STATE BOARD OF FINANCE

August 19, 2026 – 2:00 pm
Summary Minutes

Location:
Via videoconference at the following locations:

Old Assembly Chambers	Governor's Office Conference Room
Capitol Building, 2nd Floor	1 State of Nevada Way, 4th Floor
101 N. Carson Street	Las Vegas, NV 89119
Carson City, NV 89701	

Treasurer Conine called the meeting to order at 2:00 pm.

Board members present:
Governor Joe Lombardo – Carson City
Treasurer Zach Conine – Las Vegas
Controller Andy Matthews – Carson City
David R. Navarro – Las Vegas
Benjamin Edwards – Las Vegas

Others present:

Debi Reynolds:	Governor's Office
Nicole Ting:	Attorney General's Office
Lori Hoover:	Treasurer's Office
Cari Eaton:	Treasurer's Office
Travis Fosse:	Treasurer's Office
Steven Hale:	Treasurer's Office
Itzel Fausto:	Treasurer's Office
Stephen Aichroth:	Nevada Housing Division
Christine Hess:	Nevada Housing Division
George Saad:	Fairway Multifamily
Eric Novak:	Praxis Consulting
Ariel Estrada:	Praxis Consulting
Brian Moloney:	Lincoln Avenue
Frank Stafford:	SNVRHA
Fred Haron:	SNVRHA
Ryan Zubricki:	J. Fisher
Brad Peters:	Brinshore
Terrill Trask:	WPCSD
Krystal Blades:	WPCSD
Angie Angelopolous:	WPCSD
Curtis Palmer:	GFO
Jennifer Carr:	NDEP
Brandon Bishop:	DCNR
Maggie Marshall:	PFM
A'Keia Sanders:	GFA

Justin Luna: LCB

<u>Agenda Item 2</u> – Public Comment.

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

<u>Agenda Item 3</u> – For discussion and for possible action – on the Board of Finance minutes from the meeting held on June 24, 2026.

Controller Matthews moved to approve the minutes. Motion passed unanimously.

<u>Agenda Item 4</u> – For discussion and for possible action: 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 $17,100,000 of Multi-Unit Housing Revenue Bonds (Gagnier Senior Affordable Apartments), for the purpose of new construction of a 190-unit affordable senior housing rental project in Clark County, Nevada. The project developers are Ovation Design and Development Inc and Coordinated Living of Southern Nevada Inc. The borrower/ownership entity will be Gagnier Seniors LLC. Bank of America N.A. will be the equity investor partner. Approval of the Board of Finance is required pursuant to NRS 319.270(4).

Administrator Stephen Aichroth with the Nevada Housing Division (NHD) presented a request to seek approval of the Administrator's Findings of Fact pertaining to the issuance of up to $17,100,000 of Multi-Unit Housing Revenue Bonds for the Gagnier Senior Apartments. These bonds will be used to provide for the new construction of a 190-unit affordable senior apartment complex in Clark County. The rental housing will serve 190 households at or below 65% of area median income with 38 units serving 50% area median income households and 38 also serving at 30% AMI. The proposed development is supported through $13.8 million in Clark County Community Housing funds and a Division issuance of state affordable housing tax credits. The Division development group is led by Ovation Design and Coordinated Living of Southern Nevada, and they have over 18 affordable senior communities in Southern Nevada in their portfolio and currently are developing four more.

Chief Financial Officer Christine Hess with the Nevada Housing Division went over the financial structure. The proposed finance plan is a direct placement with Citibank of tax-exempt bonds issued by the division not to exceed $17.1 million. The bonds will be reduced to approximately $15.625 million upon completion of construction and conversion to the permanent phase financing. This project applied for and received a waiver to NAC 319.722 to allow for a 5% hardship developer fee. This is necessary for financial feasibility and importantly will not result in an increase in developer compensation. This will generate approximately an additional $2.5 million in federal low-income housing tax credit equity investment and in turn preserves the state's limited GAHP financing resources and is represented in the capital stack as a member contribution. This project also includes $13.8 million in Clark County Community Housing funds. As Administrator Aichroth noted, there is $1.515 million in Nevada transferable state tax credits. The state tax credits will generate approximately $1.3 million in equity with pricing anticipated at 87 cents. She reviewed that this is outstanding state tax credit pricing across the country. The project developers are deferring $3.8 million of their developer fee. Finally, the project will bring in approximately $23.8 million of equity from Bank of America in exchange for the 4% low-income housing credits with federal tax credit pricing also of 87 cents.

