

**LAS VEGAS METROPOLITAN POLICE
DEPARTMENT FOUNDATION**

**REPORT ON
AUDITED FINANCIAL STATEMENTS**

DECEMBER 31, 2024

LAS VEGAS METROPOLITAN POLICE DEPARTMENT FOUNDATION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of Las Vegas Metropolitan Police Department Foundation

Opinion

We have audited the accompanying financial statements of Las Vegas Metropolitan Police Department Foundation (a 501(c)(3) nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Las Vegas Metropolitan Police Department Foundation as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Las Vegas Metropolitan Police Department Foundation and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Las Vegas Metropolitan Police Department Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, 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 Las Vegas Metropolitan Police Department Foundation'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 Las Vegas Metropolitan Police Department Foundation'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.



Campbell Jones Cohen CPAs

Las Vegas, Nevada
May 29, 2025

LAS VEGAS METROPOLITAN POLICE DEPARTMENT FOUNDATION

**STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024**

ASSETS

Current Assets:

Cash and cash equivalents	\$ 2,578,678	
Contributions receivable, net (Note 4)	57,528	
ERC receivable (Note 8)	30,730	
Inventory	272,104	
Investments (Note 7)	56,586	
Total current assets		\$ 2,995,626

Other Assets:

Right-of-use asset, operating lease (Note 5)	510,603	
Right-of-use asset, finance lease (Note 5)	5,698	
Total other assets		516,301

Total Assets		\$ 3,511,927
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LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable	\$ 116,624	
Accrued expenses	34,709	
Lease liability - operating, current portion (Note 5)	79,129	
Lease liability - finance, current portion (Note 5)	2,602	
Total current liabilities		\$ 233,064

Long-Term Liabilities:

Lease liability - operating, net of current portion (Note 5)	481,455	
Lease liability - finance, net of current portion (Note 5)	3,394	
Total long-term liabilities		484,849

Net Assets:

Without donor restrictions	917,417	
With donor restrictions	1,876,597	
Total net assets		2,794,014

Total Liabilities and Net Assets		\$ 3,511,927
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LAS VEGAS METROPOLITAN POLICE DEPARTMENT FOUNDATION

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Activities:			
Revenue, Support, and Gains:			
Contributions	\$ 1,494,459	\$ 4,352,314	\$ 5,846,773
Special events contributions	1,211,788	-	1,211,788
Special events exchange loss, net of direct expenses of \$403,369	(44,610)	-	(44,610)
Grant income	18,000	-	18,000
Other income	222,870	-	222,870
Net assets released from restrictions	5,735,538	(5,735,538)	-
Total revenue, support, and gains	8,638,045	(1,383,224)	7,254,821
Expenses and Losses:			
Metro program services expense	6,877,618	-	6,877,618
Supporting services:			
Management and general	225,511	-	225,511
Fundraising and development	400,696	-	400,696
Total support services	626,207	-	626,207
Total expenses	7,503,825	-	7,503,825
Non-Operating Activities:			
Interest income	145,354	-	145,354
Interest expense	(279)	-	(279)
Total non-operating activities	145,075	-	145,075
Change in net assets	1,279,295	(1,383,224)	(103,929)
Net assets, beginning of year	(361,878)	3,259,821	2,897,943
Net assets, end of year	\$ 917,417	\$ 1,876,597	\$ 2,794,014

The accompanying notes to the financial statements are an integral part of these financial statements.

LAS VEGAS METROPOLITAN POLICE DEPARTMENT FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Metro Program Services</u>	<u>Management & General</u>	<u>Fundraising & Development</u>	<u>Total</u>
Administrative	\$ 112,635	\$ 16,091	\$ 32,181	\$ 160,907
Advertising & public relations	90,522	12,070	18,104	120,696
Community engagement	512,664	-	-	512,664
Occupancy	60,132	8,590	17,181	85,903
Professional fees	204,938	55,892	111,783	372,613
Program services	5,360,026	-	-	5,360,026
Reality based training center	5,228	-	-	5,228
Salaries and wages	531,473	132,868	221,447	885,788
Special event expenses	221,853	-	181,516	403,369
Total	<u>7,099,471</u>	<u>225,511</u>	<u>582,212</u>	<u>7,907,194</u>
Less: Expenses netted against revenues on the Statement of Activities:				
Special event expenses	<u>(221,853)</u>	<u>-</u>	<u>(181,516)</u>	<u>(403,369)</u>
Total expenses included in the expense section of the Statement of Activities	<u>\$ 6,877,618</u>	<u>\$ 225,511</u>	<u>\$ 400,696</u>	<u>\$ 7,503,825</u>

