



Annual Report

Office of State Treasurer Zach Conine

Fiscal Year
2024

July 1, 2023 – June 30, 2024

Zach Conine
State Treasurer



STATE OF NEVADA
OFFICE OF THE STATE TREASURER

December 20, 2024

Dear Governor Lombardo and Members of the Nevada Legislature:

Enclosed please find a copy of the Nevada State Treasury's Fiscal Year 2024 Annual Report as required pursuant to NRS 226.120(2).

In Fiscal Year 2024, the Treasury continued its work of effectively and efficiently serving Nevadans. Outlined within this report are the multitude of ways in which the Treasury's now seven Divisions and the State Infrastructure Bank served Nevadans, State agencies, local governments, and more.

The successes of the year would not have been possible without the hard work and tireless dedication of the Treasury's staff. Through their efforts, we have consistently provided a high level of customer service and record-breaking performance. I couldn't be prouder to work with them every day. Thank you for the opportunity to share more information about the Treasury. Please do not hesitate to contact me should you need additional information or further clarification.

Sincerely,

Zach Conine
Nevada State Treasurer

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OPERATIONS DIVISION

Division Overview

The Operations Division oversees the day-to-day operations for the Treasury to include fiscal functions for 34 Treasury budget accounts, the submittal of the biennium budget request for 12 budget accounts, human resources, IT operations, travel management, contract and purchasing management, and the administration and disbursement of the annual Tobacco Master Settlement Agreement (MSA).

The Division also assists with revenue and expenditure forecasts, reports, and financial statements due to the State Controller's Office, Department of Administration, and the Legislative Counsel Bureau. Most general inquiries from the public are also handled by the Operations Division.

Duties

Fiscal Functions

The Operations Division is responsible for the fiscal functions of 34 budget accounts including the preparation and submittal of 12 biennium budget requests for the State Treasurer, Prepaid Tuition Program, Millennium Scholarship Program, College Savings Program, College Savings Trust, Debt Management Program, Unclaimed Property Program, Nevada Grown Educator Program, and the Nevada Employee Savings Trust Program. It also oversees the day-to-day spending, purchasing, staff travel, inventory, revenue and expenditure projections, work programs, audit requests, fiscal year processing, and reporting for these budget accounts.

The Operations Division also administers the accounting and distribution of funds relating to the Tobacco Master Settlement Agreement (MSA). State law requires 40% of the funds be allocated to the Governor Guinn Millennium Scholarship Fund and 60% to the Fund for a Healthy Nevada. Nevada received approximately \$41MM in MSA funds in FY24 enabling Operations to distribute approximately \$14.3MM to Millennium recipients and \$21.4MM to the Healthy Nevada Program.

Human Resource Functions

The Operations Division oversees Human Resources (HR) for 60 State Treasury employees including planning, recruiting and selection, evaluating employee performance, records, payroll processing, creating and maintaining policies and procedures, onboarding new employees, and the day-to-day HR needs of the office.

Contract Management

The Operations Division oversees approximately 35 active contracts for the State Treasury including the State's banking and merchant services contracts utilized by Nevada agencies.

Information Technology

The Operations Division oversees all Information Technology (IT) functions for the Treasury and its various programs. The Treasury has two designated IT staff who handle the day-to-day help desk tickets as well as monitoring and administering the Treasury's information systems, security, hardware, software, databases, and network needs.

Major Accomplishments

The Operations Division was established in May 2021 to create a centralized approach in performing the administrative functions for the Treasury. This removed administrative functions from various programs allowing staff to focus on program initiatives to better serve Nevadans.

Pursuant to Senate Bill 10 of the 2023 Legislative Session, Operations was instrumental in transitioning the State Infrastructure Bank from Nevada Department of Transportation to the Treasury. Additionally, Operations provided the necessary budgetary and human resources support for two new Financial Literacy & Security programs: Student Loan Repayment for Healthcare Providers and Nevada Employee Savings Trust. Most of the thirteen new positions authorized in the 2023 Legislative Session for programs in the Treasury were filled by the close of FY24.

Operations successfully managed the renewal or replacement of many large contracts during fiscal year 2024, ensuring continuity of vendor support for our Investments Division, Unclaimed Property Division, College Savings Division, Financial Literacy and Security Division, and Cash Management Division. Operations provided support for the relocation of twelve employees to a new office location in Northern Nevada and relocation of the entire staff in Southern Nevada to the new State of Nevada campus in Las Vegas. As with other key Treasury staff, Operations Division staff participated in training for phase one of the CoreNV enterprise system during FY24.

CASH MANAGEMENT DIVISION

Division Overview

The Cash Management Division oversees the State's banking relationships, reconciles bank transactions with state accounting records, manages the State's electronic payment acceptance program, and administers the State's check distribution program.

Duties

Banking and Accounting

Pursuant to NRS 226.110, the State Treasurer is responsible for the receipt and disbursement of public money. In addition to its main depository and controlled disbursement accounts, the Treasury has 72 bank accounts under analysis, which is an increase of 32 accounts from the previous year, with most of these accounts being controlled disbursement and zero balance accounts. Funds deposited into or disbursed from these accounts by other State agencies are transferred into or out of the State's main concentration account daily, thus providing an efficient method for combining cash balances within one financial institution and minimizing non-invested cash balances. The Treasury also maintains four depository accounts with other financial institutions to offer State agencies in geographically remote areas the ability to more timely deposit funds.

The Cash Management Division also allocates revenues from the lease of federal lands in Nevada. Under NRS 328, these revenues are shared between the Department of Education's State Education Fund, county treasurers, and school districts based on the percentage of revenues collected in those various jurisdictions.

Merchant Services

As manager of the State's electronic payment acceptance program, Cash Management maintains over 398 merchant accounts and 3 eBill Express accounts for 65 State agencies. State agencies receive next day funding on all electronic transactions through the current Wells Fargo contract, providing the Treasury increased investment opportunities. The service fee gateway implementation has increased over the last fiscal year bringing the total number of service fee merchant gateways to 14. Over the last fiscal year, the State has saved over \$1MM by using this processing method and has allowed agencies to accept credit card payments who would otherwise not have that option due to budgeting shortfalls.

Major Accomplishments

In FY24, the Cash Management staff was able to return \$4.6MM of unclaimed funds to State agencies, and work together to find solutions to claim funds more efficiently in the coming years. The Cash

Management Division has successfully added the use of Account Validation Services (AVS) through Wells Fargo to help the State fight fraudulent electronic transactions going out to vendors and other payees. This program will allow agencies to more safely make payments to vendors.

The Treasury continues to seek more efficient and safe means by encouraging the use of items such as cash vaults, remote deposit, positive pay, and ACH blocks and filters, which State agencies can use to carry out their financial transactions.

INVESTMENT DIVISION

Division Overview

The Treasury is responsible for the investment of public money. Specifically, the Investment Division (“the Division”) is responsible for all investment and accounting activities relating to the General Portfolio, Local Government Investment Pool (LGIP), the Permanent School Fund (PSF), the Higher Education Tuition Trust Fund, as well as oversight of the NVEST investment advisors.

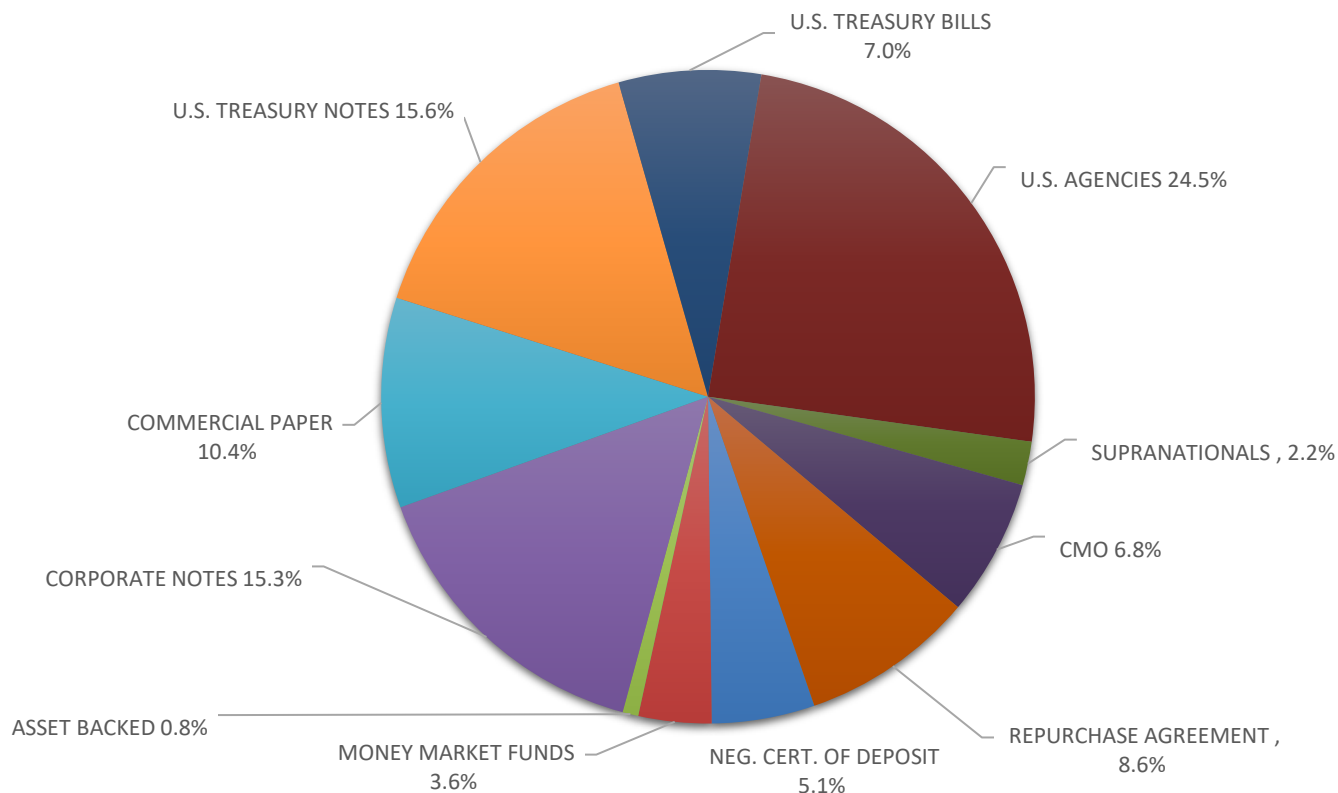
Duties

The investment of the State of Nevada’s General Portfolio is a function performed by the Treasury in accordance with state statutes. An Investment Policy for prudent investment of State funds has been adopted to guide this process. The General Portfolio includes all State funds, excluding funds invested for the Local Government Investment Pool (LGIP), Local Government Pooled Long-Term Investment Account (NVEST), Permanent School Fund (PSF), and the Higher Education Tuition Trust Fund.

