

Zach Conine
State Treasurer



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STATE OF NEVADA
THE BOARD OF TRUSTEES OF THE
NEVADA EMPLOYEE SAVINGS TRUST

PUBLIC MEETING

AGENDA
MEETING OF THE BOARD OF TRUSTEES OF THE
NEVADA EMPLOYEE SAVINGS TRUST

Monday, July 22, 2024 at 3:00 p.m.

Meeting via videoconference at the following physical location(s):

Nevada State Capitol
Old Assembly Chambers
101 North Carson Street
Carson City, NV 89701

Governor's Office Conference Room
1 Harrah's Court
Las Vegas, NV 89119

Virtually through Microsoft Teams, accessible here:

[Join the meeting now](#)

Meeting ID: [256 427 058 194](#)

Passcode: w5sVRC

All items listed on this agenda are for discussion and action by the Board of Trustees unless otherwise noted. Action may consist of any of the following: approve, deny, condition, hold, or table.

Agenda Items

1. Roll Call.

2. Public Comment.

Comments from the public are invited at this time. Pursuant to NRS 241.020(2)(d)(7), the Board intends to limit to 3 minutes the time for an individual to speak and may impose reasonable restrictions on place or manner for such comment. No restriction will be imposed based on viewpoint. Comment will only be received on matters relevant to the Board's jurisdiction. The Board may discuss but is precluded from acting on items raised during Public Comment that are not on the agenda.

3. **For discussion:** Introductory remarks by Chair.
4. **For discussion:** Nevada Attorney General's Office presentation on Open Meeting Law.
5. **For discussion:** Nevada Employee Savings Trust Program requirements and Board duties overview presentation.
6. **For discussion:** Employee Savings Trust program and governance overview presentation.
7. **For discussion and possible action:** Board to direct State Treasurer staff to identify and contract with research firm to undertake a study on feasibility to include independent contracts in Program.
8. **For discussion and possible action:** Board to direct State Treasurer staff to submit report of the activities, operations and projected activities of the Board for the current calendar year.
9. **For discussion and possible action:** Calendar year 2024 Nevada Employee Savings Trust Board of Trustees Meeting Schedule.

10. **Public Comment.**

Comments from the public are invited at this time. Pursuant to NRS 241.020(2)(d)(7), the Board intends to limit to 3 minutes the time for an individual to speak and may impose reasonable restrictions on place or manner for such comment. No restriction will be imposed based on viewpoint. Comment will only be received on matters relevant to the Board's jurisdiction. The Board may discuss but is precluded from acting on items raised during Public Comment that are not on the agenda.

11. **ADJOURNMENT.**

Notes:

Items may be taken out of order; items may be combined for consideration by the public body; and items may be pulled or removed from the agenda at any time.

Prior to the commencement and conclusion of a quasi-judicial proceeding that may affect the due process rights of an individual, the Board may refuse to consider public comment. See NRS 233B.126.

The Board of Trustees of the Nevada Employee Savings Trust is pleased to make reasonable accommodations for persons with physical disabilities. Please call (702) 486-2908 if assistance is needed.

Kirsten Van Ry may be contacted at (702) 486-2908 to obtain copies of supporting materials.

THIS AGENDA HAS BEEN POSTED IN THE FOLLOWING PUBLIC LOCATIONS:

- **Capitol Building, 1st & 2nd Floors, Carson City, Nevada**
- **Legislative Building, Carson City, Nevada**
- **Nevada State Library, Carson City, Nevada**
- **Blasdel Building, Carson City, Nevada**

- **Grant Sawyer Building, 1st and 5th Floor, Las Vegas, Nevada**

Also online at: [Nevada Treasurer](#) and the [Nevada Public Notice](#).

THE BOARD OF TRUSTEES OF THE
NEVADA EMPLOYEE SAVINGS TRUST

Agenda Item 4
July 22, 2024

**Item: Nevada Attorney General's Office presentation on
Open Meeting Law.**

**Summary: Nicole Ting, Deputy Attorney General, will provide
a presentation on Nevada's Open Meeting Law.**

Staff recommended motion:

N/A. Informational item only.



NEVADA'S OPEN MEETING LAW

Presentation for the Nevada Employee Savings Trust Board Meeting July 22, 2024

Presented by Deputy Attorney General Nicole N. Ting

1

What is the
Open Meeting
Law?

2

When does the
OML apply?

3

How do I
comply with
the OML?

4

What happens
when the
OML is
violated?

5

Updates
from the
2023
Legislative
Session

What is the Open Meeting Law (OML)?



- NRS Chapter 241
- “In enacting this chapter, the Legislature finds and declares that all public bodies exist to aid in the conduct of the people’s business. It is the intent of the law that their actions be taken openly and that their deliberations be conducted openly.” NRS 241.010(1).

When does the OML apply?

PUBLIC BODY

- The OML generally applies to all meetings of public bodies in the State of Nevada.
 - Includes subcommittees
 - Exceptions are strictly construed

MEETING

- Under the OML, a “meeting” requires a **Quorum + Deliberation or Action**
- Quorum means a simply majority of the total body or other proportion established by law.
- Deliberate means collectively to examine, weigh and reflect upon the reasons for or against an action.
- Action means a majority vote of the members present (all members for elected bodies).

When does the OML apply?

- A gathering of a quorum at a social function or for training is *not* a meeting *as long as* there is no deliberation or action.
- Exception: Attorney client conference regarding potential or existing litigation, can include deliberation
- Electronic communication between a quorum of members can constitute a meeting.
 - Email pitfall: “reply all”
- Serial communications or “walking quorums” constitute a constructive meeting.
 - A constructive quorum can exist with less than a quorum speaking together at any given time if opinions are relayed between members.



How do I
comply
with the
OML?