The accompanying notes to the financial statements are an integral part of these financial statements.

LAS VEGAS METROPOLITAN POLICE DEPARTMENT FOUNDATION

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Cash Flows From Operating Activities:

Change in net assets \$ (103,929)

Adjustments to reconcile change in net assets to net cash provided by operations:

Operating lease (56,277)

Amortization of finance lease 2,532

Changes in Operating Assets and Liabilities:

(Increase) decrease in contributions receivable 107,548

(Increase) decrease in prepaid expenses 9,127

(Increase) decrease in inventory (82,000)

Increase (decrease) in accrued expenses (78,992)

Increase (decrease) in accounts payable (14,717)

Net cash used by operating activities \$ (216,708)

Cash Flows from Financing Activities:

Finance lease payments (2,234)

Cash Flows from Investing Activities:

Purchase of investments (30,556)

Net decrease in cash and cash equivalents (249,498)

Cash and cash equivalents, beginning of year 2,828,176

Cash and cash equivalents, end of year \$ 2,578,678

Supplemental Disclosure of Cash Flow Information

Amounts paid for interest and taxes for the year ended December 31, 2024, were \$279 and \$0, respectively.

LAS VEGAS METROPOLITAN POLICE DEPARTMENT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOUNDATION

Las Vegas Metropolitan Police Department Foundation (the “Foundation”), formerly known as the Friends of the Las Vegas Metropolitan Police, is a non-profit 501(c)(3) dedicated to supporting programs that help keep the Las Vegas community safer. The Foundation supports programs that prevent crime, save lives, and make the community a safer place to live, work, and play. The Foundation receives donations from the community and uses those donations to help fund the Las Vegas Metropolitan Police Department program and equipment needs.

BASIS OF PRESENTATION

The financial statements of the Las Vegas Metropolitan Police Department Foundation have been prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”), which require Las Vegas Metropolitan Police Department Foundation to report information regarding its financial position and activities according to the following net asset classifications: Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions: Net assets available for use in general operations and not subject to donor- (or certain grantor-) restrictions.

Net assets with donor restrictions: Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are released from restrictions when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires; that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

CASH AND CASH EQUIVALENTS

The Foundation considers all cash and highly liquid financial instruments with original maturities of three months or less to be cash and cash equivalents.

CONTRIBUTIONS RECEIVABLE

Contributions receivable, including unconditional promises to give, are recognized as revenue in the period made. In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2018-08 Not-For-Profit Entities (Topic 985), *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*, contributions receivable, less an appropriate reserve, are recorded at their estimated fair value. Management determines the allowance for credit losses by regularly evaluating the specific contributions and contracts. Receivables are written off when deemed uncollectible. At December 31, 2024, management determined that no allowance for credit losses was necessary.

LAS VEGAS METROPOLITAN POLICE DEPARTMENT FOUNDATION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVENTORY

The Foundation's inventory is comprised of program-related merchandise held for sale in the gift shop and is stated at lower of cost or net realizable value determined by the first-in, first-out method. At December 31, 2024, management determined there was no need for an allowance for gift shop or Honor Guard inventory obsolescence.

ADVERTISING COSTS

Advertising costs are expensed as incurred and approximated \$116,841 during the year ended December 31, 2024.

