15,144)
Balance at September 30, 2017	$ 78,313
Unrealized Gain/(Loss) included in net investment return in the Statement of Activities relating to assets still held at September 30, 2017	$ 4,798

Note 3 - Net Investment Return

Net investment return consists of the following for the years ended September 30:

	2018	2017
Interest and Dividends	$ 52,608	$ 63,065
Realized Gains	266,927	205,913
Unrealized Gains/(Losses)	(150,323)	54,961
Total Investment Gain/(Loss)	169,212	323,939
less: Investment Management and Custodial Fees	(28,180)	(31,670)
	$ 141,032	$ 292,269

Net investment returns are reported in the statements of activities under the following classifications:

	2018	2017
Unrestricted Endowment	$ 20,719	$ 53,414
Temporarily Restricted Endowment	120,313	238,855
	$ 141,032	$ 292,269

Note 4 - Promises to Give, Membership and *Give Voice* Major Gift Initiative

Membership Promises to Give:

The following is a schedule of Membership Promises to Give at September 30:

	2018	2017
General Membership Campaigns	$ 603,926	$ 600,232
Special Events	9,857	3,098
	613,783	603,330
less: Allowance for Bad Debt	(51,245)	(50,829)
	$ 562,538	$ 552,501

Give Voice Major Gift Initiative Promises to Give:

The following is a schedule of *Give Voice* Major Gift Initiative Promises to Give at September 30:

	2018	2017
Give Voice Major Gift Initiative	$1,271,791	$13,000
less: Discount	(78,285)	-
	$1,193,506	$13,000

Promises to Give are expected to be collected as follows:

	2018	2017
Collected in less than one year	$ 937,538	$ 554,501
Collected in one to five years	818,506	11,000
	$ 1,756,044	$ 565,501

Note 5 - Property, Plant and Equipment

At September 30, the property, plant and equipment assets of Nevada Public Radio include the following:

	2018	2017
Broadcast Equipment	$ 2,473,151	$ 2,576,214
Technical Upgrade	598,193	-
Furniture	986,522	985,282
Radio Reading Equipment	65,576	65,576
Office Equipment	419,775	404,375
Camera Equipment	9,441	9,441
Reno Capital Tenant Improvements	57,037	46,244
	4,609,695	4,087,132
less: Accumulated Depreciation	(3,467,615)	(3,302,306)
	$ 1,142,080	**$ 784,826**
Building	$ 3,879,382	$ 3,879,382
Building Renovations	690,461	660,830
	4,569,843	4,540,212
less: Accumulated Depreciation	(1,916,227)	(1,793,302)
	$ 2,653,616	**$ 2,746,909**
TOTAL Property, Plant and Equipment, net	**$ 3,795,696**	**$ 3,531,735**

Note 6 - Intangible Assets

At September 30, the intangible assets of Nevada Public Radio include the following:

	2018	2017
Frequency Acquisition Costs	$ 1,154,099	$ 1,124,936
less: Accumulated Amortization	(486,682)	(417,899)
	667,417	**707,035**
Trademark	4,285	4,285
less: Accumulated Amortization	(2,642)	(2,356)
	1,643	**1,928**
Desert Companion Fonts	2,265	2,265
less: Accumulated Amortization	(1,510)	(755)
	755	**1,510**
TOTAL Intangible Assets, net	**$ 669,815**	**$ 710,475**

The future estimated amortization for these assets is as follows for the years ended September 30:

2019	$ 69,007
2020	57,221
2021	49,342
2022	49,342
2023	49,342
Thereafter	395,560
	$ 669,815

Note 7 - Line of Credit

On July 21, 2014, NVPR obtained a $200,000 revolving line of credit, secured by all inventory, contract rights, chattel paper, accounts, equipment and general intangibles. The line has been extended through May 15, 2019. Borrowings under the line bear interest at the greater of the bank's prime rate plus 1.75% or a floor rate of 5.0%. There was $174,255 and $195,975 outstanding against the line of credit at September 30, 2018 and 2017, respectively.

Note 8 - Notes Payable

Notes payable at September 30 consists of:

		2018	2017
1	Note payable to a financial institution, payable in monthly installments of approximately $3,671, interest rate is 5%, due on or before August 2, 2018.	$ -	$ 39,471
2	Note payable to a financial institution, payable in monthly installments of approximately $10,459, interest rate is 5.25%, due on or before February 15, 2022.	$ 391,226	$ 492,959
3	Note payable to financial institution, payable in monthly installments of approximately $951, interest rate is 5.25%, due on or before August 4, 2022.	$ 40,238	$ 49,256
		431,464	581,675
	less: Current Portion	(116,835)	(150,343)
		$ 314,629	$ 431,332

The collateral for loan 1 includes all inventory, contract rights, chattel paper, accounts, equipment and general intangibles of Nevada Public Radio.

The collateral for loan 2 includes all inventory, contract rights, chattel paper, accounts, equipment and general intangibles as well as all equipment, fixtures, attachments, accessories, fittings, increases, tools, parts, repairs, supplies, and commingled goods relating to all property related to KVNV-FM located in Sun Valley, Nevada.