Motion to approve agenda item 4 from Treasurer Conine. Motion passed unanimously.

<u>Agenda Item 5</u> – For discussion and for possible action: 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 $26,930,000 of Multi-Unit Housing Revenue Bonds (Marble Manor Phase 2b), for the purpose of new construction of a 173-unit family affordable housing rental project in Las Vegas, Nevada. The project developers are Brinshore Development and Affordable Housing Program Inc, a non-profit affiliate of the Southern Nevada Regional Housing Authority. The borrower entity will be Marble Manor 2b, LLC and Walker & Dunlop Affordable Equity will be the investor member. Approval of the Board of Finance is required pursuant to NRS 319.270(4).

Administrator Stephen Aichroth with NHD presented a request to seek approval of the Administrator's Findings of Fact pertaining to the issuance of up to $26,930,000 of Multi-Unit Housing Revenue Bonds for the Marble Manor Phase 2b Apartments. These bonds will be used to provide for the new construction of a 173-unit affordable senior apartment complex in Las Vegas. The rental housing will serve 146 households at or below 60% of area median income with 27 units at market rate. The development is the second of a proposed five-phase complete reconstruction of the Marble Manor complex, in which phase one was approved by this Board in October of 2025. The project developers are Brinshore Development and the Southern Nevada Regional Housing Authority. In addition to the HUD Choice neighborhood funding that they have previously received for the entirety of the Marble Manor redevelopment, this project will also be awarded a Division GAHP loan and state tax credits for affordable housing.

Ms. Hess reviewed the proposed plan of financing for this project is a direct placement with Citibank of the tax-exempt bonds issued by the Division, not to exceed $26.93 million. The bonds are expected to remain in the project upon completion of construction and conversion to the permanent phase financing. These bonds represent 35.9% of the aggregate basis, which does go beyond their maximum of 30% as a threshold. However, it does meet the exception provided in their qualified allocation plan or QAP for financial feasibility and stays with the project through the permanent phase. This project also applied for and received a waiver to NAC 319.722 to allow for a 5% hardship developer fee. This is necessary for financial feasibility and importantly will not result in an increase in developer compensation. This will generate additional federal tax credit equity and reduce the need for state GAHP financing resources by approximately $1.9 million. Other sources of funding, as Administrator Aichroth noted, include the $1 million of the City of Las Vegas HOME funds, $1.5 million of Clark County HOME Funds, and The Choice Neighborhood Initiative Grant funds of $10 million. There is also a seller's note of $1.25 million, City Green Space Funds of $500,000, and a deferred developer fee of $4.658 million. She noted there is also a reinvested fee of $5.127 million. This is a very complex capital stack, as the Division is providing $3 million in state tax credits with anticipated proceeds of $2.64 million, 88 cent pricing, and a $2 million GAHP loan. The project is anticipated to bring in approximately $27.2 million and 4% low-income housing tax credits from Walker and Dunlap Affordable Equity at 82 cent tax credit pricing.

Governor Lombardo noted that he realizes they are on Phase B and asked what they expect into the future on additional development within.

Director of Development and Modernization with the Housing Authority, Frank Stafford stated they the total project has 627 units. With the completion of phase two, they will be at roughly 365 units, and they'll have another close to 300 units left to complete the project.

Governor Lombardo inquired about the timeline of the future projects.

Mr. Stafford noted that the current timeline they have with HUD is to complete this project by 2032. They are trying to fast-track things and have already started planning for phase three of the development. Their plan is to try to exceed that timeframe.

Motion to approve agenda item 5 from Controller Matthews. Motion passed unanimously.