FUNCTIONAL EXPENSES

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated to the amount of program activities and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Administrative	Nature of expense
Advertising & public relations	Nature of expense
Community engagement	Nature of expense
Occupancy	Time and effort
Professional fees	Time and effort
Program services	Nature of expense
Reality based training center	Nature of expense
Salaries and wages	Time and effort
Special event expense	Nature of expense

INCOME TAXES

Las Vegas Metropolitan Police Department Foundation is exempt from income tax under IRC section 501(c)(3). However, the Foundation remains subject to income taxes on any net income that is derived from a trade or business, regularly carried out, and not in furtherance of the purpose for which it was granted exemption. No income tax provision has been recorded as the net income, if any, from an unrelated trade or business, in the opinion of management, is not material to the financial statements taken as a whole. Management believes that no uncertain tax positions exist for the Foundation at December 31, 2024. The Foundation files an income tax return in the U.S. federal jurisdiction.

FINANCIAL INSTRUMENTS AND CREDIT RISK

The Foundation manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by the Foundation to be creditworthy. At times, amounts on deposit may exceed insured limits.

LAS VEGAS METROPOLITAN POLICE DEPARTMENT FOUNDATION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires the Foundation to make estimates and assumptions that affect the reported amounts of 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 those differences could be material.

REVENUE RECOGNITION

Unconditional promises to give are recognized initially at fair value as contributions revenue in the period such promises are made by donors. Fair value is estimated giving consideration to anticipated future cash receipts (after allowance is made for uncollectible contributions) and discounting such amounts at a risk-adjusted rate commensurate with the duration of the donor's payment plan. Amortization of the discounts is recorded as additional contribution revenue. Conditional promises are recorded as revenue once the conditions are substantially met. Contributions, grants, and bequests are recognized as donor restricted net assets if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restrictions. Contributions of assets other than cash are recorded at their estimated fair value. Contributions of services are recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

The Foundation received donated auction items of \$286,919 for the year ended December 31, 2024. Such amounts are recorded at their estimated fair value determined on the date of contribution and are reported as contributions and fundraising expenses on the accompanying statement of activities and statement of functional expenses.

Special events produce contribution revenue, recognized in accordance with the policy described in the preceding paragraph, and exchange revenue related to the value of the benefits received by the donors, which is recognized as the events occur.

Las Vegas Metropolitan Police Department Foundation recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

INVESTMENTS AND FAIR VALUE MEASUREMENTS

Investments are the only assets measured at fair value on a recurring basis. Valuation techniques used to measure fair value are prioritized into the following hierarchy:

Level 1 – Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.

LAS VEGAS METROPOLITAN POLICE DEPARTMENT FOUNDATION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

Level 2 – Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar assets/liabilities in active markets;
- Quoted prices for identical or similar assets in non-active markets;
- Inputs other than quoted prices that are observable for the asset/liability; and,
- Inputs that are derived principally from or corroborated by other observable market data.

Level 3 – Unobservable inputs that cannot be corroborated by observable market data.

NOTE 2 - FUNDRAISING EXPENSE

Fundraising activities encompass various campaigns for event sponsorships of the three signature events, as well as major gift solicitations and proposals to support the Foundation's three pillars of officer training, equipment/technology, and community engagement programs and initiatives that are largely implemented by the area commands and Office of Community Engagement. An allocation of management and payroll expenses was made to fundraising expense. Fundraising expense amounted to \$581,608 for the year ended December 31, 2024.

NOTE 3 - AVAILABILITY AND LIQUIDITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at December 31, 2024:

Financial assets at year-end:	
Cash and cash equivalents	\$ 2,578,678
Contributions receivable, net	57,528
ERC receivable	30,730
Investments	56,586
Total financial assets	<u>\$ 2,723,522</u>
Less: amounts not available to be used in one year:	
Net assets with donor restrictions	<u>(1,876,597)</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 846,925</u>

As part of its liquidity management plan, the foundation maintains cash in excess of daily requirements in a depository account. The Foundation's goal is to keep at least three months of cash on hand, which would cover approximately \$350,000 in operating expenses.