Meeting Notice and Agenda

- Must include:
 - Time, place and location (or information on remote technology system)
 - Name, contact and business address for supporting material, plus location (physical or electronic)
 - Clear and complete statements of topics
 - Action items denoted as “for possible action”
 - Public comment periods and restrictions
- Requirements can be found in NRS 241.020
- Agenda posting requirements:
 - Office of the public body or location of meeting
 - Public body website
 - Nevada notice website
- Posted no later than 9 AM of the 3rd working day before the meeting.
- Notice must be sent to persons who have requested notice of meetings.

Additional Requirements

- Public bodies shall make reasonable efforts to assist and accommodate persons with physical disabilities desiring to attend.
- Additional notice required for consideration of a person's character, misconduct or competence or to take administrative action against a person.
- Meetings must be recorded or transcribed.
- Minutes must be kept in conformance with NRS 241.035.
- Supporting material is required to be available to the public at the time it is provided to members of the public body.
- An emergency meeting may only be called where the need to act upon a matter is truly unforeseen and circumstances dictate that immediate action is required.

Public Comment

- Minimum requirement:
 - Two options—general or limited to agenda items prior to any action item *or* on each action item after discussion, but prior to vote
 - General public comment period at some time prior to adjournment
- Restrictions must be reasonable time, place, and manner restrictions. NRS 241.020(3)(d)(3)
- The OML does not “[p]revent the removal of any person who willfully disrupts a meeting to the extent that its orderly conduct is made impractical.”
- New in 2023: If using a remote technology system, must offer at least telephonic public comment.



How do I comply with the OML?

CLOSED SESSIONS

- Closed sessions may be held by a public body to consider the character, alleged misconduct, professional competence or physical or mental health of a person. NRS 241.030
 - May also be held to grade examinations.
- Exceptions:
 - Appointment of a member to the public body
 - Consider the chief officer of the body/agency
- Action must still occur during a public meeting.

VIRTUAL ATTENDANCE

- Members of public bodies may attend virtually whether or not there is a physical location for public to attend.
 - If no physical location for public, virtual attendance options must be provided.
- Public must be able to hear and observe to the same level as members.
 - Pit-fall: chat function in remote technology system.

What happens when the OML is violated?



- Actions taken in violation of the OML are void.
- Attorney General's Office has authority to investigate and prosecute violations.
- Corrective action is recommended and while it may not eliminate the violation, it can mitigate severity and further ensure that the business of government is accomplished in the open.
 - Prospective only
 - Requires independent deliberative process

Updates from the 2023 Legislative Session



2023 Updates

- “Quorum” Definition
 - Only voting members count
 - For appointed bodies, vacancies do not count
- “Meeting” Definition – Language changed to clarify existing meaning
 - Attorney-client conference is only true exception
- “Administrative Action Against a Person” Definition – An action that is uniquely personal to the person and includes the potential for a negative change in circumstances
- Notice to Individuals for administrative action against or considerations of character (previously 241.033 and 241.034)
 - Personal service: 7 calendar days
 - Certified mail: 14 calendar days
 - Can serve attorney
 - Emergency exception
- All elected bodies may now take advantage of NRS 281A.420(5)’s quorum reduction

2023 Updates

- Public Comment During Multi-Day Meetings – If using the two-period public comment option, must have at least two periods *each day* of the multi-day meeting.
- Agenda Posting – Location of meeting is alternative posting location if there is a physical location
- Meetings to consider regulations or contested cases under NRS 233B must have a physical location for public
- Public Comment During Virtual Meetings:
 - Entirely virtual meetings must have clear and complete instructions on the agenda for how to call in for public comment
 - If offering virtual public comment, must read instructions for public comment prior to first public comment period
 - Must offer at least telephonic public comment if meeting is being *conducted* via remote technology system

LINKS

- https://ag.nv.gov/Hot_Topics/Training_Materials/
- https://ag.nv.gov/About/Governmental_Affairs/OML_Opinions/
- https://ag.nv.gov/uploadedFiles/agnvgov/Content/About/Governmental_Affairs/2019-03-26_OML_12TH_AGOMANUAL.pdf



THE BOARD OF TRUSTEES OF THE
NEVADA EMPLOYEE SAVINGS TRUST

Agenda Item 5
July 22, 2024

Item: Nevada Employee Savings Trust Program requirements and Board duties overview presentation.

Summary: Erik Jimenez, Chief Deputy Policy Treasurer, will provide a presentation on the Board duties and Program requirements of the Nevada Employee Savings Trust.

Staff recommended motion:

N/A. Informational item only.

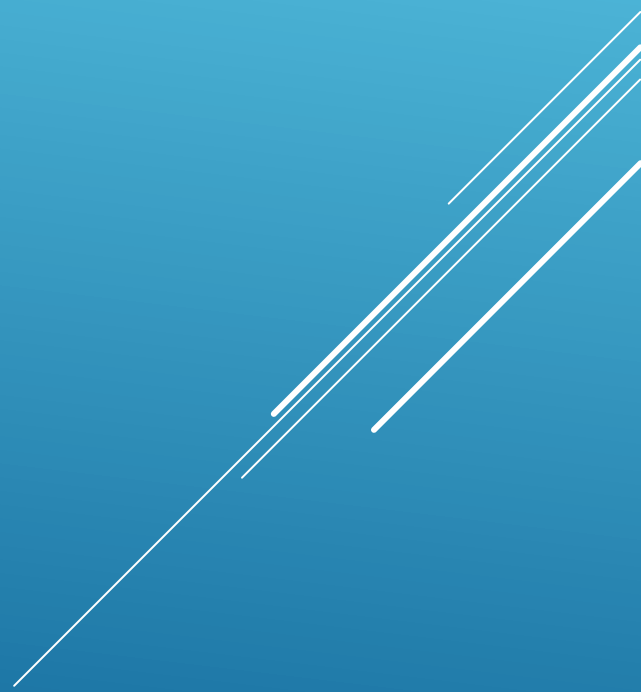
NEVADA EMPLOYEE SAVINGS TRUST

Program requirements and Board duties
overview*

*The information contained in this presentation is non-exhaustive. Please review NRS 353D for the full scope of requirements and responsibilities.