Agenda Item 6 – For discussion and for possible action: 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 $9,850,000 of Multi-Unit Housing Revenue Bonds (Paseo del Prado Apartments), for the purpose of the acquisition and rehabilitation of a 120-unit family affordable housing rental project in Henderson, Nevada. The project developer is Fairway Multifamily, LLC. The borrower entity will be FWM Paseo, LLC and Key Community Development Corp will act as the investor limited partner. Approval of the Board of Finance is required pursuant to NRS 319.270(4).

Mr. Aichroth presented a request to seek approval of the Administrator's Findings of Fact pertaining to the issuance of up to $9,850,000 of Multi-Unit Housing Revenue Bonds for the Paseo del Prado Apartments. These bonds will be used to provide for the acquisition and rehabilitation of a 120-unit affordable family apartment complex in Henderson. The rental housing will serve 120 households at or below 60% of area median income. The with 27 units at market rate. The developer is Fairway Multifamily LLC, and while they have collectively developed many affordable projects on a national basis, including a couple here in Nevada. This is their first Nevada project to come before the board.

Ms. Hess provided an overview of the financial structure. She noted that this property is reaching its 30-year expiration date and has been a project with joint attention from Clark County and the state. Multiple members of both of their teams have been meeting on this project for well over a year, just noting its importance in the community and preserving the affordable units. The proposed finance plan includes an FHA 221D4 loan that will be underwritten and serviced by Key Bank. This loan will be taxable. In order to qualify for the 4% low-income housing tax credits, the Division will issue up to $9.85 million in short-term tax-exempt bonds during the construction phase. The bonds will be fully collateralized and outstanding for approximately 36 months. The bonds will be sold through a public offering underwritten by Key Bank Capital Markets. The bonds will be fully retired from the escrowed collateral upon the date that the project is placed in service. As noted earlier by the Administrator, this project includes Clark County Community Housing Funds in the amount of $6 million, it's assuming a HOME loan of $200,000, and has a deferred developer fee of $3.7 million. The Division will be providing up to $3 million in a GAHP loan. The Community Development Corporation will be the investor with an anticipated equity investment of approximately $11.4 million and pricing at 80 cents.

Motion to approve agenda item 6 from Member Edwards. Motion passed unanimously.

Agenda Item 7 – For discussion and for possible action: 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 $49,940,000 of Multi-Unit Housing Revenue Bonds (Townhomes at Fremont), for the purpose of new construction of a 293-unit family affordable housing rental project in Fernley, Nevada. The project developers is Lincoln Avenue Capital. The borrower entity will be 890 Fremont

St LP and National Equity Fund will be the investor member. Approval of the Board of Finance is required pursuant to NRS 319.270(4).

Mr. Aichroth presented a request to seek approval of the Administrator's Findings of Fact pertaining to the issuance of up to $49,940,000 of Multi-Unit Housing Revenue Bonds for the Townhomes at Fremont Project. These bonds will be used to provide for the new construction of a 293-unit affordable family apartment complex in Fernley. The rental housing will serve 285 households at or below 60% of area median income with 8 units serving 50% area median income households and below, and 8 units at 70%. of area median income and below. The proposed development is supported through $8 million of Nevada Attainable Housing Account Funds and a Division issuance of a GAHP loan. The development group is led by Lincoln Avenue Communities and their last project approved by the board was Pinion Apartments up in Reno.