General Portfolio

The State’s General Portfolio is invested in U.S. Treasury and Agency securities, high quality corporate notes and supranational bonds, commercial paper, mortgaged and asset backed securities, negotiable and time certificates of deposit, and money-market funds. Securities holdings are diversified to prevent over-concentration by maturity, issuer, or security class. The Division maintains a conservative, moderately active investment strategy which provides the ability to take advantage of market opportunities as they occur by analyzing projected cash flow needs. Portfolio maturities are structured to reduce the likelihood of a forced sale of securities in any but the most severe circumstances. The Division manages the portion of the Portfolio utilized for operating funding, while a portion of the Portfolio not needed for immediate expenses is managed by two registered investment advisors, Buckhead Capital Management and Western Asset Management.

The FY24 General Portfolio’s book value as of June 30, 2024, was \$9.5B. The following chart provides a breakdown of total investments held as of the end of FY24. Total realized earnings for FY24 were \$364.24MM, representing a yield of 3.94%.

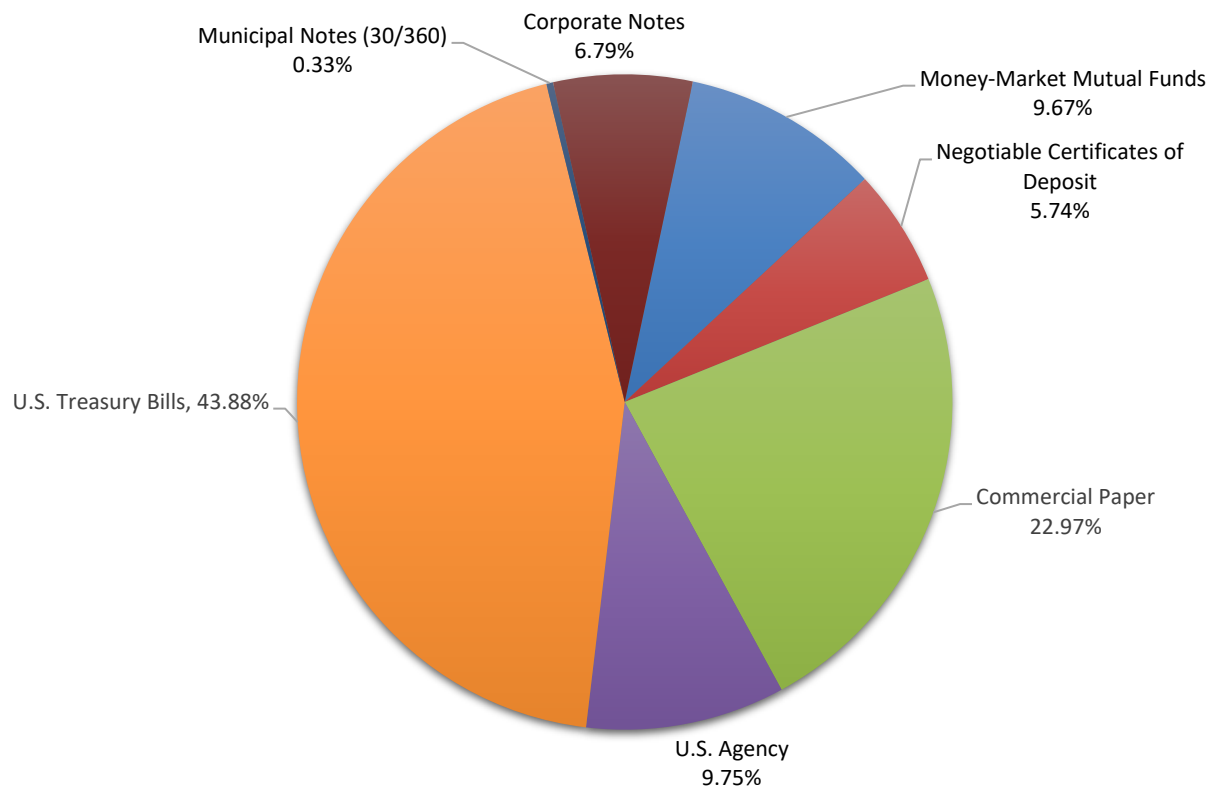


Local Government Investment Pool

Pursuant to NRS 355.165, the Local Government Investment Pool, or LGIP, serves as an alternative program for local governments to invest cash on a voluntary basis, thus allowing for the leverage of economies of scale. LGIP is administered in a conservative manner, consistent with the prudent guidelines outlined in an LGIP-specific Investment Policy. Any local government may deposit its public monies in the Pool. The LGIP reduces investment risk and increases convenience for local governments, as well as allowing for:

- Multiple accounts to be maintained for accounting purposes;
- No minimum or maximum account size;
- No limit on transaction size for deposits or withdrawals of funds; and
- No restriction on length of time proceeds can be invested.

The LGIP investment strategy incorporates the matching of maturing securities to the anticipated cash needs of the participants. Approximately 10% of the fund matures daily to ensure sufficient liquidity is available to meet both anticipated and unanticipated withdrawals. The LGIP imposes a Minimum Liquidity Requirement, which projects the cash flow needed to meet identified obligations within a rolling four-week period and which aligns maturing securities accordingly.



The following chart provides a breakdown of total investments held as of the end of June 30, 2024.

As of July 1, 2015, registered investment advisor, Meeder Investment Management, manages the LGIP Portfolio. The LGIP's book value on June 30, 2024 was \$2.27B. The LGIP's investment objectives include safety of principal, portfolio liquidity, and market return, consistent with a conservative, short duration portfolio. The Weighted Average Maturity (WAM) of the portfolio at fiscal year-end is 89 days.

Additionally, local governments have the option to participate in a longer-term investment program within the LGIP. NVEST is an alternative investment program for local governments, the objective of which is to provide higher returns than the LGIP. The minimum account size is \$5MM. NVEST participants, working with one of three registered investment advisors, can customize their portfolios based on their risk tolerances and other factors. As of June 30, 2024, the NVEST portfolios had a total book value of \$52.38MM and consisted of one participant.

Collateral Pool Program

Pursuant to NRS 356.350, the State Treasurer is required to establish a program for "the monitoring of collateral of public funds". The Nevada Pooled Collateral Program offers state and local government agencies an efficient, cost effective, and safe alternative method for securing public funds. The primary objectives are to reduce risk while, at the same time, decreasing the overall collateral requirement for

depositories. By centralizing the administration and reporting functions through the Division, government agencies and depositories recognize cost savings in terms of operational support and collateral efficiency.

Each financial institution is required to maintain (at a third-party repository) acceptable securities having a fair market value that is at least 102% of the amount of the aggregate uninsured ledger balances of the public money held by the depository as collateral. Participating financial institutions must report each day the amount of deposits held and the value of the corresponding pledged collateral. Any under collateralization must be rectified by the financial institution by the close of business on the day the under collateralized deposits are reported.

At the conclusion of FY24, there were 322 public entities throughout the State participating in the Collateral Pool Program, with deposits in 14 financial institutions and a daily balance on June 30, 2024 of \$1.48B with pledged collateral of \$1.756B, which calculates to \$330.3MM in excess collateral.

Permanent School Fund

The Permanent School Fund (PSF) was created to account for monies received from estates that escheat to the State, proceeds from the sale of federal lands given to the State, and fines collected under the penal laws of the State that are pledged only for education purposes under Article 11, Section 3 of the Constitution of the State of Nevada. Per NRS 355.050, the State Treasurer shall have charge of all the investments of money and the sale of all securities of the PSF. All earnings are transferred to the State Education Fund which totaled \$16.1MM in FY24.

As of June 30, 2024, the book value of the fixed-income investments of the Permanent School Fund (PSF) totaled \$252.83MM, the public equity investments totaled \$265.68MM, and the private equity book value totaled \$21.45MM (excludes capital returned to NCIC since SSOF inception). The total portfolio as of June 30, 2024, totaled \$539.96MM.

Nevada Capital Investment Corporation

In 2011, the Nevada State Legislature passed Senate Bill 75, authorizing up to \$50 million non-tax dollars in the Permanent School Fund to be invested in private equity investments through the Nevada Capital Investment Corporation (NCIC). Known as the Silver State Opportunities Fund (SSOF), this private equity fund focuses investments on expanding businesses located in Nevada or those which are seeking to relocate. SSOF was fully committed as of May 13, 2016. Approximately 96.7%, or \$48.3 MM, of committed capital has been drawn from the Permanent School Fund as of June 30, 2024.

The SSOF is generating a 6.5% net annual return to the State's Permanent School Fund. On a gross basis, SSOF is generating a 9.6% Internal Rate of Return (IRR). As of June 30, 2024, the NCIC contributed \$48.3MM and received \$46.9MM in distributions, resulting in \$1.4MM in net contributed capital.