Presented by Erik Jimenez,
Chief Policy Deputy Treasurer

AUTHORITY

- ▶ Senate Bill 305 of the 2023 Legislative Session.
 - ▶ Codified under NRS 353D.
 - ▶ Nevada Administrative Code (to be drafted).
- 
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GOVERNANCE

- **Program governed by the Board of Trustees of the Nevada Employee Savings Trust.**
- **Board consists of six members:**
 - **Treasurer or designee (Chair)**
 - **Lt. Governor or designee**
 - **Appointed by Governor, represents employers**
 - **Appointed by Governor, experience in field of investments**
 - **Appointed by Majority Leader of Senate, represents retirees**
 - **Appointed by Speaker of the Assembly, experience in small business**
- **Members serve for a term of 4 years and may be reappointed.**
- **Members serve as Fiduciary to Trust and each account established and maintained through Program.**


GOVERNANCE

Staff support and administration provided by State Treasury.


May enter into MOU/Intergovernmental agreements for technical assistance.

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BOARD POWERS & RESPONSIBILITIES

- **Establishing and operating Nevada Employee Savings Trust Program.**
 - **Adopting regulations for the establishment and operation of the Program.**
 - **Entering into contracts necessary for Program operation.**
 - **Appointing qualified institution to act as trustee.**
 - **Determining types of accounts, default contribution rate, and process for automatic escalation of participant contributions.**
 - **Developing an option for participants to convert contributions into fixed lifetime income streams.**
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- Several white lines of varying lengths and angles are positioned in the bottom right corner of the slide, creating a modern, abstract graphic element.

BOARD POWERS & RESPONSIBILITIES

- **Determining rules and procedures for Program, including withdrawals, distributions, transfers, and rollovers.**
 - **Preparing informational materials and required disclosures for distribution.**
 - **Determining method for employers other than those covered to participate in Program if allowed under federal law.**
 - **Allocating default investment options / allowing employees to choose their own.**
 - **Selecting underlying investments in each investment fund in the Trust.**
 - **Retaining an investment adviser for oversight of Trust investments.**
- 

PROGRAM REQUIREMENTS

- **Employers shall automatically enroll covered employees (unless employee opts-out). Exemption exists for similar programs offered by trade association, or chamber of commerce.**
- **Contributions to be withheld from compensation of each covered employee at a rate set by Board unless employee elects not to contribute or contribute at different rate.**
- **Program must qualify for favorable federal income tax treatment pursuant to section 408 or 408A of the Internal Revenue Code.**
- **If consistent with federal law, employee may withdraw at anytime if necessary to meet a financial or other emergency.**
- **Covered employers must share certain information regarding Program with employees.**
- **Participant information deemed confidential and not subject to Public Records.**

TRUST & ASSETS

- **Nevada Employee Savings Trust (“Trust”) created as an instrumentality of the State, which holds Program assets.**
- **Assets may be combined in Trust for investment purposes.**
- **One or more investment funds must be established in the Trust.**
- **May only be invested and expended solely for the purposes of the Trust.**
- **May not be transferred, used by, or commingled with any other assets of the State for any purpose.**
- **Does not constitute debt or a pledge of the full faith and credit of State.**

ADMINISTRATIVE FUND

- **Nevada Employee Savings Trust Administrative Fund (“Fund”) created within State Treasury.**
- **Fund consists of:**
 - **Money appropriated from Legislature**
 - **Money transferred to the Administrative Fund from Federal Government, other state agencies, or local governments**
 - **Any gifts/grants/donations**
 - **Investment earnings on Fund**
- **Fund may only be used to pay administrative costs and expenses of the Program.**
- **To establish Program and ensure self-sufficiency, Board may:**
 - **Borrow money**
 - **Enter into long-term contracts with fee structures that minimizes or avoids the need to borrow money**

REQUIRED REPORTING

- **Annual Reporting:**
 - Full audit conducted by CPA. Audited financial report to Governor, Controller, Director of LCB (if not in session) / Legislature (if in session) on or before August 1 each year.
 - Annual report on the operation of the Program made publicly available.
- Study on feasibility to include independent contractors in Program, which must be submitted to Legislative Counsel Bureau no later than December 31, 2024.

PROGRAM DETAILS

- **Housed within Financial Security Division in State Treasury**
- **3 FTE**
 - **Management Analyst IV**
 - **Program Officer I**
 - **Administrative Assistant II**
 - *Supported by Deputy Treasurer of Financial Security*
- **Startup funding provided by Appropriation (via loan from General Fund)**
 - **FY24: \$669,491**
 - **FY25: \$535,074**

THANK YOU

Erik Jimenez

Chief Policy Deputy Treasurer

THE BOARD OF TRUSTEES OF THE
NEVADA EMPLOYEE SAVINGS TRUST

Agenda Item 6
July 22, 2024

**Item: Employee Savings Trust program and governance
overview presentation.**

**Summary: Andrea Feirstein, Managing Director, AKF
Consulting, will provide a presentation on program
administration and governance of Employee Savings Trust
Programs.**

Staff recommended motion:

N/A. Informational item only.

Nevada Employee Savings Trust Board of Trustees

Introduction: Industry Overview and Next Steps

July 22, 2024

Today's Discussion

	<u>Slide</u>
• State-run Retirement Industry Overview	3
• The Board's Role	11
• Considerations and Next Steps	19
Appendix – The AKF Nevada Team	22

Section 1.