Ms. Hess went over the finance plan noting it has an extensively complex capital stack, which has its own complexities as there are multiple funding sources. She noted importantly that it's their first recycled bond project that the board approved in April, in which they had $15.5 million of recycled tax-exempt bonds. They will now be looking at how those tax-exempt bonds are inserted into this project. The proposed plan of financing for the tax-exempt bonds is a direct placement in a total amount issued by the Division not to exceed $49.94 million with Cedar Rapids Bank and Trust, which is comprised of $42.71 million of new volume cap. The new volume cap amount of $42.71 million aligns with the original 2025 application that was deemed complete. This amount represents 31.1% on the aggregate basis, which is slightly over the maximum allowance for the QAP of 30%. However, it is necessary for financial feasibility and is remaining with the project through the permanent phase. This is the first project that they are able to see the recycled bonds at work, saving the project financing costs and preserving new volume cap. She mentioned the April Board of Finance in which they issued the recycled Multifamily tax-exempt revenue bonds in the amount of $15.5 million, approved the issuance, and closed that reissuance in June. The project also applied for and received a waiver to NAC 319.722 to allow for a 5% hardship developer fee. This is necessary for financial feasibility and importantly will not result in an increase in developer compensation. This will generate approximately $3 million in federal low-income housing tax credit equity investment and in turn preserves the state's limited GAHP financing resources. She reviewed that as Administrator Aichroth noted, this project is their first Nevada Attainable Housing Account project for the multifamily low-income housing tax credit space to be approved by the Board of Finance. The project was awarded $8 million of the attainable housing account funds in the 2025 application round, and these funds will come in during the construction phase. Upon conversion, $4 million will be repaid and the remaining $4 million will be payable with cash flow. The Division is also providing a $4 million GAHP loan. The developer is deferring $17.4 million in developer fee and will reinvest an additional $6.1 million. This project is anticipated to bring in $60.7 million in equity investment from National Equity Fund (NEF) in exchange for 4% percent low-income housing tax credits with tax credit pricing of 88 cents.

Governor Lombardo commented that this is the first capital stack for AB 540. He asked the developer for their opinion on if this process was seamless and if it was beneficial in any way.

Ryan Maloney with Lincoln Avenue stated that he thought the application process was very seamless. He thought the standards for how projects would be scored was very clear. He expressed that they are extremely appreciative of the resources because without it, this project wouldn't be moving forward. He thinks it is an extremely great program because this project, for example, it's 293 units in Fernley. This is an area that doesn't see a whole lot of tax credit development at all. He is aware that this board approves a lot of projects in Washoe County and Clark County and appreciates that it's spreading the love a little bit.

Governor Lombardo stated that he is aware that there is an extreme need for workforce development in that vicinity.

Ms. Hess added that AB 540 is significant for the low-income housing tax credit projects and how they limited it, because otherwise they would have used it all up. She commended Mr. Maloney and his team, because it was a very competitive process. They saw requests of up to $70 million for a category in which they limited it to $15 million, because otherwise they could have provided all of the Attainable Housing Account Funds from AB540 forward to low-income housing tax credit projects. They put forward a very competitive application. The development in Fernley is fantastic, but the funds have been extremely useful and are still being competitively sought for in the 2026 round as they review applications now.

Motion to approve agenda item 7 from Controller Matthews. Motion passed unanimously.

<u>Agenda Item 8</u> – For discussion and for possible action: State of Nevada Fall 2026 General Obligation Bond Issuances.

Deputy Treasurer of Debt Management Cari Eaton presented this agenda item requesting the Board's approval for the Fall 2026 bond issuance. The Fall 2026 bond issuance is comprised of five series for a total not to exceed $724 million. The division of bonds into different series is determined by the State's bond counsel based upon whether the debt is subject to or exempt from the State's debt limit, which is the debt's revenue stream utilized to pay the debt, and the nature of the projects to be financed. The tentative schedule for the sale is approval by the Board of Finance today, the bond sale on October 15, 2026; and the bond closing on November 5, 2026. Approval of the resolutions must be voted on separately, as agenda sub-items. Series 2026B was previously approved at the December 17, 2025 Board of Finance meeting and will be included in the issuance but no additional Board of Finance approval is required.

a. **<u>For possible action:</u>** Discussion and possible action on a resolution designated the **"2026D Capital Improvement and Open Space Bond Resolution"**; approving the issuance and sale of the State of Nevada, General Obligation (Limited Tax) Capital Improvement and Open Space Bonds, Series 2026D, in the aggregate principal amount not to exceed $425,000,000; providing the purposes for which such bonds are issued, the form, terms, and conditions of such bonds, and other details in connection therewith; providing for the levy and collection of annual general (ad valorem) taxes for the payment of such bonds; and providing other related matters. See Attachment A for approval.