As of June 30, 2024, 32 companies (18 of which remain active) have received investments from SSOF. This includes investments throughout the entire State. This is a total of \$827MM (19x multiplier) invested in Nevada and its partners, which stretches far beyond the \$50MM capital invested via the Permanent School Fund. At its peak, the SSOF investments have supported 2,470 Nevada employees. In FY24, the average annual wage of Nevadans employed in SSOF companies was \$105,622, which is higher than the national average wage.

Major Accomplishments

During FY24, the Division was repositioned to devote more attention and resources to better evaluating and taking advantage of interest earning opportunities that were presented in the markets. This was done while maintaining the high quality and safety of investments required by statute and investment policy. The most important strategy was to position the General Portfolio to benefit from the higher rates available 0 to 1-year area of the yield curve due to inversion. This resulted in record total distributed interest in the General Fund of \$225.3MM. While this strategy remained beneficial at the beginning of FY24, as the Federal Reserve has begun cutting interest rates, the Division is now looking for opportunities to invest further out along the yield curve. The Division will continue to identify and pursue opportunities presented in the shape and direction of the yield curve, while maintaining safety and liquidity as primary goals.

DEBT MANAGEMENT DIVISION

Division Overview

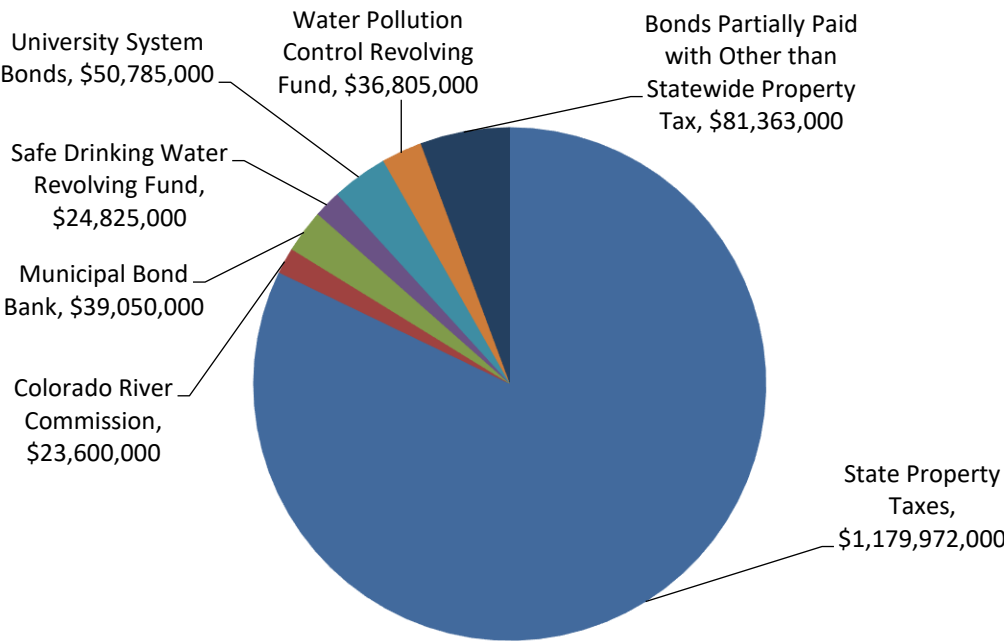
Pursuant to NRS 226 and NRS 349, the Treasury is directly responsible for the issuance of any debt obligation authorized on behalf of and in the name of the State, except for issuances by the Colorado River Commission, the University of Nevada System, and the Department of Business and Industry which issue various types of debt under differing levels of autonomy. The State Treasurer is also authorized to organize and facilitate statewide pooled financing programs, including lease purchases, for the benefit of the State and any political subdivisions.

Duties

General Obligation Debt

The State Treasurer is responsible for the issuance and maintenance of the following types of general obligation (GO) debt: Capital Improvement Bonds, Municipal Bond Bank Bonds, State Revolving Fund Bonds, Historic Preservation Bonds, Natural Resources Bonds, University System Bonds, and other miscellaneous GO bonds and securities. The State requires GO bonds to be legislatively authorized and secured by that portion of the ad valorem tax revenue dedicated to the payment of GO debt to the extent other monies are not available. The State’s gross GO debt as of June 30, 2024 was \$1.4364B.

The following chart illustrates the breakout of the State’s \$1.44B Gross General Obligation Debt as of June 30, 2024.



During FY24, the Debt Management Division (“Debt Management”) processed debt service payments for existing GO debt totaling approximately \$235.8MM.

Gross General Obligation Debt FY24 Debt Service Payments			
	Principal	Interest	Total
State Property Taxes	\$157,629,000	\$46,757,937	\$204,386,937
Bonds Partially Paid with Revenues Other Than Property Tax	\$ 6,211,000	\$ 3,003,428	\$ 9,214,428
Clean Water Revolving Fund	\$ 5,055,000	\$ 1,823,275	\$ 6,878,275
Safe Drinking Water Revolving Fund	\$ 3,410,000	\$ 866,900	\$ 4,276,900
Municipal Bond Bank	\$ 1,250,000	\$ 1,480,687	\$ 2,730,687
Nevada System of Higher Education	\$ 4,550,000	\$ 1,970,200	\$ 6,520,200
Colorado River Commission	\$ 815,000	\$ 970,653	\$ 1,785,653
Total FY24 Debt Service	\$178,920,000	\$56,873,080	\$235,793,080

Debt Service Reserves

Nevada’s Consolidated Bond Interest and Redemption Fund (the “Bond Fund”) is used to receipt the collection of the 17-cent ad-valorem property tax revenue dedicated to the payment of the principal and interest on the State’s GO bonds, and to reserve monies for future GO bond debt service payments. The reserve within the Bond Fund is funded from the excess of applicable property tax revenues over the required debt service payments plus interest earnings on the Bond Fund. The Bond Fund is available to provide ready reserves to meet current debt service obligations to the extent monies are insufficient from current property tax revenues.

The State’s current debt management policy has as an objective to maintain a reserve within the Bond Fund balance at the end of each fiscal year equal to at least 100% of next fiscal year’s debt service payments on GO bonds (exclusive of those bonds considered to be self-supporting and paid by other available revenues). As of June 30, 2024, the unaudited reserve amount within the Bond Fund was approximately \$307.1MM, which is equal to approximately 136% of the FY25 debt service on those GO bonds expected to be paid from property tax and prior to the issuance of additional 2024 bonds.

Debt Affordability Analysis

A committee comprised of representatives from the Governor’s Finance Office, the Department of Taxation, the State Treasury, and the Legislative Counsel Bureau meets at least biennially to forecast the estimated revenue to be received from its assessed property tax. Debt Management utilizes the committee’s projections in the preparation of the General Obligation Debt Capacity and Affordability Report which is published each biennium. In the interim, Debt Management updates the affordability analysis after each securities issuance and as needed.

The General Obligation Debt Capacity and Affordability Report is utilized by the Governor in preparing his recommended budget. The report is then presented to the State Legislature, which relies upon the report when considering the issuance of securities during the following biennium, determining the ad valorem tax rate for the payment of securities for the next biennium, and reviewing future debt capacity and affordability over the next ten years.

State Debt Capacity

In addition to the General Obligation Debt Capacity and Affordability Report prepared by Debt Management, the issuance of GO bonds is also limited by the State Constitution. Article 9, Section 3 limits the aggregate principal amount of the State's outstanding GO debt to 2% of the total reported assessed valuation of the State. The limitation does not extend to debt incurred for the protection and preservation of any property or natural resources of the State, or for the purpose of obtaining the benefits thereof.

Subject to the constitutional debt limitation, the Legislature may authorize the issuance of debt for any public purpose. As of June 30, 2024, the constitutional debt limit stood at \$4.3B. The outstanding debt subject to this limit was \$1.24B and the remaining constitutional debt capacity was \$3.02B.

Constitutional Debt Limitation and Capacity⁽¹⁾				
Effective June 30	Assessed Valuation	Debt Limitation	Outstanding Debt Subject to Limitation	Remaining Constitutional Debt Capacity
2019	\$134,128,343,902	\$2,682,566,878	\$988,260,000	\$1,694,306,878
2020	\$144,323,763,007	\$2,886,475,260	\$981,760,000	\$1,904,715,260
2021	\$151,219,706,042	\$3,024,394,121	\$945,445,000	\$2,078,949,121
2022	\$167,128,835,758	\$3,342,576,715	\$1,008,875,000	\$2,333,701,715
2023	\$192,287,425,959	\$3,845,748,519	\$911,540,000	\$2,934,208,519
2024	\$212,815,827,903	\$4,256,316,558	\$1,239,360,000	\$3,016,956,558
⁽¹⁾ Estimated by State of Nevada Controller's Office				

Municipal Bond Bank

NRS 350A.140 designates the State Treasurer as administrator of the Nevada Municipal Bond Bank. In accordance with NRS 350A.150, the amount of State securities issued to acquire municipal securities may not exceed \$1.8B outstanding at any time.

The State's Municipal Bond Bank program was established in 1981 to assist municipalities in undertaking local projects which foster and promote the protection and preservation of the property and natural resources of the State. Without this fund, municipalities might otherwise face the prospect of prohibitive interest rates.

The Board of Finance must approve the issuance of State GO and revenue securities under the Bond Bank Act. As of June 30, 2024, the outstanding par amount of securities issued pursuant to the Act was \$39.05MM.

Permanent School Fund Guarantee Program

Established under NRS 387.519, the Permanent School Fund Guarantee Program (“PSFG”), provides a mechanism for Nevada school districts to enter into agreements with the State whereby the money in the Permanent School Fund (“PSF”) is used to guarantee the debt service payments on certain bonds issued by Nevada school districts.

PSFG secured bonds carry the highest possible rating of “AAA” by Moody’s Investor Service and S & P Global Ratings-- thus providing Nevada school districts with greater access to public credit markets and reduced borrowing costs. The State Treasurer is tasked with administering the PSFG.