State-run Retirement Industry Overview

Programs Across the National Landscape

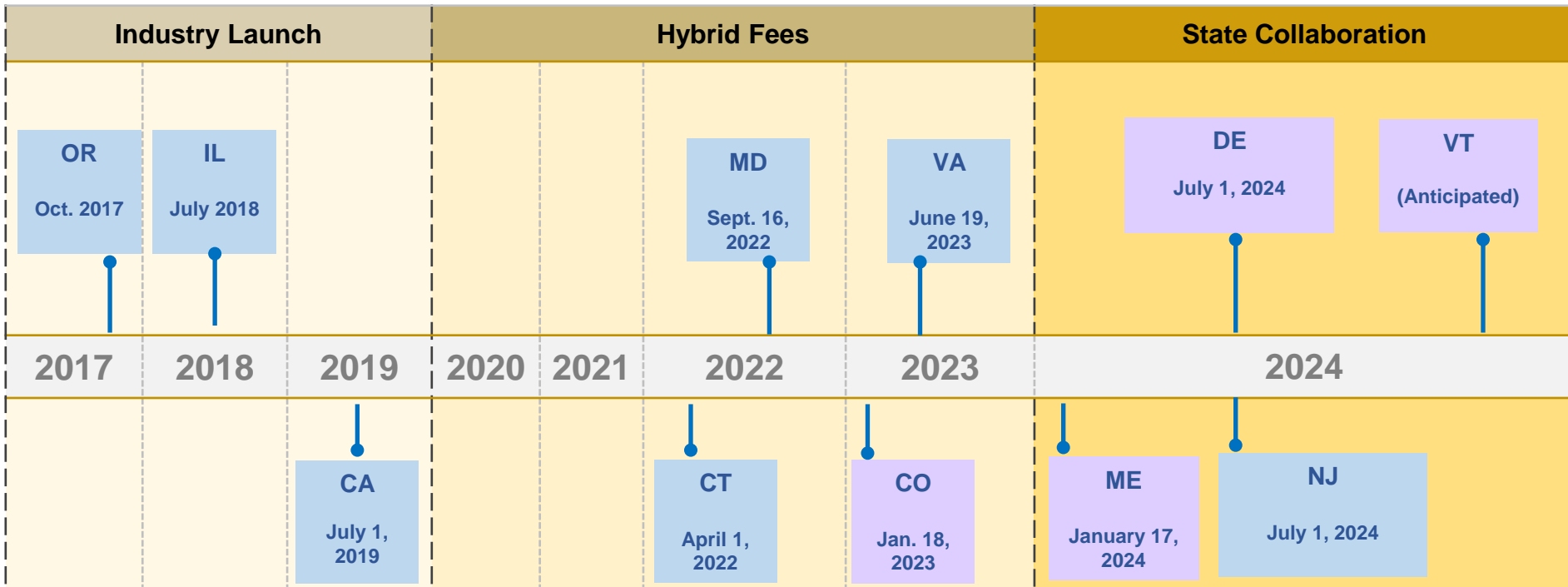
	Auto-IRA		Multiple Employer Plan ("MEP")	Marketplace
	Employer Mandate	Voluntary for Employers		
Key Features	<p>Employers must participate or offer a qualified plan</p> <p>Roth IRAs as default</p> <p>No employer contributions</p> <p>Contributions set by IRA rules</p>	<p>Employer chooses to participate</p> <p>Same</p> <p>Same</p> <p>Same</p>	<p>Employer chooses to participate (can be non-related businesses)</p> <p>401(K)s</p> <p>Employer may fund</p> <p>Contributions set by qualified plan rules</p>	<p>Employers choose from available Plans</p> <p>IRAs and 401(K)s</p> <p>Employer may fund</p> <p>Contribution amounts vary</p>
Launched	<p>California</p> <p>Connecticut</p> <p>Colorado</p> <p>Delaware</p> <p>Illinois</p> <p>Maine</p> <p>Maryland</p> <p>New Jersey</p> <p>Oregon</p> <p>Virginia</p>	--	Massachusetts	Washington
Under Development	<p>Hawaii</p> <p>Minnesota</p> <p>Nevada</p> <p>New York City¹</p> <p>New York State</p> <p>City of Seattle</p> <p>Rhode Island</p> <p>Vermont²</p> <p>Washington</p>	New Mexico	Missouri	New Mexico

¹ New York City Auto-IRA is expected to merge with the New York State

² Vermont will launch as part of Colorado Partnership before end of 2024

Evolution and Timeline of Launched Programs

- Auto-IRA landscape has evolved over three distinct periods:



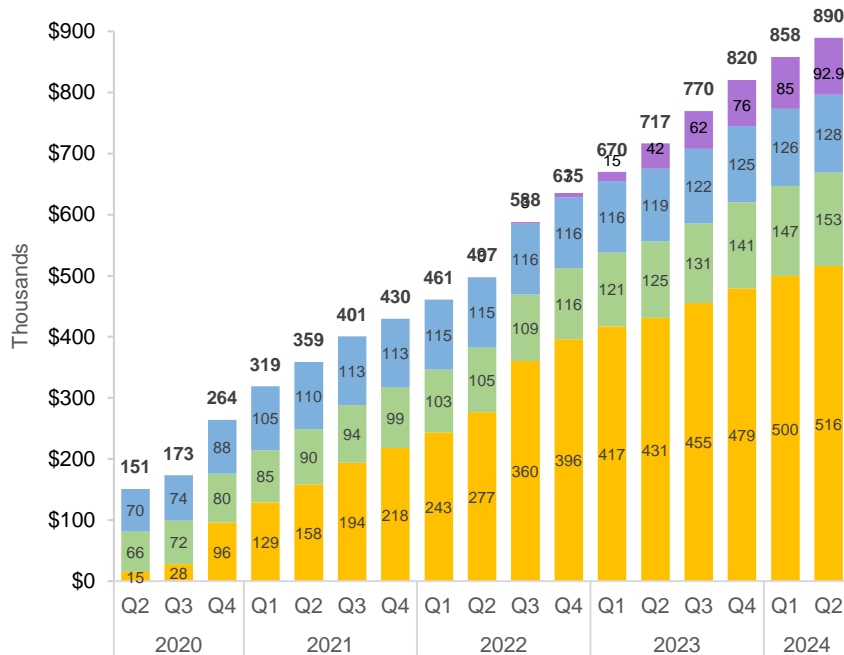
Note: Purple boxes indicate States that are part of a partnership