LAS VEGAS METROPOLITAN POLICE DEPARTMENT FOUNDATION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 - CONTRIBUTIONS RECEIVABLE

Contributions receivable are estimated to be collected as follows at December 31, 2024:

Within one year	\$ 57,528
In two to five years	-
Total	<u>57,528</u>
Less: Allowance for uncollectible promises to give	-
Contributions receivable, net	<u><u>\$ 57,528</u></u>

NOTE 5 - LEASES

The Foundation leases office space under an operating lease with a 10-year term. Some leases include renewal options which can typically extend the lease for a length of time identical to the original term. The exercise of these renewal options is at the sole discretion of the Foundation, and only lease options that the Foundation believes are reasonably certain to exercise are included in the measurement of the lease assets and liabilities. Currently, the Foundation's office lease is based on fixed payment schedules. Lease costs associated with fixed payments on the Foundation's office operating lease were \$83,370 for the year ended December 31, 2024.

The Foundation leases a printer under a finance lease with a five-year lease term. The lease includes fixed payments along with monthly usage fees. Lease costs associated with fixed payments on the Foundation's printer lease were \$2,811 for the year ended December 31, 2024.

The following summarizes the cash flow information related to finance leases for the year ended December 31, 2024:

Operating cash flows:

Cash paid for interest on finance leases	\$ 279
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Cash paid for amounts included in the measurement of lease liabilities:

Financing cash flows for finance leases	\$ 2,532
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The following table shows the ROU assets and lease liabilities, and the associated financial statement line items, as of December 31, 2024:

Lease-Related Assets and Liabilities	Financial Statement Line Items	2024
Right-of-Use Assets:		
Operating leases	Operating lease right-of-use assets	\$ 510,603
Finance lease		<u>5,698</u>
Total right-of-use assets		<u><u>\$ 516,301</u></u>

LAS VEGAS METROPOLITAN POLICE DEPARTMENT FOUNDATION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 5 – LEASES (CONTINUED)

Lease-Related Assets and Liabilities	Financial Statement Line Items	2024
Operating leases	Operating lease liability, current portion	\$ 79,129
	Operating lease liability, net of current portion	481,455
Finance lease	Finance lease liability, current portion	\$ 2,602
	Finance lease liability, net of current portion	3,394
Total lease liabilities		\$ 566,580

Lease liability maturities as of December 31, 2024, are as follows:

2025	\$ 101,482
2026	103,653
2027	103,802
2028	79,093
2029	81,465
Thereafter	170,337
Total undiscounted liabilities	639,832
Less: Imputed interest	(73,252)
Total lease liabilities	<u>\$ 566,580</u>

The weighted-average remaining lease term related to the Foundation's operating and finance lease liabilities as of December 31, 2024, was 7 and 2.25 years, respectively.

The discount rate related to the Foundation's lease liabilities as of December 31, 2024, was 3.79% for both the office lease and the finance lease. The discount rates are generally based on estimates of the Foundation's incremental borrowing rate, as the discount rates implicit in the Foundation's leases cannot be readily determined.

NOTE 6 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets have been restricted by donors for the following purposes at December 31, 2024:

Metro programs	<u>\$ 1,876,597</u>
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Net assets were released from donor restrictions as follows during the year ended December 31, 2024:

Metro programs	<u>\$ 5,735,538</u>
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Net assets without donor restrictions were as follows during the year ended December 31, 2024:

Undesignated	<u>\$ 917,417</u>
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LAS VEGAS METROPOLITAN POLICE DEPARTMENT FOUNDATION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 7 - INVESTMENTS

The following is a summary of investments at December 31, 2024:

Securities	<u>\$ 56,586</u>
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As of December 31, 2024, all investments were considered level 1 investments.

NOTE 8 - EMPLOYEE RETENTION CREDIT

The CARES Act provides an employee retention credit (“CARES Employee Retention Credit”), which is a refundable tax credit against certain employment taxes of up to 70% of qualified wages paid to employees during the quarter, with the limit on qualified wages per employee being \$10,000 per quarter. As of December 31, 2024, the Foundation had an open receivable in the amount of \$30,730 for quarter four of 2020.

NOTE 9 - SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through May 29, 2025, which is the date the financial statements were available to be issued. Las Vegas Metropolitan Police Department Foundation is not aware of any material subsequent events.