Fundamental to the PSFG is the legal authorization of the PSF to guarantee school district debt, which includes ensuring timely debt service payment, coupled with strong oversight and enforcement provisions. If a district fails to make a timely payment, the State Treasurer is required to withdraw a sufficient amount of money from the PSF in order to make a timely debt service payment. The withdrawal from the PSF and payment of debt service on the bonds is considered a loan to the school district. The loan must be repaid to the State from either school district money available to pay debt service on the bonds which are PSF guaranteed or from withholdings of State aid due to the district.

The maximum amount of principal that can be guaranteed by the State for any Nevada school district is limited to \$60MM. Further, the total amount of bonds that can be guaranteed by the State is limited to 250% of the lower of the cost or fair market value of the assets in the PSF. Based on the current balance of the PSF, the maximum principal that can be guaranteed is more than \$1B. As of June 30, 2024, \$131.53MM in bonds are guaranteed, or authorized by the State Board of Finance to be guaranteed, by the PSF.

Major Accomplishments

Bond Sales

In FY24, the Office successfully conducted one bond sale comprised of nine series of bonds:

BONDS ISSUED IN FY2024						
	Series	Original Amount	New Money	PV Savings	TIC	Term
Capital Improvement and Historic Preservation	2023A	\$ 433,725,000	\$ 433,725,000	\$ -	4.30%	19yrs
Natural Resources Bonds	2023B	\$ 13,865,000	\$ 13,865,000	\$ -	4.33%	18yrs
Open Space, Parks, and Natural Resources Bonds (Exempt)	2023C	\$ 29,415,000	\$ 29,415,000	\$ -	4.36%	18yrs
Safe Drinking Water Revolving Fund Matching Bonds	2023D	\$ 5,895,000	\$ 5,895,000	\$ -	3.93%	5yrs
COP Refunding CCB1	2024A (COP)	\$ 8,540,000	\$ -	\$ 516,496	2.72%	7yrs
COP Refunding Casa Grande	2024B (COP)	\$ 8,025,000	\$ -	\$ 480,408	2.72%	7yrs
COP Refunding NSU	2024C (COP)	\$ 37,160,000	\$ -	\$ 4,133,896	3.72%	19yrs
Highway MVFT	2024A (Hwy)	\$ 89,620,000	\$ 89,620,000	\$ -	3.37%	19yrs
Highway IFT	2024B (Hwy)	\$ 45,080,000	\$ 45,080,000	\$ -	3.38%	19yrs
		\$ 671,325,000	\$ 617,600,000	\$ 5,130,800		

The combined principal (or par value) amount of the bonds was \$671.325MM. The terms of the bonds ranged from 5 to 19 years and the true interest costs (TIC) ranged from 2.72% to 4.36%.

Nevada's Credit Ratings

Credit rating agencies provide an independent assessment of the relative creditworthiness of municipal securities. The rating system consists of letter grades that convey each rating agency's assessment of the ability and willingness of a borrower to repay its debt in full and on time. Many investors rely upon these letter grades as a means of assessing the likelihood of repayment.

Credit ratings issued by the rating agencies are a major factor in obtaining the lowest cost of borrowed funds in the municipal bond market. Credit rating agencies base ratings on the assessment of the credit worthiness of an issuer with respect to a specific obligation.

There are several factors that rating agencies consider in assigning credit ratings: financial strength, economic outlook, debt profile, and administration/management oversight. Rating agencies believe debt management is an important factor in evaluating issuers and assigning credit ratings, which ultimately determine the borrowing cost of funds.

At the end of FY24, the State's GO debt was rated AA+, Aa1, and AA+, respectively by the three major rating agencies: Fitch Ratings, Moody's Investors Service, and S & P Global. The State's strong "AA+" rating is just below the highest rating category of "AAA".

Ratings			
	Fitch	Moody's	S&P
General Obligation	AA+	Aa1	AA+
Safe Drinking Water Revolving Fund	AA+	Aa1	AAA
Water Pollution Control Revolving Fund	AA+	Aa1	AAA
Certificates of Participation	AA	Aa2	AA
Highway Revenue (MVFT)	AA+	Aa1	AAA
Highway Revenue (IFT)	AA+	Aa1	AA+
Permanent School Fund Guarantee	N/A	Aaa	AAA

UNCLAIMED PROPERTY DIVISION

Division Overview

As of June 30, 2024, the Unclaimed Property Division (“Unclaimed Property”) was safeguarding more than \$1B in unclaimed property belonging to individuals, heirs, and businesses who have, at some point in time, resided or done business in the Silver State.

Each year, businesses and government agencies turn over tens of millions of dollars of abandoned property in the form of cash, securities, and tangible property from safe deposit boxes to Unclaimed Property. The property is held in Unclaimed Property’s custody in perpetuity until it can be returned to the rightful owner or heir. Typical types of property received include but are not limited to: stock accounts, uncashed payroll checks, utility deposits, life insurance proceeds, and refunds.

Unclaimed Property operates through two primary workgroups: Claims and Holder Reporting/Compliance.

- The Claims team is responsible for receiving, reviewing, and approving or denying submitted claims. They also process, hold, and auction physical property which is received in safe deposit boxes, the proceeds of which are credited to the box owner’s account. Finally, the team is responsible for receiving, processing and selling stock properties.
- The Holder Reporting and Compliance team has two main lines of service with intersecting goals.
 - The Holder reporting line of service is responsible for receiving and processing reports and payments that are submitted as unclaimed property. (Businesses are referred to Holders, as they are “holding” others’ property). They are responsible for communicating reporting compliance requirements as they perform these tasks.
 - The compliance line of service is responsible for managing contracted outside auditors, performing compliance reviews, educating Holders on compliance requirements; and assessing and collecting penalties, interest and fees for payments, reports or property that were submitted incorrectly or late.

Duties

The Unclaimed Property Program was created and is administered pursuant to Chapter 120A of the Nevada Revised Statutes (“NRS 120A”), and is further clarified in Chapter 120A of the Nevada Administrative Code. NRS 120A incorporates sections of the Revised Uniform Unclaimed Property Act of 2016, the Uniform Unclaimed Property Act of 1995 (both of which have been adopted by the Uniform Law Commission) and modifications required to accommodate Nevada laws governing specific types of properties.

Unclaimed Property’s statutory duties outlined in NRS 120A include:

- Facilitating reporting and receiving unclaimed property;

- Educating holders on reporting compliance requirements;
- Receiving, reviewing, and approving or denying claims submitted to recover property;
- Conducting, or contracting with others to conduct audits of Holders to determine proper reporting of unclaimed property;
- Dispositioning securities and physical property received via security sales, public auctions and/or donations to certain libraries or museums when items are worthy of preservation; and
- Notifying the public with instructions on how to search and access information relating to unclaimed property, announcing public auctions, and providing reporting information to Holders.

Major Accomplishments

Owner Claims

Unclaimed Property paid 43,321 claims in FY24, and returned over \$50MM to rightful owners, up from \$44MM in FY23. In FY24, 68% of all claims were paid via Unclaimed Property's online approval system, FastTrack. Concerted efforts by Treasurer Conine to promote the program through social media, as well as national campaigns like National Unclaimed Property Day and Good Morning America spotlights directly correlated with the significant increase in claim values. Beyond claims paid figures, claims statistics overall saw significant increases in FY24 over FY23. Over 217,000 claims were initiated online in FY24, a 22% increase over FY23's approximately 177,000 claims.

Holder Compliance and Audit

During FY24, the following changes were deployed to encourage continued holder reporting:

- A new cause to enter the Voluntary Disclosure Agreement ("VDA") program was established for holders who are a party to a merger or acquisition of another entity. This change resulted in past due properties being included on the holder's annual report. This change was brought forth due to requests from the holder community.
- Modified waivers of penalties and interest for holders who have completed the VDA program. Full waivers of penalties and interest are now being granted to encourage holders to continue to report compliantly and to encourage holders that have past due properties to report those as soon as possible.
- There were 78 VDA reports received totaling \$378,573.55. While the value of VDA reports decreased, the quantity increased from FY23. This tends to be the result of the holder participating in the program as the result of receiving a penalties and interest assessment, so the vast majority of past due properties were already identified and reported. The VDA report identifies the amount of past due properties identified as a result of guidance provided by Unclaimed Property during the VDA process.
- Penalties, interest and fees collected amounted to \$1.323MM in FY24.

- Contracted audits resulted in 155 holder reports being filed and the remittance of approximately \$5MM in cash and over 7.8MM shares of stock. These numbers are up from FY23's \$4.2MM in cash and 486,000 shares.

Holder Reporting and Collections

The Holder Reporting and Compliance team focused on promoting compliance with required online reporting and payment submissions. As a result, nearly 93% of reports received were submitted online in FY24. Other collection results included:

- Cash receipts from Holder reports (including audit and VDA reports) and reports received as a result of reciprocity amongst state programs amounted to over \$114MM and security sales exceeded \$18MM;
- Nearly 60MM shares of stocks were taken into custody; and
- Over 680,000 individual owner properties were reported (a decrease of approximately 22% from approximately 870,000 properties in FY23). This was likely the result of changes in statute for dormancy periods, which delayed some properties from being reported in FY24 to FY25.

COLLEGE SAVINGS DIVISION

Division Overview

The College Savings Division (“the Division”) oversees four distinct programs and a range of services designed to help Nevadans plan, save, and pay for higher education. Additionally, College Savings offers administrative support to the Board of Trustees of the College Savings Plans of Nevada.

Duties

NRS 353B governs Nevada’s college savings programs and directs the State Treasurer to act as the administrator. NRS 353B establishes three Nevada college savings programs: Nevada’s 529 College Savings Plans, Nevada Prepaid Tuition Program, and Nevada College Kick Start. NRS 396 governs the Governor Guinn Millennium Scholarship and directs the State Treasurer to act as administrator. NRS 226 establishes the Student Loan Ombudsperson Program.