- State collaboration is gaining steam in 2024

Growth of the Auto-IRA Industry

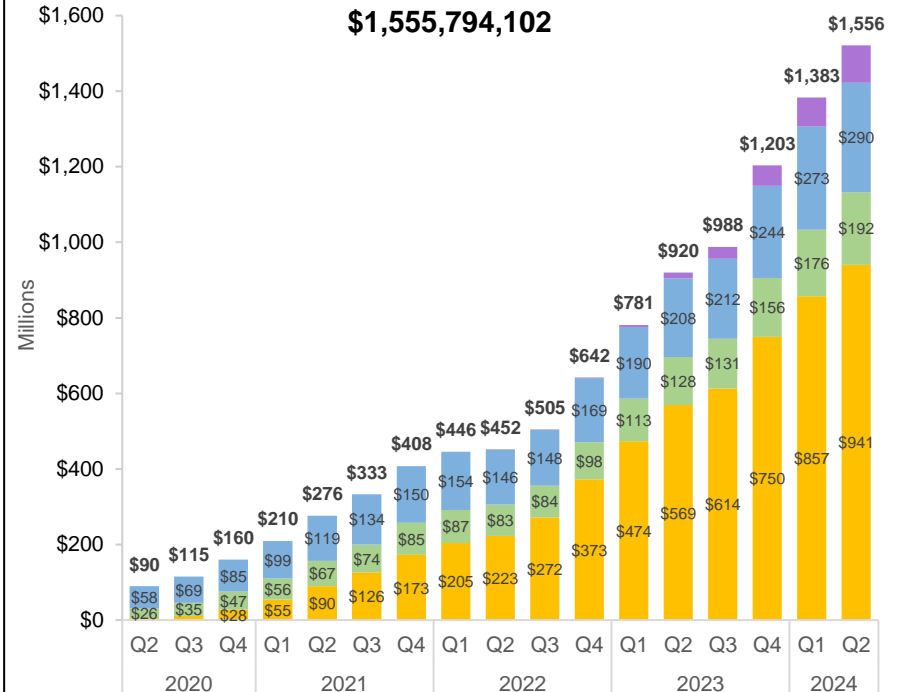
Accounts – June 30, 2024

889,617



Assets – June 30, 2024

\$1,555,794,102



Average Quarterly Growth 2020 Q2 – 2024 Q2	Oregon	Illinois	California
Accounts	3.6 K	5.4 K	31.3 K
Assets	\$14.5 M	\$10.3 M	\$58.5 M

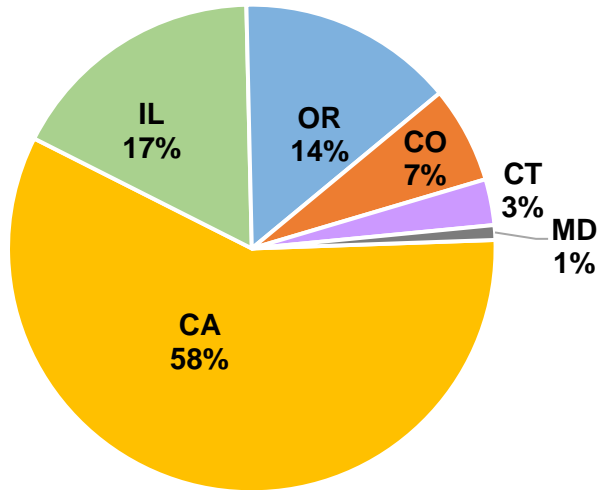
Source: Georgetown University Center for Retirement Initiatives ("Georgetown CRI"), data as of June 30, 2024, confirmed July 19, 2024 (data prior to July 1, 2020 not available)

Note: Purple represents Colorado, Connecticut and Maryland combined. Average Quarterly Growth for these Programs is not included due to short tenure. Maine and Virginia information currently unavailable

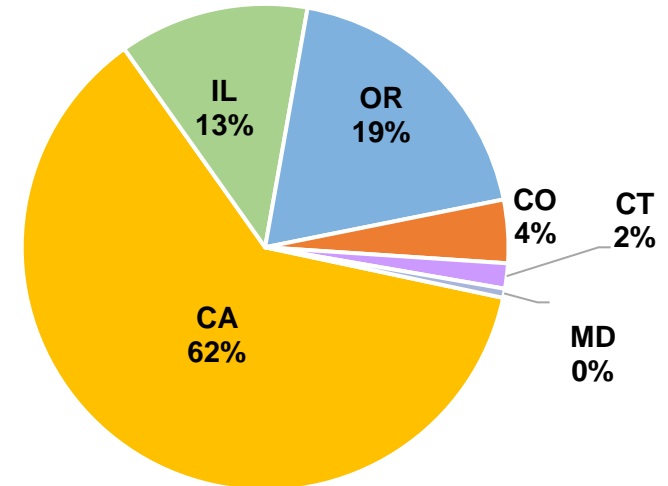
Proprietary

Industry Snapshot as of June 30, 2024

Accounts – 889,617



Assets - \$1,555,794,102



	Oregon	Illinois	California	Connecticut	Maryland	Colorado
Q2 2024 Accounts	128 K	153 K	516 K	27 K	9 K	57 K
Q2 2024 Assets	\$290 M	\$192 M	\$941 M	\$25 M	\$9 M	\$64 M
Avg Contribution Rate	6.80%	6.07%	5.20%	3.36%	5.35%	5.22%
Avg Account Balance	\$2,269	\$1,255	\$1,823	\$938	\$1,050	\$1,119