Deputy Treasurer Eaton began with an overview of Item 8A for Series 2026D showing on pages 100-101 of the meeting materials. She noted Item 8A is Series 2026D in the amount of $425 million for Capital Improvement, and Open Space projects and is comprised of six components. The first portion has an estimated Par of $13.4 million and is the sixth tranche of the $280.6 million authorized by AB492 of the 2021 Legislative Session for various public works CIP projects. The second portion has an estimated Par of $105 million and is the fourth tranche of the $533.7 million authorized by AB1 of the 2023 Special Legislative Session for various public works CIP projects. The third portion has an estimated Par of $240.8 million and is the second tranche of the $799.3 million authorized by SB502 of the 2025 Legislative Session for various public works CIP projects. The fourth portion has an estimated Par of $8.3 million and is the fourth tranche of the $111.3 million authorized by AB1 of the 2023 Special Legislative Session for various public works DMV projects. The fifth portion has an estimated Par of $3.7 million and is the second tranche of the $6.7 million authorized by SB502 of the 2025 Legislative Session for various public works DMV projects. The sixth portion has an estimated Par of $16.4 million and is the second tranche of the $63.4 million authorized by SB502 of the 2025 Legislative Session to carry out projects to preserve, protect and obtain the benefits of the property and natural resources of the State. All six components of this series are paid with property taxes or self-supporting and subject to the constitutional debt limit. The board will be approving Attachment A on page 104 to approve this series. Municipal advisors and bond counsel were available to answer questions for Series 2026D.

Motion to approve agenda item 4(a) from Member Navarro. Motion passed unanimously.

b. **<u>For possible action:</u>** Discussion and possible action on a resolution designated the **"2026E School District Capital Improvement Bond Resolution"**; approving the issuance and sale of the State of Nevada, General Obligation (Limited Tax) School District Capital Improvement Bonds, Series 2026E, in the aggregate principal amount not to exceed $100,000,000; providing the purposes for which such bonds are issued, the form, terms, and conditions of such bonds, and other details in connection therewith; providing for the levy and collection of annual general (ad valorem) taxes for the payment of such bonds; and providing other related matters. See Attachment B for approval.

Ms. Eaton presented Item 8B for the Series 2026E on page 102. Item 8B is Series 2026E for School District Capital Improvement Bonds not to exceed $100 million with one component. This series has an estimated Par of $94.5 million and is the first tranche of the $100 million authorized by AB224 of the 2025 Legislative Session for CIP projects for rural school projects. This series is paid with property taxes and is subject to the constitutional debt limit. The board will be approving Attachment B on page 144 to approve this series. Municipal advisors and bond counsel were available to answer questions for Series 2026E.

Treasurer Conine thanked Assembly Member Mosca and everyone, especially at the school district, who have done the work to get this to where it is. He stated that it has been an incredibly long process, but he thinks they are getting close.

Motion to approve agenda item 4(b) from Controller Matthews. Motion passed unanimously.

c. **<u>For possible action:</u>** Discussion and possible action on a resolution designated the **"2026F Natural Resources and Open Space Bond Resolution"**; approving the issuance and sale of the State of Nevada, General Obligation (Limited Tax) Natural Resources and Open Space Bonds, Series 2026F, in the aggregate principal amount not to exceed $37,500,000; providing the purposes for which such bonds are issued, the form, terms, and conditions of such bonds, and other details in connection therewith; providing for the levy and collection of annual general (ad valorem) taxes for the payment of such bonds; and providing other related matters. See Attachment C for approval.

Ms. Eaton presented Item 8C for the Series 2026F on page 102 through 103. Series 2026F for Natural Resources and Open Space Bonds is not to exceed $37.5 million with four components. The first portion has an estimated Par of $12.3 million and is the second tranche of the $63.4 million authorized by SB502 of the 2025 Legislative Session the Department of Conservation and Natural Resources to carry out projects to preserve the natural resources of the state. The second portion has an estimated Par of $135,000 and is the third tranche of the $8 million authorized by AB492 of the

2021 Legislative Session for State Lands Division activities related to Tahoe EIP projects. The third portion has an estimated Par of $6.5 million and is the second tranche of the $10.5 million authorized by SB502 of the 2025 Legislative Session for activities related to Tahoe EIP projects. The final portion of this series has an estimated Par of $18.2 million and is the second tranche of the $33.9 million authorized by SB502 of the 2025 Legislative Session for activities related to water projects.