529 College Savings Plans

The Nevada 529 College Savings Plans are designed to assist parents and students in saving for future college expenses in tax advantaged savings accounts. The College Savings Plans operate as qualified tuition programs under Section 529 of the Internal Revenue Code. The Plans combine tax benefits and flexible features, making them a smart and convenient way to save for higher education. In 529 College Savings Accounts, earnings are federally tax-free when used for qualified educational expenses at eligible higher education institutions, which provides more money for college-related expenses. The Board of Trustees of the College Savings Plans of Nevada provides fiduciary oversight of the investment managers, program managers, marketing managers, and other vendors supporting the College Savings Programs.

The College Savings Plans of Nevada consists of five plans: Future Path 529 (advisor sold / direct sold option for Nevada residents), Vanguard 529 College Savings Plan (direct sold), USAA 529 College Savings Plan (direct sold), Wealthfront 529 College Savings Plan (robo-advisor sold), and Putnam 529 for America (advisor sold).

The 529 College Savings Plans of Nevada vary in their structure, offerings, and risk. Plans are offered to customers throughout the United States; however, most plans provide additional benefits for Nevadans such as matching grant funds, waiver of annual account fees, and reduced required initial contributions.

The table below shows the total AUM for each plan, as well as the total number of accounts as of June 30, 2024:

	AUM	Total Accounts
Putnam 529 for America	\$471.374MM	15,859
Wealthfront 529 Plan	\$653.04 MM	29,327
USAA 529 College Savings Plan	\$5,703B	309,713
Future Path 529	\$1.351B	118,446
Vanguard 529 Plan	\$34.728B	618,244
TOTAL:	\$42.908B	1,091,589

Silver State Matching Grant

Since 2010, the Silver State Matching Grant Program has allowed qualifying Nevada families with a unique opportunity to boost their 529 college savings contributions. It provides a matching contribution dollar-for-dollar up to \$300 per year for five years, for a maximum of \$1,500 per beneficiary, into a recipient's Future Path 529 Account. To qualify for the Silver State Matching Grant, the following eligibility requirements must be met:

1. Have an opened Future Path 529 plan account and apply for the Silver State Matching Grant online.
2. The account owner and beneficiary must both be Nevada residents.
3. The account owner's household income in the year prior to applying for the Silver State Matching Grant must not exceed \$74,999.
4. The designated beneficiary must be 13 years old or younger as of December 31 of the year in which the account owner first applies for the Silver State Matching Grant.

In FY24, the program received 233 applications during the open enrollment period, 201 of which were approved, resulting in \$53,460 being deposited into matching grant accounts.

Nevada Prepaid Tuition

The Nevada Prepaid Tuition Program (“Prepaid Tuition”) enables parents, grandparents, and other family members to lock in future in-state college tuition rates at today’s prices. Established in 1998, the Program is one of only 11 prepaid tuition programs in the country. It is fully administered by the College Savings Division, including the marketing, assisting families with enrollment, and coordinating with higher education institutions for the distribution of benefits.

Prepaid Tuition is authorized under Section 529 of the Internal Revenue Code and is designed to assist families in saving for future college tuition expenses through tax advantaged savings accounts. Prepaid Tuition plans, or contracts, may be purchased with a lump sum payment, paid monthly over five years, monthly over 10 years, or monthly until the child is ready to attend college. Contracts are transferable to other children in the family, including first cousins. Contract benefits can be used to cover the cost of tuition at Nevada System of Higher Education institutions or may be applied to help offset the cost of tuition at qualified in-state and out-of-state institutions, including eligible technical schools.

Prepaid Tuition opens enrollment each year from November-April. During FY24, the Program enrolled 295 new students, and the four-year university plan remained the most popular choice of plans, with 70.17% of purchasers choosing this plan for their loved one. The lump sum payment option was the most popular payment choice and made up almost half of all new contracts (45.42%) with the remaining 54.58% split between the monthly payment options (27.8% extended monthly, 11.86% five-year, and 14.92% 10-year).

An actuarial report completed by an independent outside actuarial firm found the FY24 funded status of Prepaid Tuition to be 227.5%. At the conclusion of FY24, a total of 23,922 children were enrolled in Prepaid Tuition, and the Nevada Higher Education Tuition Trust Fund held assets of \$441MM, an increase of 295 children and an increase of \$55MM, respectively, over the prior year.

For FY24, the Program paid out \$12.4MM on behalf of 3,269 students, which slightly increased (4.9% or \$581,636 and 3.4% or 110 respectively) from FY23. At the conclusion of the fiscal year, since inception the Prepaid Tuition Program paid out tuition benefits of \$157.5MM on behalf of roughly 9,487 students; with 5,355 students completely using all their contract benefits.

During FY24 the Program commemorated its 25th enrollment period. To celebrate the milestone, two random drawings were held. To say “Thank You” to both new enrollees as well as existing participants, the Program awarded a 4-year university contract to one new enrollee during the FY24 enrollment period and refunded an existing participant the full amount they paid for their contract.

The College Savings Division continues to host various outreach initiatives statewide to educate families, educators, and community partners on the benefits of the Program.

College Kick Start

In Fall 2013, the Treasury launched the Nevada College Kick Start Program (“CKS”), which establishes an automatic \$50 scholarship deposited into a Nevada sponsored 529 college savings account for all public-school kindergarten students in the State. CKS was codified into law after the passage of Assembly Bill 475 (“AB475”) of the 79th Nevada Legislative Session which took place in 2017. During its June 2023 Meeting, the College Savings Board of Trustees approved regulations necessary for the administration of the program.

The scholarships are established using a portion of the program manager fees paid to the Division, not taxpayer dollars. CKS scholarships are held within a master account in the Future Path 529 Plan which is invested in the age-based portfolio most closely aligned with the age of the students. Parents may also link their child’s CKS scholarship to a separate Future Path 529 account.

The Division acts as administrator of the Program, which includes activities such as educating parents and families about CKS and assisting families in accessing their child’s scholarship via an online portal. Education and outreach efforts by the Division include attendance at school sponsored events, online informational webinars, and ongoing written and email communications sent to all participants. In FY24, the Division attended 27 CKS promotion ceremonies at local public and public charter elementary schools and provided certificates to all graduating kindergarteners that included detailed information about the Program.

As of June 30, 2024, there were 373,477 individual student scholarships created under the program, valued at over \$18.6MM.

Governor Guinn Millennium Scholarship

Pursuant to NRS 396.911-945, the State Treasurer acts as administrator of the Governor Guinn Millennium Scholarship Program (“Millennium Scholarship”). Established during the 70th Nevada Legislative Session in 1999, the Millennium Scholarship provides scholarships to high achieving Nevada high schoolers for use at eligible colleges and universities located within the State.

Nevada high school seniors are automatically eligible for the award if they graduate with a diploma from a Nevada high school; have been a Nevada resident for at least two years of their high school career; graduate with a 3.25 GPA; and complete the minimum core curriculum classes. Students who do not meet the GPA requirement may substitute a qualifying score from a college entrance exam to gain eligibility. Of the graduating class of 2024, 15,190 were eligible for the scholarship, and 7,685 have acknowledged and began using the award. Funding for the Millennium Scholarship comes from appropriations, 40% of the annual Tobacco Master Settlement Agreement payments, and \$7.6MM annually from the Abandoned Property Trust Account.

As administrator of the Program, the Division:

- Operates the Millennium Scholarship’s database (MiSL: Millennium Scholarship Ledger), which collects, stores, and maintains data on Millennium Scholars. The Division also hosts a dedicated website allowing students to access their accounts on MiSL.
- Collects initial eligibility data from all Nevada high schools, school districts, private high schools, adult education programs, and home school applicants, resulting in 206 system matriculation users.
- Conducts outreach efforts throughout the state at college fairs, schools, private companies, and other community events to provide the latest information about the program.
- Collaborates with representatives from each Nevada System of Higher Education (NSHE) institution, NSHE System Administration, System Computing Services, Nevada Association of School Superintendents, and the Nevada Department of Education to support the program.

Governor Guinn Millennium Memorial Scholarship

Following the tragic death of former Governor Kenny C. Guinn in July 2010, at the request of former First Lady Dema Guinn, College Savings worked closely with the Guinn family to create a separate account within the Governor Guinn Millennium Scholarship Trust Fund to accept donations in his honor. Each year, the donations are used to provide scholarships to Millennium Scholars who are in their last year of college and who commit to teaching in Nevada following graduation.

Scholarship applications are reviewed by the College Saving Board, who then selects the four winners of the scholarship. A virtual award ceremony is organized by the Division to congratulate the recipients. Historically, the scholarships were awarded to two students (one in northern Nevada and one in Southern Nevada) for \$4,500 each. During the 80th Nevada Legislative Session, Senate Bill 414 (“SB414”) was passed and subsequently signed by Governor Sisolak. SB414 increased the number of awards from two to four (two in northern Nevada and two in Southern Nevada), increased the award amount from \$4,500 to \$5,000, and allowed students from non-NSHE institutions to apply. These changes in eligibility and award amount were effective for the 2020 applicants and for the first time, four scholarships were awarded. In FY24, another four scholarships were awarded to two students from the University of Nevada in Reno, and two students from the University of Nevada in Las Vegas.

Student Loan Ombudsperson and College Navigators

Student Loan Ombudsperson

The Student Loan Ombudsperson (“SLO”) is an unbiased and confidential resource who reviews the concerns of Nevada’s students, families, and student loan borrowers. As defined by NRS 226.570, the Student Loan Ombudsperson shall:

- Educate current student loan borrowers on their rights and responsibilities and facilitate resolution of borrower complaints against student loan servicers;
- Educate potential borrowers by creating and administering a borrower education course and by conducting outreach to focus populations on targeted settings; and
- Provide recommendations for policy through research and analysis of data collected from Nevada borrowers, other states, and national policy organizations.