Source: Georgetown CRI data as of June 30, 2024, confirmed July 19, 2024

Investment Option Overview

	OR	IL	CA	CT	MD	CO, ME, DE	VA	NJ
# of Options	3	4	5	8	4	4	5	8
Default	30 Days	90 Days	30 Days	60 Days	\$1,000	30 Days	30 Days	30 Days
Short Term	Capital Preservation (SSGA)	Money Market (SSGA)	Money Market (SSGA)	Cash Preservation (Vanguard)	Emergency Savings Fund (Lincoln Life Insurance)	Capital Preservation (SSGA)	Capital Preservation (BlackRock)	Money Market (Vanguard)
TDF	SSGA	BlackRock	SSGA	Customized ¹	BlackRock	SSGA	BlackRock	Vanguard
Mostly Equity	S&P 500 Index (SSGA)	Growth (Schwab)	Global Equity (SSGA) ESG (Calvert)	Growth ¹ Moderate Growth ¹	Global Growth Stock (T. Rowe)	Int'l Equity (BlackRock)	US Stock Index (iShares) Int'l Stock Index (iShares)	US Small Cap Value (Wasatch) US Small Cap (Fidelity) US Mid Cap (Fidelity) US Large Cap (Fidelity) Global (Fidelity)
Balanced	–	–	–	Conservative Growth ¹ Balanced ¹	–	–	--	--
Mostly Fixed Income	–	Conservative (Schwab)	Core Bond (SSGA)	Income ¹ Income + Growth ¹	Bond Index (SSGA)	Bond Index (SSGA)	Bond Index (iShares)	Core Bond (Baird)

Source: Program Disclosure Statements and public meetings/documents as of June 12, 2024

Note: Programs listed in order of launch date BUT FOR Maine and Delaware

¹ Every option in Connecticut is "customized" including allocation to Fidelity, Schwab and Vanguard mutual funds

Hybrid Fee Structure Prevails

		OR	IL ¹	CA	CT	MD	CO ME / DE	VA	NJ
		<i>Vestwell</i>	<i>Ascensus</i>	<i>Ascensus</i>	<i>Vestwell</i>	<i>Vestwell</i>	<i>Vestwell</i>	<i>Vestwell</i>	<i>Vestwell</i>
Asset-Based Fee	Underlying Funds	0.02% - 0.12%	0.02% - 0.15%	0.025% - 0.19%	0.032% - 0.10%	0.025% - 0.69%	0.025% - 0.12%	0.03% - 0.12%	0.015% - 1.07%
	State	0.25%	0.05%	0.05%	0.02%	–	0.05%	0.05%	--
	Program Administrator	0.15%	0.25%	0.25%	0.20%	0.18%	0.15%	0.15%	0.75% ²
	Total	0.42% - 0.52%	0.32% - 0.45%	0.325% - 0.49%	0.25% - 0.32%	0.205% - 0.85%	0.225% - 0.32%	0.23% - 0.32%	0.765% - 1.82%
Dollar-Based Fee	State	\$2	–	–	\$2	\$6	\$4 (DE, ME)	\$3	--
	Program Administrator	\$14	\$16	\$18	\$24	\$24	\$22	\$24	--
	Total	\$16	\$16	\$18	\$26	\$30	\$22 (CO) \$26 (DE, ME)	\$27	--

Source: Program Disclosure Statements and public meetings/documents as of April 11, 2024

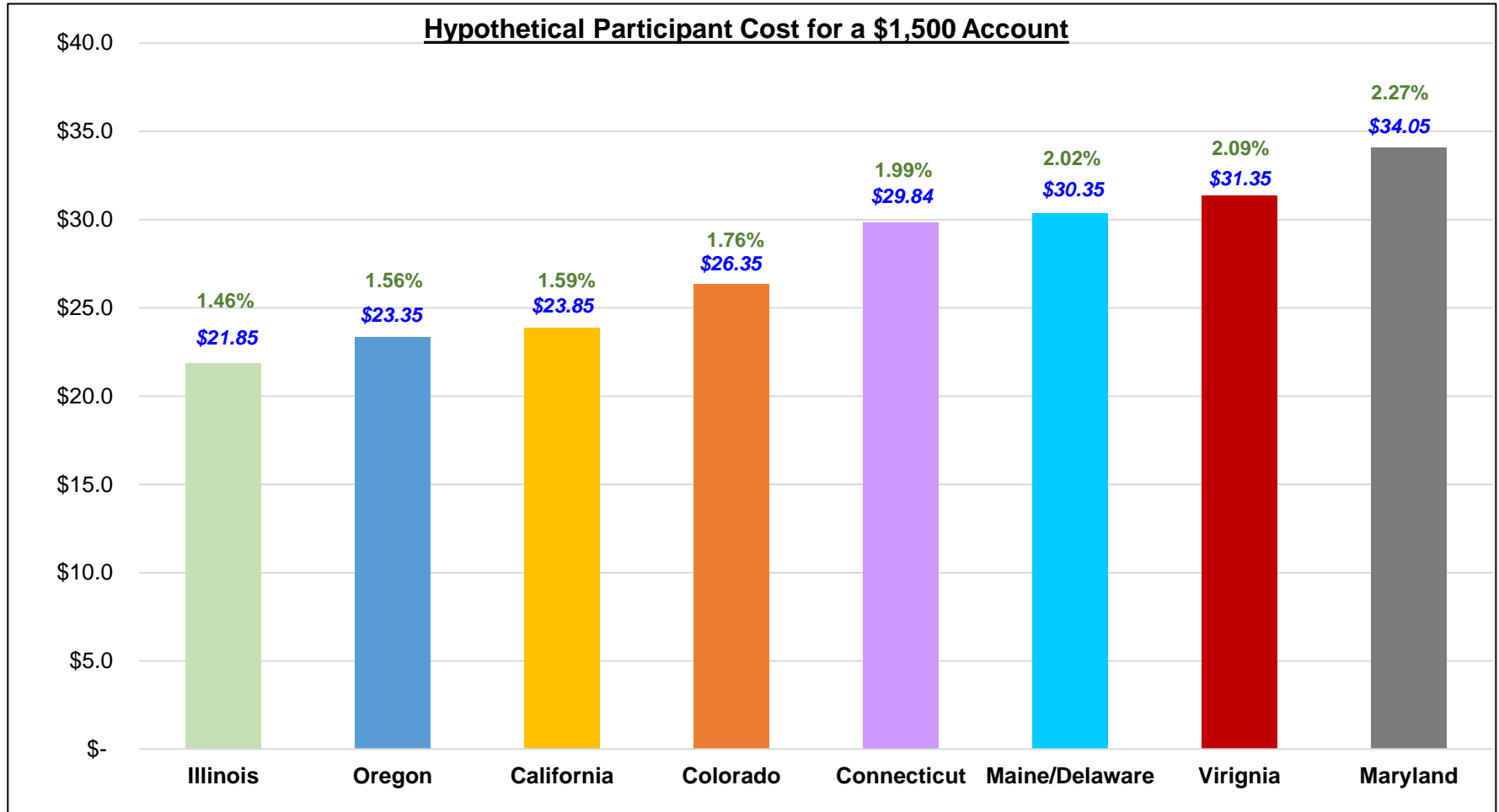
Note: Programs listed in order of launch date BUT FOR Maine and Delaware.

