

STATE BOARD OF FINANCE
November 9, 2021 – 1:00 PM
Summary Minutes

Location:

Via videoconference at the following locations:

Old Assembly Chambers	Governor’s Office Conference Room
Capitol Building, Second Floor	555 E Washington Avenue, Suite 5100
101 N. Carson Street	Las Vegas, NV 89101
Carson City, NV 89701	

Governor Sisolak called the meeting to order at 1:00 pm.

Board members present:

Governor Steve Sisolak – Las Vegas
Treasurer Zach Conine – Las Vegas
Controller Catherine Byrne – Carson City
Teresa Courier – Carson City
Brian Sagert – via telephone

Others present:

Tara Hagan:	Treasurer’s Office
Jeff Landerfelt:	Treasurer’s Office
Ian Carr:	Attorney General’s Office
Steve Aichroth:	Nevada Housing Division
Michael Holliday:	Nevada Housing Division
Hans Juhle:	Integra Property Group
Kurt Schlicker:	Eide Bailly
Ray Ritchie:	Nye Co. School District
Marty Johnson:	JNA Consulting
Fred Eoff:	PFM

Agenda Item 2 – Public Comment.

No public comment in Carson City or Las Vegas. No written public comment.

Agenda Item 3 – For discussion and possible action – on the Board of Finance minutes from the meeting held on October 26, 2021.

Treasurer Conine moved to approve the minutes. Motion passed unanimously.

Agenda Item 4 – For discussion and possible action: on a resolution approving the report submitted by the Executive Director of the Department of Taxation and the State Permanent School Fund (PSF) Guarantee Agreement pertaining to the Nye County School District, Nevada, General Obligation (Limited Tax) Improvement and Refunding Bonds (PSF Guaranteed), Series 2022A and the Nye County School District, Nevada General Obligation (Limited Tax) School Improvement Bonds (PSF Guaranteed), Series 2022B, in the aggregate principal amount not to exceed \$40,985,000.

Deputy Treasurer of Debt Management Jeff Landerfelt presented this agenda item. He noted that the Nye County School District is requesting to enter into a State Permanent School Fund Agreement in an amount not to exceed \$40,985,000 to guarantee the issuance of its 2022 Refunding Bonds which will be sold in two series. The first series will be sold in February to refund about \$20,000,000 of bonds previously issued in 2020 and 2012. He noted the second series will be a new money issuance to fund district-wide capital improvements including a new elementary school in Tonopah. He stated that the district expects to save approximately \$725,000,000 as a result of the refunding transactions and issuing the new money under the PSFG program. Once both series are issued, the school district will have maximized the \$60,000,000 statutory limit. He reviewed that the Department of Taxation performed its analysis of the district's application and concluded it has the ability to make timely debt service payments without increasing the portion of its property tax rate dedicated to debt repayment. He mentioned that the State Treasurer and the Executive Director of the Nevada Department of Taxation respectfully request the Board's approval on the Nye County School District Permanent School Funds Guarantee Resolution.

Member Courier moved to approve Agenda Item 4. Motion passed unanimously.

Agenda Item 5 – For discussion and possible action: on the Nevada Housing Division's request to approve the Administrator's Findings of Fact pertaining to the issuance of up to \$5,250,000 of Multi-Unit Housing Revenue Bonds (Sagebrush Place II Apartments), for the purpose of acquisition and rehabilitation of a 40-unit affordable housing rental project in Reno, Nevada. The project owner/developer will be a limited partnership, which will consist of entities owned by Integra Property Group and Red Oak Equity Partners, LLC who will be the equity investor limited partner. Approval of the Board of Finance is required pursuant to NRS 319.270(4).

Steve Aichroth presented the Nevada Housing Division's request to approve the Administrator's Findings of Fact pertaining to the issuance of up to \$5,250,000 of multi-unit housing revenue bonds for the Sagebrush Place II Apartments. He noted that the bonds will be used for the acquisition and renovation of a 40-unit affordable family apartment complex in Reno, Nevada. He noted the project has 38 HUD Project-Based Section 8 vouchers ensuring the tenants will pay no more than 30% of the monthly income on rent. He stated that the rental housing will continue to serve 40 households at or below 60% of the median income. The project is anticipated to provide over \$65,000 per unit in renovation costs which include new roofs, windows, kitchens, and baths. The development team is led by Integra Property Group and is now their 4th project in Nevada. Mr. Holliday explained the financial structure and noted that it will be a public offering and is fully collateralized by Fannie Mae. This allows the project to receive the federal loan income housing tax credits. He noted that this project will generate approximately \$31,000,000 worth of private sector equity.

Treasurer Conine moved to approve Agenda Item 5. Motion passed unanimously.

Agenda Item 6 WITHDRAWN – For discussion and possible action: ~~For discussion and possible action: on the Nevada Housing Division's request to approve the Administrator's Findings of Fact pertaining to the issuance of up to \$33,000,000 of Multi-Unit Housing Revenue Bonds (The Ridge at Sun Valley), for the purpose of construction of a 200-unit family affordable housing rental project in Sun Valley, Nevada. The project owner/developer will be a limited partnership, which will consist of entities owned by the Ulysses Development Group and Enterprise Housing Credit Investments, LLC, who will be the equity investor limited partner. Approval of the Board of~~

~~Finance is required pursuant to NRS 319.270(4).~~

Agenda Item #6 has been withdrawn.

Agenda Item 7- For discussion and possible action: on the Nevada Housing Division's request to approve the Administrator's Findings of Fact pertaining to the issuance of Single-Family Mortgage Revenue Bonds, in an amount not to exceed \$54,000,000 to be issued in one or more series. Approval of the Board of Finance is required pursuant to NRS 319.270(4).

Mr. Aichroth presented the Nevada Housing Division's request to approve the Administrator's Findings of Fact pertaining to the issuance of up to \$54,000,000 for Single-Family Mortgage Revenue Bonds. He noted that the bonds can be issued in multiple series to provide mortgage financing for single-family residential housing for qualified home buyers. For more than 30 years, the Nevada Housing Division has operated a mortgage assistance program for first-time home buyers. Over this time the division has issued and retired over \$2,000,000,000 of single-family mortgage bonds. This approval would preserve the private activity bond cap which would otherwise expire December 31, 2021. Michael Holliday with the Nevada Housing Division noted this request will exhaust the remainder of the 2018 Private Activity Bond Cap and will allow them to run the program for first-time home buyers within the first and second quarter in 2022. He stated that they have not decided whether they will do a direct placement with the bonds due to the interesting market rates. He noted that the program should help between 200 to 260 homebuyers depending on the program that they choose. He noted that over the last 12 months they have helped over 300 homebuyers through this program. The average purchase price of a home is \$256,000 and the average income is \$55,000. The average 2-person household with only one income earner and their average age is 36 years old.

Controller Byrne moved to approve Agenda Item 7. Motion passed unanimously.

Agenda Item 8- For discussion and possible action: on the Fiscal Year 2021 audited financial statements for the Local Government Investment Pool (LGIP) and approve its filing with the State Controller. Approval of the Board of Finance is required pursuant to NRS 355.045.

Chief Deputy Treasurer Tara Hagan presented the request to approve the audited financial statements on the Fiscal Year 2021 for the Local Government Investment Pool. The independent outside auditor provided an unqualified opinion which is the highest opinion available.

Member Courier moved to approve Agenda Item 8. Motion passed unanimously.

Agenda Item 9- Public Comment

No public comment in Carson City or Las Vegas.

Meeting adjourned at 1:12 pm.