Educating current student loan borrowers on their rights and responsibilities and facilitate resolution of borrower complaints against student loan servicers

Federal student loan repayment had been paused since March 2020 under the Coronavirus Aid, Relief, and Economic Security (CARES) Act due to the ongoing COVID-19 pandemic; providing relief to millions of borrowers. Under the CARES Act, federal student loan borrowers were placed on a 0% interest forbearance. After several extensions of the repayment pause, borrowers were scheduled to resume making payments on October 1, 2023, while interest had resumed on September 1, 2023. To ensure that Nevadans understood the steps to prepare for repayment, the Student Loan Ombudsman took the initiative to develop presentations on ‘Resuming Repayments’ and ‘Avoiding Student Loan Scams’. The SLO also partnered with local organizations and associations to provide both in-person and virtual educations to professionals about student loan forgiveness, repayment options, etc. In efforts to reach as many Nevadans as possible, the SLO also interviewed with several news outlets to inform Nevadans of updates and changes to federal student loans.

Aside from being an educational resource in group settings, the Student Loan Ombudsperson continued to provide one-on-one consultations for Nevadans and met directly with Nevadans in person, by ZOOM, email, and/or by phone. In FY24, the Student Loan Ombudsperson provided one-on-one consultations to over 90 Nevadans and assisted them with individual questions concerning their individual student loans or financial aid, including the FAFSA. For borrowers that require in depth research of their individual loans, the SLO met monthly with the Federal Student Aid (FSA) Ombudsperson to discuss individual cases. The FSA uses the National Student Loan Data System (NSLDS) which tracks student aid through its entire life cycle and has provided the SLO with effective background information of borrowers. Through this process, the SLO has been able to assist borrowers reach student loan forgiveness or get them closer to and on the correct path towards forgiveness or lowered monthly payments.

Educate potential borrowers by creating and administering a borrower education course and by conducting outreach to focus populations on targeted settings

The U.S. Department of Education revamped the 2024-2025 Free Application of Federal Student Aid (FAFSA), creating a new application that did not become available until late December 2023, delaying the regularly scheduled date of October 1st. The Student Loan Ombudsperson partnered with different organizations and high schools to provide presentations in both English and Spanish about the changes of the new FAFSA and also assisted parents and students with questions and concerns about the new

FAFSA, both pre-application and post-application. The Student Loan Ombudsperson also continued to provide monthly in-person and virtual webinars on the importance of exhausting all options before getting into student loan debt. The SLO continued to focus its efforts on being an educational resource to students and their families by providing education on the Free Application for Federal Student Aid (FAFSA), guidance on understanding the types of aid available through FAFSA, finding other scholarships and financial aid provided by their institutions, providing information on 529 college savings plans, and understanding student loans. In FY2024, the SLO along with the College Savings Outreach team attended various in person events such as college fairs, high school senior events, career days, and FAFSA events, and together reached over 6,400 high school students and families.

Throughout the Fall 2023 and Spring 2024 semesters, the Student Loan Ombudsperson continued its partnership with NSHE institutions to provide college students with information about financial aid, finding scholarships, and student loans. Once a month, the Student Loan Ombudsperson set up an informational table at the Student Union of several NSHE institutions to assist college students and professors with in-person assistance. In FY24, the Student Loan Ombudsperson reached over 750 students after providing over 125 hours towards this effort. Students, educators, and departmental leaders frequented the table to ask about scholarship opportunities and federal updates concerning student loans.

Provide recommendations for policy through research and analysis of data collected from Nevada borrowers, other states, and national policy organizations

During these unprecedented times, student loans have been headlining the tabloids and it has become important that the Student Loan Ombudsperson stays up to date with changes to policies, new program implementations, and deadlines to ensure that the most correct information is shared with Nevadans. The Student Loan Ombudsperson worked with other federal and state student loan advocates to jointly monitor the developments with federal education policies and advocates for change in the best interest of Nevada residents. The Student Loan Ombudsperson meets monthly with other State Student Loan Advocates and the Federal Student Aid (FSA), and frequently attends meetings with the Consumer Finance Protection Bureau (CFPB). During these meetings, the Student Loan Ombudsman advocates for Nevadans by speaking about re-occurring complaints or issues that Nevada borrowers are experiencing.

College Navigators

The goal of the College Navigators is to build strong relationships with institutions, school districts, community partners, students, and households, providing essential information on pursuing post-secondary education. These positions were created to foster a ‘college-bound’ culture in Nevada by increasing awareness of the Nevada College Kick Start Program, Nevada’s 529 College Savings Plans, the Nevada Prepaid Tuition Program, the Governor Guinn Millennium Scholarship Program, and other scholarship opportunities and financial aid options. These resources empower Nevadans to plan for,

save for, and pay for their post-secondary education. The College Savings platform used for education, communication, and information is NVigate.gov.

The College Savings team within the Nevada Treasury consists of two College Navigators (Program Officer I), Marketing Coordinator, Management Analyst III, Administrative Assistant I, a Program Officer I focused on Governor Guinn Millennium Scholarship, and a Program Officer I focused on the Nevada Prepaid Tuition Program. In FY24, the College Savings Division participated and/or hosted 35 virtual and 324 in-person events.

One of the initiatives the College Navigators developed and lead in FY24 was “25 Events in 25 Days” in honor of the 25th Anniversary of Nevada Prepaid Tuition. The College Savings Outreach team focused on 25 events across Nevada to highlight the College Savings Programs and to share details on the Nevada Prepaid Tuition program statewide. For example, the College Navigators partnered with the Nevada Prepaid Tuition team to create an information session at the Paseo Verde Library on March 25, 2024.

In addition to Millennium Mondays, the College Navigators introduced a new monthly webinar series to showcase the various programs within the College Savings Division. Starting in February 2024, the webinar titled “Paying for Higher Education with the Nevada State Treasury” was held on the second Tuesday of each month.

During FY24, the College Navigators assisted the outreach team on statewide Financial Literacy Universities. In FY24, the Division hosted two Financial Literacy University workshops: one at the United Way of Southern Nevada and another at the College of Southern Nevada in Las Vegas. These programs were planned in collaboration with community sponsors to educate and empower families as they navigate saving for college, buying a home, saving for retirement, and more. The Division partnered with community experts in financial topics such as budgeting, saving, credit, debt, and investing to offer vital financial literacy workshops for Nevadans. Participants in these events were entered into a raffle for a 529 account contribution.

In April 2024, the College Savings team visited schools throughout rural northeast Nevada. During the five-day visit, the team presented at four schools and visited 10 additional schools to provide them with NVigate program information.

The College Savings Division remains committed to helping Nevadans plan for, save for, and pay for postsecondary education and will continue to implement innovative initiatives to reach Nevada families across the great state.

Making Cents with the State Treasury

Every third Monday of the month, the Division hosts a 30-minute radio show, Making Cents, that is broadcast on Power 88.1 FM in Las Vegas. Each segment provides listeners with the tools and resources provided by the Nevada Treasury. The show educates and assists Nevadans as they navigate post-secondary education and other major financial milestones. Special guests are invited each month to speak on topics such as college savings, scholarships, student loans, homeownership, other financial literacy topics, trending news, and special events happening in Nevada. In FY24, there were an estimated 14,200 listeners.

Major Accomplishments

Art Contest

The 3rd annual “What Do You Want to Be When you Grow Up” Art Contest for K-12 students was held statewide and received 2,170 submissions. 1st, 2nd, and 3rd place contest winners were selected from each grade level and each winner received a scholarship award deposited into a Nevada sponsored 529 account ranging from \$250 - \$1,000. A total of 42 prizes, amounting to \$24,500 in scholarship money, were awarded to the winners. The celebratory Art Contest reception took place at the Windmill Library, where the winning artwork was showcased for students and families. After the gallery exhibit concluded, the artwork was displayed in the Nevada Treasury’s Las Vegas office.

The Division also hosted the Women + Money Financial Empowerment Summit at The M Resort Spa Casino. Returning after the 2023 sold-out event. The event brought together attendees from diverse backgrounds and career paths, fostering an environment for idea exchange and mutual growth. The Women + Money Summit featured speakers from various fields who addressed essential financial topics, providing the 350 attendees with valuable first-hand experiences. This year’s keynote speaker was Jan Jones Blackhurst, the first female Mayor of Las Vegas. The Summit offered dynamic sessions on leadership, financial planning and investing, entrepreneurship, personal branding, legacy building, professional development, work-life balance, saving for college, retirement, and more. Attendees also had the opportunity to get professional headshots, visit exhibition tables from local businesses, and network with peers. Sponsors of the Women + Money Summit included Southwest Gas, Wells Fargo Bank, J.P. Morgan Asset Management, Aristocrat Technologies Inc., and our community partner, The Public Education Foundation.

In efforts to continue providing Nevadans with resources and the necessary tools for a quality education, the Treasury hosted its second annual Back-to-School Fair in FY24. On July 15, 2023, the Nevada Treasury in partnership with the Las Vegas-Clark County Library District hosted its Back-to-School Fair at the East Las Vegas Library. Backpacks, school supplies, vaccinations, haircuts, books, and information to resources were amongst the things provided for free to those that attended, along with free snow cones, facepainting, balloon animals, and story time that children were able to enjoy throughout the day. The Back-to-School Fair attracted over 1,200 Nevadans and provided over 800 students with new backpacks and school supplies to begin the new school year.

Looking ahead, the Division will continue to assess the needs of all Nevadans and find creative ways to help them navigate their post-secondary journey.

FINANCIAL LITERACY & SECURITY DIVISION

Division Overview

The Financial Literacy and Security Division (“the Division”) was created and funded during the 2023 Legislative Session. The Division oversees a number of programs and services aimed at assisting Nevadans in becoming financially secure. Specifically, the Division is responsible for the administration of the Nevada Employee Savings Trust Program (“NEST”), the Nevada Achieving a Better Life Experience (“ABLE”) Program, and the Student Loan Repayment for Providers of Healthcare in Underserved Communities Program.