¹ Hybrid fee structure effective as of January 1, 2024

² Program Disclosure Statement provides one Administration Fee, without distinguishing between State and Program Administrator

Proprietary

Cost to the Participant



Source: Program Disclosure Statements and public meetings/documents as of June 12, 2024

Notes: Chart based on fee information shown on slides 14 and 15, and assumes the fund expenses for the 2055 TDF portfolio

Section 2.

The Board's Role

Summary: Each Board Member's Responsibilities

- **Act solely in the interest of the employees who participate in the Program**
- **Understand the subject matter**
- **Discharge your duties prudently**
- **Follow the Nevada Revised Statutes and applicable regulations and rules**
- **Establish and follow procedures that demonstrate good governance and oversight**

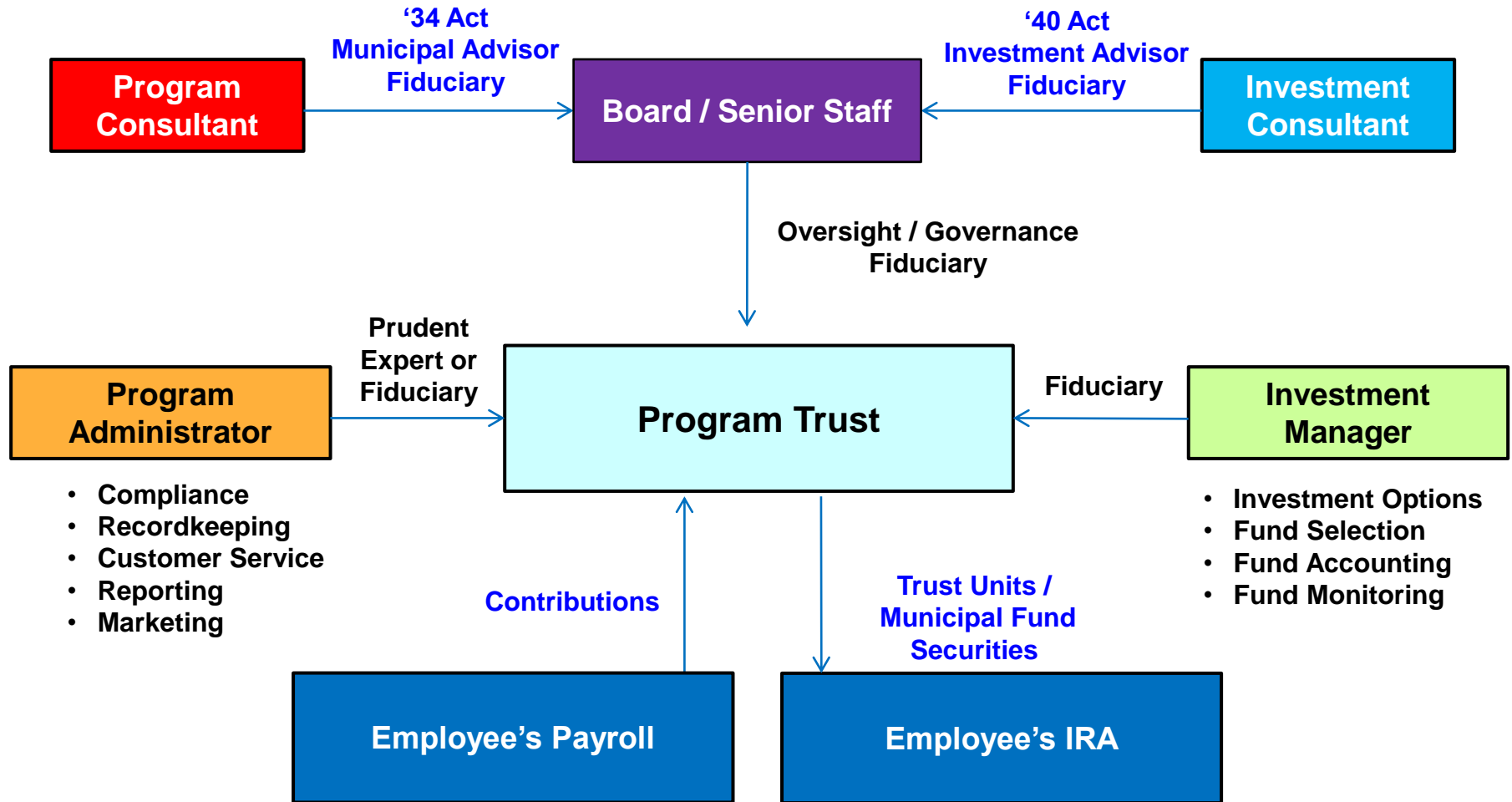
The Board's Fiduciary Duties

- Nevada Revised Statutes (NRS) Chapter 353D creates the Nevada Employee Savings Trust, its Board of Trustees and the Program
- The Statute establishes and defines key Program components, including the Board's role as a fiduciary (NRS 353D.380) *“to the Trust and each Individual Retirement Account established and maintained through the Program.”*
- **Duty of Loyalty:**
 - Discharge duties *“solely in the interest of covered employees and with the care, skill, prudence and diligence ... that a prudent person ... would use...”*
 - Unwavering commitment to stay focused on the interests of the Program's participants