All components of this series are paid with property taxes and exempt from the constitutional debt limit. The board will approve Attachment C on page 179 to approve this series. Municipal advisors and bond counsel were available to answer questions for Series 2026F.

Motion to approve agenda item 4(c) from Controller Matthews. Motion passed unanimously.

d. **For possible action:** Discussion and possible action on a resolution designated the **"2026 Attainable Housing Bond Resolution"**; authorizing the issuance and sale of the State of Nevada, General Obligation (Limited Tax) Taxable Attainable Housing Bonds, Series 2026G, in the maximum aggregate principal amount of $50,000,000; providing the purposes for which such bonds are issued, the form, terms, and conditions of such bonds, and other details in connection therewith; providing for the levy and collection of annual general (ad valorem) taxes for the payment of such bonds; and providing other related matters. See Attachment D for approval.

Deputy Treasurer Eaton presented Series 2026G on page 103 for Item 8D. Series 2026G for Attainable Housing Bonds not to exceed $50 million with one component. She reviewed that this series has an estimated Par of $50 million and is the first tranche of the $50 million authorized by AB540 of the 2025 Legislative Session for CIP projects for attainable housing projects. This series is paid with property taxes and is subject to the constitutional debt limit. Not less than 85 percent of the total costs of developing or construction will be paid from assessments levied within the district or by the applicant. The board will be approving Attachment D on page 215 to approve this series. Municipal advisors, bond counsel, and the housing division were available to answer questions for Series 2026G.

Governor Lombardo asked what the status of implementation is and for clarification between the tax exempt and taxable on this particular item.

Administrator Aichroth noted that from a timing standpoint, as mentioned by Ms. Eaton, there will be an issuance and then a closing of the bonds in November. They anticipate that will be concurrent with what they hope to be approval of regulations R167. They need to workshop the regulations and get those before the ledge commission. Once that is done, they will develop an application period for developments or for developers to apply for the potential funding for infrastructure in special assessment districts and special improvement districts.

Ms. Hess went over the taxable versus non-taxable. for the record. She expressed her excitement as for the Board of Finance as they are moving forward affordable housing. She thanked the Treasurer, Ms. Eaton, and Mr. Jimenez all from the Treasurer's team in supporting the housing division as they looked at this issuance and what this means from Assembly Bill 540. She stated that Section 49.7 of Assembly Bill 540 authorized a Nevada Attainable Housing Infrastructure Account, which is going to be something new for the division as they work through the process. Especially even for their developers, it's new to think of the housing division in this context. In cooperation and coordination with the Treasurer's office, they concluded that a taxable issuance would be best. It just allows a little more flexibility in that as they don't have a developed project list. She noted that herself and the administrator have had multiple meetings of interested developers in this fund. They know that infrastructure and the cost of infrastructure development is associated with residential development and in particular, attainable housing development is a barrier. There are multiple parties that are very interested as they open this application in December. They look forward to the proceeds being deposited with the housing division so that they can take action and open an application by the end of this year.

Governor Lombardo commented since there's multiple individuals interested, how do they come to that assessment and how to become aware.

Ms. Hess noted that they become aware through the many meetings they have had and presentations they have done over the course of time through partner organizations like the Nevada Housing Coalition and the Nevada Association of Counties, virtually. They partner with other groups to help get out the word and then they themselves go out into communities, meeting with local government officials to help spread the word. Additionally, in their application, they have a question on the document asking if they are interested in the Attainable Housing Infrastructure Account. At that point, they had not promulgated regulations or even drafted them, but this could help get an idea and promote awareness that this is coming.

Controller Matthews commended Ms. Hess on her enthusiasm for moving affordable housing forward.

Motion to approve agenda item 4(d) from Controller Matthews. Motion passed unanimously.

Agenda Item 9 – Informational Item: regarding the State Treasurer’s quarterly investment report for the quarter ended March 31, 2026.