Nevada ABLE Savings Program

The Division is responsible for administering the Nevada ABLE Savings Program (“ABLE”) which allows people with disabilities to save and earn money without threatening the loss of state and federal benefit programs. Historically a standalone Program, ABLE now falls under the purview of the Financial Literacy and Security Division.

The federal Achieving a Better Life Experience (ABLE) Act was signed into law in 2014 and gave states the ability to establish tax advantaged savings programs for people with disabilities. Funds deposited into ABLE accounts can be used to help account beneficiaries pay for qualified disability expenses on tax-free basis and, in turn, help to increase an account holder’s overall level of independence. Nevada currently partners with a 19-member consortium in the National ABLE Alliance to help administer ABLE. The use of a multi-state consortium helps to keep fees low for participants and reduces the administrative impact on the State.

Duties

The Nevada ABLE Savings Program is outlined in NRS 427A.889. Senate Bill 419 (“SB419”) of the 79th Nevada Legislative Session codified the Nevada ABLE Program into law. Initially the Office was responsible for administration of ABLE accounts and regulatory duties of ABLE, and responsibilities for marketing and outreach to potential participants was placed with the Aging and Disabilities Division of the Department of Health and Human Services. Assembly Bill 130 (“AB130”) of the 80th Nevada Legislative Session moved responsibility for outreach and marketing of ABLE into the Treasury, which allows for a streamlined approach to reaching potential participants and assisting current participants with questions.

Major Accomplishments

In FY24, the Treasury has continued to increase awareness about the Nevada ABLE Savings Program and has continued to see an increase in accounts and assets under management. As of June 30, 2024, the ABLE program had 3,721 accounts.

The Treasury is excited to continue to grow ABLE, while also looking for more opportunities to increase competitive integrated employment for Nevada’s disability community.

Nevada Employee Savings Trust

The Nevada Employee Savings Trust (“NEST”) Program was established by Senate Bill 305 (“the Bill”) of the 2023 Legislative Session. The Bill was passed by the Nevada Legislature on June 3, 2023 and signed by Governor Lombardo on June 13, 2023. The legislation was codified under NRS 353D. Pursuant to the Bill, NEST will launch by July 1, 2025.

NEST creates an automatic Individual Retirement Account (Auto-IRA) Program by which certain Nevadans employed by certain entities are automatically enrolled into a State-sponsored retirement plan. Under a state-facilitated auto-IRA program, private-sector employees who don’t have access to workplace retirement savings plans are automatically enrolled in an individual retirement account (IRA) and contribute a percentage of their wages or salaries. Employees can change their contribution percentage or opt out entirely. The accounts are portable from one workplace to the next.

The NEST Program is governed by the Board of Trustees of the Nevada Employee Savings Trust, whose six members serve as fiduciaries to the Program. Staff support and Program administration is provided by the State Treasury’s Financial Literacy and Security Division. Members of the Board include:

- Treasurer or designee (Chair)
- Lt. Governor or designee
- Member appointed by the Governor, represents employers
- Member appointed by the Governor, experience in field of investments
- Member appointed by the Majority Leader of the Nevada Senate, represents retirees
- Member appointed by the Speaker of the Nevada Assembly, experience in small business

As of June 30, 2024, the six members of the Board had been identified and seated. Additionally, administrative preparations began and included preparing for the first Board meeting and hiring and onboarding staff.

Student Loan Repayment for Providers of Healthcare in Underserved Communities Program

The Student Loan Repayment for Providers of Health Care in Underserved Communities Program (“the Program”) was established via Assembly Bill 45 of the 2023 Legislative Session. This Program is funded through annual statutory transfers and aims to increase and retain healthcare professionals in Nevada. The amount of total student loan repayment available to eligible providers varies depending upon provider type, with a maximum lifetime allowance of \$120,000. At least 15% of money available

for the Program's funding each year is set aside to repay student loans for providers who commit to practicing in Nevada's rural counties (populations of less than 100,000). An application scoring system will be used to prioritize funding and will be published 30 days in advance of applications being accepted. The Program will launch in early CY25.

As of June 30, 2024, a number of Program milestones had been met. Notably, from January through June 2024, the Treasury held a series of workshops to establish regulations for the Program. Those regulations were formally adopted on June 5, 2024. Further, the Treasury's existing customer relationship management system was identified as the best system to process Program applications. Staff and the vendor worked to define the application process and flow, in anticipation of the Program launch. Program materials such as information about the Program, FAQs, repayment amounts, scoring criteria and other items had also been created. Finally, the Program Officer I position that oversees the Program was hired and onboarded in early 2024.

NEVADA STATE INFRASTRUCTURE BANK

Overview

The Nevada State Infrastructure Bank (“the Bank”) exists to provide loans and other financial assistance to qualified borrowers for the development, construction, repair, improvement, operation, maintenance, decommissioning and ownership of transportation facilities, utility infrastructure, water and wastewater infrastructure, renewable energy infrastructure, recycling and sustainability infrastructure, digital infrastructure, K-12 school facilities, social infrastructure and other infrastructure related to economic development as necessary for public purposes.

The Bank was originally created in 2017 and received initial funding in 2021. In 2023, the Bank moved from the Nevada Department of Transportation to the Nevada Treasury.

Pursuant to NRS 226.829, the Board of Directors of the Bank is required to prepare a report on the operations of the Bank for each fiscal year. A copy of the FY24 report can be found linked below:

Nevada State Infrastructure Bank FY24 Annual Report



SIB FY24 Annual
Report.pdf

Financial Section

UNCLAIMED PROPERTY

Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Years Ended June 30, 2024 and June 30, 2023

Revenues	2024	2023
Unclaimed Property Receipts		
Utility Companies	\$ -	\$ -
Insurance Companies	-	-
Financial Institutions	223,646	269,676
Security Sales & Dividends	19,307,789	12,996,724
Local Governments	956	52,612
Other State Governments	-	-
Other Businesses	109,162,145	93,999,151
Audit Proceeds	5,438,822	4,617,175
Direct Payment From FDIC	437,706	-
Miscellaneous Sales	2,013	3,485
Penalties, Interest and Other	1,321,638	3,104,295
Total Revenues	135,894,715	115,043,118
Expenditures		
Payments to Claimants	50,375,669	43,660,822
Payments FDIC Claimants	437,706	-
Personnel Costs	1,124,141	848,557
Contractual Services	760,450	1,441,058
Operating Costs	208,646	231,604
Advertising and Public Relations	101,529	113,459
Total Expenditures	53,008,141	46,295,500
Other Financing Sources (Uses)		
Transfer to General Fund	(70,965,216)	(60,022,801)
Transfer to Educational Trust Fund	(571,358)	(124,817)
Transfer Per NRS223.492(23)	(1,000,000)	(1,000,000)
Transfer Per AB45 (2023) to Nevada Educator Acct	(2,500,000)	-
Transfer to UNR School of Medicine	(250,000)	-
Transfer to Gov. Guinn Scholarship Fund	(7,600,000)	(7,600,000)
Total Other Financing Sources (Uses)	(82,886,574)	(68,747,618)
Excess of revenues and other financing sources over expenditures and other financing uses	(0)	(0)
Beginning Balance, July 1	-	-
Ending Balance, June 30	\$ (0)	\$ (0)

MILLENNIUM SCHOLARSHIP TRUST FUND
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Years Ended June 30, 2024 and June 30, 2023

Revenues	2024	2023
Tobacco Settlement Income	\$ 14,283,145	\$ 16,102,687
Appropriation	-	75,000,000
Interest Income	3,067,267	505,917
Prior Year Correction	-	-
Refunds	-	-
Total Revenues	17,350,412	91,608,604
Expenditures		
Scholarship Payments	37,888,349	36,128,802
Personnel	291,110	276,446
Travel	1,356	950
Administrative	144,977	114,211
Total Expenditures	38,325,791	36,520,410
Other Financing Sources (Uses)		
Transfer from College Savings Endowment Account	-	-
Transfer from Treasurer	437,441	388,229
Transfer from ARPA	-	3,379
Transfer from Unclaimed Property	7,600,000	7,600,000
Transfer from Attorney General	-	6,000,000
Total Other Financing Sources (Uses)	8,037,441	13,991,608
Excess of revenues and other financing sources over expenditures and other financing uses	(12,937,938)	69,079,802
Beginning Balance, July 1	99,400,101	30,320,299
Ending Balance, June 30	\$ 86,462,163	\$ 99,400,101

PREPAID TUITION TRUST FUND

Statement of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Years Ended June 30, 2024 and June 30, 2023

Revenues	2024	2023
Participant Contributions	\$ 10,111,035	\$ 11,860,490
Application Fees	29,500	24,202
Administrative Charges	32,100	29,858
Interest Income	165,344	93,523
Investment Gain (Loss)	8,524,669	2,095,285
Total Revenues	18,862,648	14,103,358
Expenditures		
Tuition Payments	12,438,248	11,857,967
Personnel Costs	279,091	253,248
Travel	1,389	1,717
Operating Costs	486,231	521,597
Contract Cancellation Refunds	4,435,907	3,593,207
Contract Rollover Payments	21,579	62,085
Total Expenditures	17,662,445	16,289,820
Other Financing Sources (Uses)		
Transfer from ARPA	-	3,150
Transfer from College Savings to Pay Operating	766,711	773,411
Total Other Financing Sources (Uses)	766,711	776,561
Excess of revenues and other financing sources over expenditures and other financing uses	1,966,913	(1,409,900)
Beginning Balance, July 1	250,339,056	251,748,956
Prior Period Adjustment		
Ending Balance, June 30	\$ 252,305,969	\$ 250,339,056

COLLEGE SAVINGS

Statement of Revenues, Expenditures and Changes in Fund Balance For the Fiscal Years Ended June 30, 2024 and June 30, 2023