The collateral for loan 3 includes all equipment including but not limited to 1 bay transmit antenna at the 35-foot level on tower, rack space for an FM translator located on McClellan Peak near Carson City, Nevada.

The future maturities, as of September 30, 2018 are as follows:

Year Ending September 30,		
	2019	$ 116,835
	2020	123,119
	2021	129,740
	2022	61,771
		$ 431,465

Note 9 - Leases

Land Lease

The main operations for NVPR are conducted at the Donald W. Reynolds Broadcast facility, a building constructed on 1.5 acres of land under the terms of a 99-year lease with the Board of Regents of the Nevada System of Higher Education, located on the College of Southern Nevada campus, which commenced December 14, 1995, in exchange for sponsor recognition and on-air program time. The leased land value and payment of utilities and other services of $60,000 have been included as part of a trade agreement for each of the years ended September 30, 2018 and 2017. The lease expires in 2095.

Operating

NVPR leases various transmitting sites and space under non-cancelable operating leases expiring on various terms from 2 – 30 years. These leases are automatically renewed unless notice is given by the lessor or lessee.

Approximate future rental commitments for these items at September 30, 2018 are as follows:

Year ending September 30,	
2019	$ 117,966
2020	121,116
2021	125,759
2022	124,063
2023	128,461
Thereafter	1,195,628
	$ 1,812,993

Rent incurred under non-cancelable operating leases for the above items were approximately $120,786 and $112,386, respectively for the years ended September 30, 2018 and 2017. It is anticipated that leases that expire will be renewed or replaced in the ordinary course of business.

Capital

In May 2013, NVPR entered into an agreement to fund the purchase of two copier/printers due in monthly installments of $685 at an interest rate of 36.53%. In December 2013, a fax expansion kit was added to the lease, increasing monthly installments to $720. Interest expense related to this capital lease for September 30, 2018 and 2017 was $1,037 and $3,239, respectively.

The following property included in the accompanying financial statements was leased under capital leases as of September 30:

	2018	2017
Copier	$ 20,510	$ 20,510
less: Accumulated Depreciation	(20,510)	(17,313)
	$ -	$ 3,197

Note 10 - Endowments

As of September 30, 2018 and 2017, NVPR had one permanent endowment and two term endowments. The permanent endowment (Endowment #2) has a corpus of $850,310 with the earnings on the investment to be used for general operations.

Both term endowments were established per agreements with the Donald W. Reynolds Foundation. The first of these (Endowment #1) had an original corpus of $906,452. The corpus and earnings on the investment are restricted for providing maintenance and upkeep of the building donated by the Donald W. Reynolds Foundation. During the year ended September 30, 2013, the Donald W. Reynolds Foundation reclassified Endowment #1 from a permanent endowment to a term endowment which allows NVPR to spend up to 5% of the corpus per year. Consequently, the original corpus was reclassified from permanently restricted to temporarily restricted funds.

The second term endowment (Restricted Fund for Programs) was received during the year ended September 30, 2009, with an original corpus of $906,452. The earnings on the investment and 5% of the corpus may be spent on programs and operations each year.

The endowments include only donor-restricted endowment funds and earnings. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

NVPR’s Board of Directors has interpreted Nevada Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. As a result of this interpretation, NVPR classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Board of Directors in a manner consistent with the standard of prudence prescribed by UPMIFA. NVPR considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the organization
7. The investment policies of the organization

Endowment net asset composition by type of fund as of September 30, 2018:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment #1	$ -	$ 946,028	$ -	$ 946,028
Endowment #2	(16,423)	-	850,310	833,887
Restricted Funds for Programs	(40,975)	453,223	-	412,248
Total	**$ (57,398)**	**$ 1,399,251**	**$ 850,310**	**$ 2,192,163**

Endowment net asset composition by type of fund as of September 30, 2017:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment #1	$ -	$ 895,228	$ -	$ 895,228
Endowment #2	-	45,069	850,310	895,379
Restricted Funds for Programs	35,569	498,546	-	534,115
Total	**$ 35,569**	**$ 1,438,843**	**$ 850,310**	**$ 2,324,722**

Investment and Spending Policies

NVPR has adopted investment and spending policies for endowment assets, the primary emphasis of which is to (1) increase the overall purchasing power of the endowment through asset growth and income returns and (2) provide a source of funds if the Board of Directors deem it necessary for capital expenditures or annual operations. Under these policies, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results attainable over a three to five year time frame. NVPR expects its endowment funds, over time, to provide an average rate of return approximately equal to those of the overall market for similar investment types. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate-of-return objectives, NVPR relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). NVPR targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

NVPR has a spending policy which governs the rate at which funds may be transferred from the permanent endowment fund (Endowment #2) to the operating budget. The annual allocations to the operating fund are calculated as a percentage of the endowment market value. Year-to-year fluctuations caused by changes in market value are moderated by using a moving average, computed on the last sixteen quarters of endowment market values. The annual allocation to the operating fund is limited to 7% of the sixteen-quarter moving average of the endowment market value. There were $68,000 and $462,409 in transfers made to the operating budget in 2018 and 2017, respectively. This policy is consistent with NVPR's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Endowments below Corpus

Nevada Public Radio has a permanent endowment with a corpus amount of $850,310 (Endowment #2). During the year ending September 30, 2018, the value of the endowment went below the corpus as a result of unfavorable market fluctuations that occurred during the year and continued appropriation for certain programs deemed prudent by the Board of Directors. The amount below the corpus is $16,423. Nevada Public Radio has a term endowment with a corpus balance of $453,223 (Program Fund). During the year ended September 30, 2018, the value of the endowment went below the corpus as a result of unfavorable market fluctuations that occurred during the year and continued appropriation for certain programs deemed prudent by the Board of Directors. The amount below the corpus is $40,975.