Steven Hale, Deputy Treasurer of Investments, presented agenda item number 9 which is a report on investments as of March 31st, 2026. They are seeking the board's review and approval of the State Treasurer's Quarterly Investment Report. Page 250 of the materials shows the general portfolio assets under management on March 31st, 2026, was $8.6 billion on a book value basis. Interest revenue for the general portfolio was $70 million. Page 251 of the materials shows the historical quarterly interest distributions from fiscal year 2023 to March 31st, 2026. The $70 million distributed in the third quarter was a $17 million decrease sequentially and a $30 million decline year over year. The sequential decline was due to unrealized losses caused by the increase in market yields in the third quarter. On page 253 of the materials, he reviewed that the top chart shows the general portfolio remains a well-diversified portfolio of high-quality assets, with about 50% of assets invested in U.S. Treasury and agency securities. The bottom chart shows the portfolio remained overweighted in short-term maturities, primarily due to timings of payments and a focus on funding near-term liabilities. Page 254 shows the general funds external manager outperformed versus the benchmark by 7 basis points in the March quarter, and the performance since inception remains very good. Since inception, this segment of the portfolio has outperformed its benchmark by 85 basis points on an annualized basis. He reviewed the LGIP on page 256 shows assets under management on March 31st were $2.6 billion, while the earned income return for the quarter was 3.84%. This was 5 basis points better than the blended benchmark yield of 3.79%.

This is an informational item only and therefore does not require a vote of members.

<u>Agenda Item 10</u> – For discussion and for possible action: For discussion and for possible action on the Treasurer's investment policies the Local Government Investment Pool dated August 2026. Approval of the Board of Finance is required pursuant to NRS 355.045.

Deputy Treasurer Hale presented agenda item number 10 for the board's review and approval of the State Treasurer's investment policy statement for Local Government Investment pool, LGIP, portfolio and the State Treasurer's amendments. The State of Nevada Local Government Investment Pool currently reports periodic statements under Governmental Accounting Standards Board Statement number 31, which requires fair value reporting. Effective July 1st, 2026, the LGIP will transition to a new reporting standard, GASB Statement NO. 79, which requires amortized cost reporting as well as several other more conservative compliance guidelines. The modifications presented bring the LGIP policy into alignment with the requirements stipulated by GASB 79. Mr. Hale respectfully requested consideration and approval of the amended policy.

Governor Lombardo pointed out when looking at the two-year timeline, it has been changed to 397 days, and the secondary one is 700 plus days. He asked what the purpose of that was.

Mr. Hale noted that in general, the shorter the investment timeline, the less risk the investment is. A 10-year fixed income investment would be deemed more, equal, riskier than a six-month investment. GASB 79 requires that they don't do longer investments, He reviewed that 397 days is much shorter than the two-year guideline they had previously.

Governor Lombardo appreciated the explanation and asked if there is any thought behind the 397 days rather than 365.

Treasurer Conine commented that it is based on one year and one month.

Mr. Hale stated that he is unsure why GASB came up with that requirement. He noted the one thing the policy does is bring some type of consistency and comparability to municipalities that implement the standard. Returns will be an apples-to-apples comparison if everyone is following these guidelines. He did a search before they agreed to do this and the only state that's not using this policy is Utah. Not that that's a critical part of the decision, but they are moving forward to something that should help us significantly.

Governor Lombardo asked Mr. Hale if he has any knowledge of why they did not participate.
Mr. Hale confirmed that he is not aware.

Motion to approve agenda item 10 from Member Navarro. Motion passed unanimously.

<u>Agenda Item 11</u> – For discussion and for possible action: For discussion and for possible action on the Treasurer's investment policies the General Portfolio dated July 2022. Approval of the Board of Finance is required pursuant to NRS 355.045.

Mr. Hale presented this agenda item seeking the approval of the investment policy statements for the general portfolio. He noted there have been no changes to the general fund.

Chief Deputy Treasurer Lori Hoocer provided clarification as they don't normally include the policies, but because LGIP had a change, they included it as a separate item. Next time, they'll include them again as one agenda item with two different dates. She stated they do need to vote on agenda item number 11 for no changes to the general pool portfolio.

Motion to approve agenda item 11 from Member Edwards. Motion passed unanimously.

<u>Agenda Item 12</u> – Public Comment
No public comment in Carson City or Las Vegas.

Meeting adjourned at 2:49pm.

DRAFT