Revenues	2024	2023
Investment Management Fees	\$ 6,301,794	\$ 6,019,382
Gifts and Donations	-	-
Noncash Revenues	379,699	432,779
Settlement Income	-	-
Interest Income	682,870	414,662
Cost Allocation/Fund Transfers	1,865,471	1,555,377
Total Revenues	<u>9,229,834</u>	<u>8,422,200</u>
Expenditures		
Personnel	562,796	427,755
Operating	1,030,978	1,056,412
In-Kind Marketing	433,159	512,454
Total Expenditures	<u>2,026,933</u>	<u>1,996,621</u>
Other Financing Sources (Uses)		
Administrative Transfers		
College Savings	(1,865,471)	(1,555,377)
Millennium Scholarship	(477,154)	(388,229)
Prepaid Tuition	(794,905)	(773,411)
Treasurer's Administration	(1,657)	-
Prepaid Tuition Stabilization	-	(6,000,000)
College Kick Start	-	-
Cost Allocation	-	-
Settlement Expenses	-	-
Total Other Financing Sources (Uses)	<u>(3,139,187)</u>	<u>(8,717,017)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	4,063,714	(2,291,439)
Beginning Balance, July 1	13,231,473	15,522,911
Ending Balance, June 30	<u>\$ 17,295,187</u>	<u>\$ 13,231,473</u>

CONSOLIDATED BOND INTEREST & REDEMPTION FUND

Statement of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Years Ended June 30, 2024 and June 30, 2023

Revenues			
Taxes		2024	2023
Real Property		205,725,576	186,992,936
Personal Property		21,455,009	19,887,261
Centrally Assessed Property		12,478,654	10,732,755
		<u>239,659,240</u>	<u>217,612,952</u>
Other			
Lease Purchase Building Rent		6,831,295	6,831,659
Interest Income		11,784,298	6,100,530
Excess Escrow Funds		-	-
		<u>18,615,593</u>	<u>12,932,189</u>
Total Revenues		<u>258,274,833</u>	<u>230,545,141</u>
Expenditures			
Personnel		401,341	274,632
Statewide Cost Allocation (SWCAP)		4,009	2,566
Operating		1,327,925	426,136
Professional Services		426,288	121,265
Trust Agent Fees		37,622	24,722
		<u>2,197,185</u>	<u>849,321</u>
Debt Service			
Bond Principal Redemption		170,581,855	143,652,000
Bond Interest Expense		55,770,290	49,250,090
Debt Service Total		<u>226,352,145</u>	<u>192,902,090</u>
Total Expenditures		<u>228,549,330</u>	<u>193,751,411</u>
Other Financing Sources (Uses)			
Transfers from State Agencies		15,590,146	12,985,045
State Treasurer's Assessment		386,300	47,530
Transfers-out			
Transfer to UCCSN		-	-
Transfer to NDOT from SIB Operating Exp		(26,050)	(109,483)
Transfer to Public Works Board		-	-
Net Proceeds from Refundings			
Net Prior Year Refunds/Expenditures			

Bond Proceeds for Cost of Issuance	1,714,176	503,342
Transfer to GF (AB3)- Budget Reduction		
Total Other Financing Sources (Uses)	<u>17,664,573</u>	<u>13,426,434</u>
Excess of revenues and other financing sources over expenditures and other financing uses	47,390,076	50,220,164
Beginning Balance, July 1	251,203,660	200,983,496
Balance Forward Prior Year from other accounts	8,244,337	
Prior Period Adjustment		
Ending Balance, June 30	<u><u>306,838,073</u></u>	<u><u>\$ 251,203,660</u></u>

MUNICIPAL BOND BANK BOND INTEREST & REDEMPTION FUND

Statement of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Years Ended June 30, 2024 and June 30, 2023

	2024	2023
Revenues		
Receipts from municipalities-Interest	\$ 1,480,687	\$ 1,912,162
Receipts from municipalities-Principal	1,250,000	2,235,000
Other		
Interest Income	4,596	4,211
Reimbursement of Expenses	-	-
Total Revenues	<u>2,735,283</u>	<u>4,151,373</u>
Expenditures		
Administrative Costs	-	-
Transfer to Administration	-	5,855
Trust Agent Fees	-	-
	<u>-</u>	<u>5,855</u>
Debt Service		
Bond Principal Redemption	1,250,000	2,235,000
Bond Interest Expense	1,480,688	1,912,163
	<u>2,730,688</u>	<u>4,147,163</u>
Total Expenditures	<u>2,730,688</u>	<u>4,153,018</u>
Other Financing Sources (Uses)		
Reversion to General Fund	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures and other financing uses	4,596	(1,644)
Beginning Balance, July 1	-	1,644
Ending Balance, June 30	<u>\$ 4,596</u>	<u>\$ (0)</u>

odd # years balance reverts to General Fund

even # years balances forward to the following year or pursuant to NRS 350A.190 2(d)

money reverted to General Fund and closed with zero balance

FUND FOR HEALTHY NEVADA

Statement of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Years Ended June 30, 2024 and June 30, 2023

Revenues	2024	2023
Tobacco Settlement		
Income	\$ 21,424,717	\$ 24,154,031
Interest Income	1,499,288	851,755
Appropriations	-	-
Refund of Unused Grant Money	-	-
Transfer From Health division	1,326,664	1,748,107
Total Revenues	<u>24,250,669</u>	<u>26,753,892</u>

Expenditures		
Operating	82,842	47,094
Total Expenditures	<u>82,842</u>	<u>47,094</u>

Other Financing Sources (Uses)

Transfer to Department of Health and Human Services

Administrative Services	(349,829)	(497,987)
Senior RX Program	(274,376)	(233,705)
Children & Disabled Persons	(7,123,040)	(6,469,596)
Aging Services	(7,116,875)	(6,852,378)
Disability RX	-	-
Differential Response	(1,288,009)	(1,178,774)
Child & Adolescent Services *	(2,302,918)	(2,302,918)
Suicide Prevention	(416,634)	-
Family Resource Center	(1,674,151)	(1,536,862)
Immunization	(118,104)	
Consumer Health Asst	(462,418)	(317,452)
Tobacco Cessation	(797,870)	(968,395)
Public and Behavioral Health	(2,511,382)	(2,322,983)
Transfer to Millennium Scholarship	-	-

Total Other Financing Sources (Uses)	<u>(24,435,606)</u>	<u>(22,681,050)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	(267,779)	4,025,749
Beginning Balance, July 1	39,461,357	35,435,608
Prior Year Adjustment	-	-
Ending Balance, June 30	<u>\$ 39,193,578</u>	<u>\$ 39,461,357</u>

NEVADA STATE INFRASTRUCTURE BANK

Statement of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Years Ended June 30, 2024 and June 30, 2023

	2024	2023
Revenues		
Transfer from Bond Interest & Redemption Fund	\$ 26,050	\$ 109,483
Appropriation (SB1 One Shot - Credit Enhancement)	0	14,000,000
Transfer from ARPA	-	2,063
Total Revenues	26,050	14,111,546
Expenditures		
Personnel Costs	8,276	93,248
In-State Travel	2,350	-
Other Administrative Costs	21,348	6,355
	-	-
Total Expenditures	31,974	99,603
Other Financing Sources (Uses)		
Bond Proceeds (Net of Cost of Issuance)	-	74,761,709
Treasurer's Interest Revenue	2,726,496	1,885,494
SB1 MLB Stadium Credit Enhancement	-	(14,000,000)
Loan Origination Fees	167,500	-
Loan Distributions	(15,055,000)	-
Loan Principal Repayments	-	-
Loan Interest Revenue	-	-
Total Other Financing Sources (Uses)	(12,161,004)	62,647,203
Excess of revenues and other financing sources over expenditures and other financing uses	(12,166,928)	76,659,146

Beginning Balance, July 1	76,659,146	-
Ending Balance, June 30	<u>\$ 64,492,218</u>	<u>\$ 76,659,146</u>

NEVADA EMPLOYEE SAVINGS TRUST
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Years Ended June 30, 2024 and June 30, 2023

	2024	2023
Revenues		
Appropriations	5,271	
Total Revenues	5,271	-
Expenditures		
Personnel Costs	-	-
In-State Travel	-	-
Other Administrative Costs	5,271	-
	-	-
Total Expenditures	5,271	-
Other Financing Sources (Uses)		
	-	-
	-	-
Total Other Financing Sources (Uses)	-	-
Excess of revenues and other financing sources over expenditures and other financing uses	-	-
Beginning Balance, July 1	-	-
Ending Balance, June 30	\$ -	\$ -

NEVADA GROWN EDUCATOR ACCOUNT
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Years Ended June 30, 2024 and June 30, 2023

	2024	2023
Revenues		
Transfer from Bond Interest & Redemption Fund	\$ -	\$ -
Appropriation (AB428 2023 Legislative Session)	10,000,000	
Treasurer's Interest	278,416	
Total Revenues	10,278,416	-
Expenditures		
Personnel Costs	-	-
In-State Travel	-	-
Other Administrative Costs	-	-
Total Expenditures	-	-
Other Financing Sources (Uses)	-	-
Total Other Financing Sources (Uses)	-	-
Excess of revenues and other financing sources over expenditures and other financing uses	10,278,416	-
Beginning Balance, July 1	-	-
Ending Balance, June 30	\$ 10,278,416	\$ -

HEALTHCARE STUDENT LOAN REPAY

Statement of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Years Ended June 30, 2024 and June 30, 2023

	2024	2023
Revenues		
Transfer from Unclaimed Property	2,500,000	
Treasurer's Interest	46,452	
Total Revenues	2,546,452	-
Expenditures		
Personnel Costs	19,453	-
In-State Travel	487	-
Other Administrative Costs	1,735	-
	-	-
Total Expenditures	21,675	-
Other Financing Sources (Uses)		
	-	-
	-	-
Total Other Financing Sources (Uses)	-	-
Excess of revenues and other financing sources over expenditures and other financing uses	2,524,777	-
Beginning Balance, July 1	-	-
Ending Balance, June 30	\$ 2,524,777	\$ -