Changes in endowment net assets for the year ended September 30, 2018:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Net Assets, beginning of year	$ 35,569	$ 1,438,843	$ 850,310	$ 2,324,722
Investment return:				
Investment income	12,778	40,698	-	53,476
Net appreciation (realized and unrealized)	7,941	79,615	-	87,556
Total investment return	20,719	120,313	-	141,032
General Use	(273,592)	-	-	(273,592)
Release of restrictions	159,906	(159,906)	-	-
Endowment Net Assets, end of year	$ (57,398)	$ 1,399,250	$ 850,310	$ 2,192,162

Changes in endowment net assets for the year ended September 30, 2017:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Net Assets, beginning of year	$ 54,715	$ 1,928,190	$ 850,310	$ 2,833,215
Investment return:				
Investment income	13,714	49,352	-	63,066
Net appreciation (realized and unrealized)	39,700	189,503	-	229,203
Total investment return	53,414	238,855	-	292,269
Capital project related expenses	(800,762)	-	-	(800,762)
Release of restrictions	728,201	(728,201)	-	-
Endowment Net Assets, end of year	$ 35,569	$ 1,438,843	$ 850,310	$ 2,324,722

Note 11 - Restricted Net Assets

Temporarily restricted net assets represent grants and contributions whose use by NVPR is limited by donor-imposed restrictions that can either expire by the passage of time or can be fulfilled and removed by actions of NVPR pursuant to those stipulations.

The temporarily restricted net assets consisted of the following assets as September 30:

	2018	2017
Investments		
Restricted Fund for Programs	$ 453,223	$ 498,546
Maintenance Fund	946,028	895,228
Tech Upgrade Fund	594,027	-
Unappropriated Permanent Endowment Funds	-	45,070
Membership Promises to Give	562,538	549,403
Major Gift Initiative Promises to Give	1,193,506	-
Building	564,443	738,118
	$ 4,313,765	$ 2,726,365

The building housing Nevada Public Radio was built using funds from a donor. As the donor’s funds were restricted for the specific purpose of constructing a broadcast and teaching facility, the building must be used strictly for this purpose or the right of reversion exists for twenty-one years from January 1, 2001 through December 31, 2021.

Net assets were released from restrictions as follows during the year's ended September 30, 2018 and 2017:

	2018	2017
Expiration of time restrictions	$ 693,029	$ 635,891
Distributions and Appropriations		
Capital expenditures	598,193	728,201
General use	561,486	69,173
	1,159,679	797,374
	$ 1,852,708	$ 1,433,265

Permanently restricted net assets consist of endowment funds restricted by donors for investment in perpetuity. Earnings on endowment funds are available for the purposes specified by the donors, or in certain cases, for unrestricted use. The permanently restricted net assets balances are as follows at September 30:

	2018	2017
Endowment #2, income for operations	$ 850,310	$ 850,310

Note 12 - Donated Services and Equipment

Donated services and equipment are recorded, at estimated fair value, as revenue and expenses or capital equipment. Donated services for the years ended September 30, are as follows:

	2018	2017
Internet Services	$ 7,102	$ 7,102
Information Technology	22,800	22,800
Attorney Services	-	1,575
	$ 29,902	$ 31,477

Note 13 - Barter Transactions

Barter transaction service expenses by natural class incurred for the years ended September 30, are as follows:

	2018	2017
Utilities	$ 60,000	$ 60,000
Employee Retention	2,300	-
Advertising	150,345	114,940
Community Events	2,800	900
Meals	28,665	35,408
Fundraising	7,900	-
Professional Services	8,296	-
	$ 260,306	$ 211,248

Note 14 - Employee Retirement Plan

NVPR sponsors a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code covering substantially all full-time employees. Employees can contribute tax deferred wages with NVPR matching the same amount. The matching contribution was limited to 7% for the years ended September 30, 2018 and 2017. For eligible employees meeting a two-year vesting and 1,000 hour per year requirement, NVPR will contribute a base contribution of 7%. The base contributions are provided despite any contributions made by the employee. Retirement expense for the above plans for years ended September 30, 2018 and 2017 was approximately $330,309 and $308,528, respectively.

Note 15 - Related Party Transaction

During the years ended September 30, 2018 and 2017, NVPR had an agreement with JBH Link, LLC, a company owned by the spouse of a Board member, to provide consulting services in effective major gift management. Amounts paid were $48,600 and $28,000, respectively.