- **Duty of Prudence:**
 - Requires expertise and more than a good faith attempt to try to do the right thing
 - Test of prudence is CONDUCT, not RESULTS
- **Duty of Obedience:**
 - Follow applicable provisions of the Nevada Revised Statutes and applicable regulations, rules and procedures

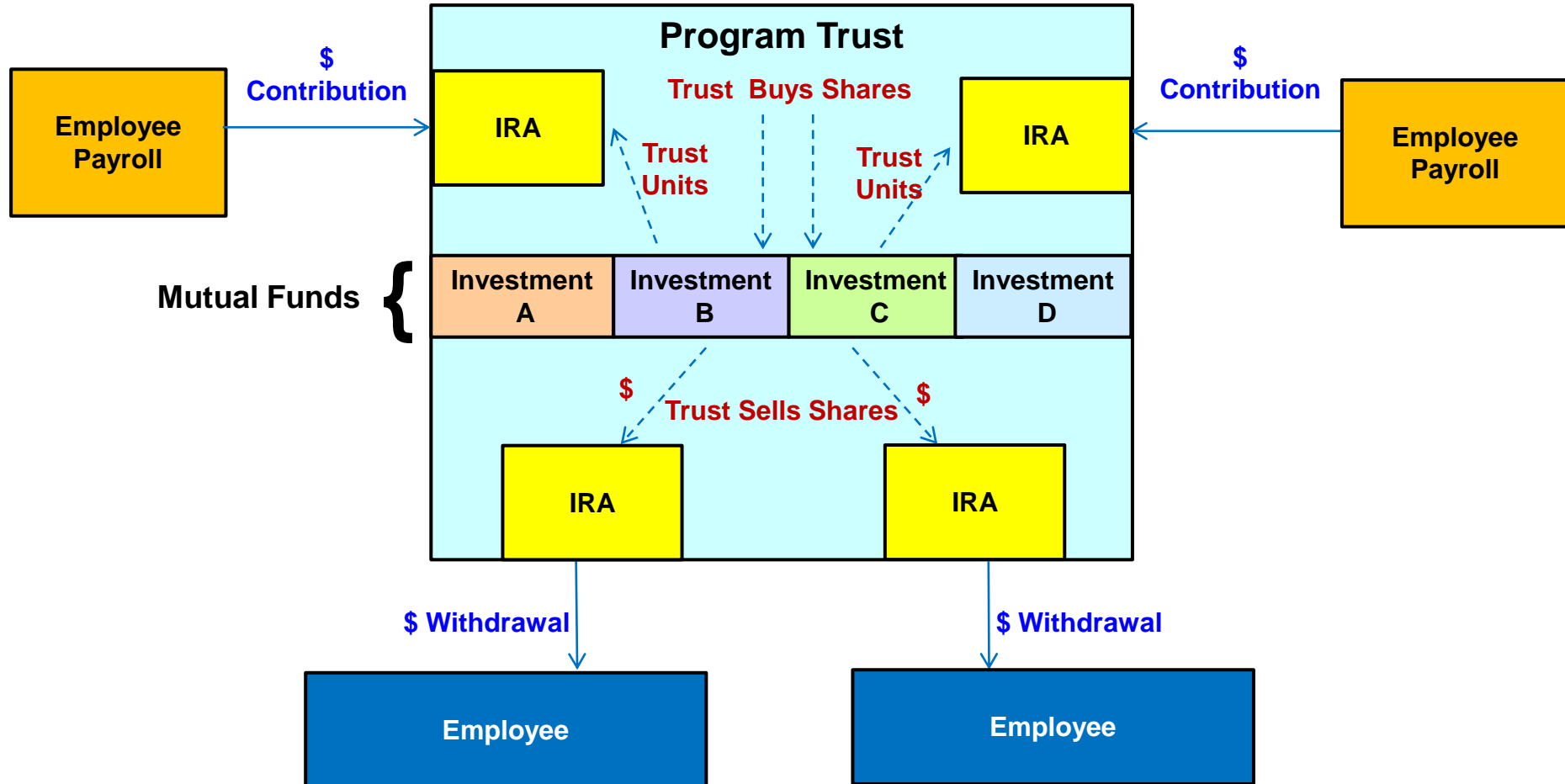
Administrators of State-run Retirement Programs

- **A “municipal” program is administered by a designated State entity that -**
 - Acts in a fiduciary capacity
 - Is advised by licensed, external experts
 - Is an issuer of municipal securities
- **Auto-IRA Programs offer municipal fund securities that -**
 - Invest in underlying mutual funds
 - Are priced on a daily basis like mutual funds
 - Would be mutual funds but for the State’s role as an administrator
- **Multiple parties advise the State entity overseeing an Auto-IRA Program**

State Auto-IRA Structure



Municipal Fund Securities and the Flow-of-Funds



Federal Securities Law Foundations and Exemptions

- **Securities Act of 1933:**
 - Municipal securities are exempt from registration
 - *Anti-fraud provisions apply to issuers*
- **Securities Exchange Act of 1934:**
 - Municipal securities are exempt from most reporting requirements
 - Board members, officers and employees may participate in the sale of Trust interests without registering as broker-dealers
 - *Municipal securities are subject to anti-fraud provisions*
- **Trust Indenture Act of 1939:**
 - Provisions do not apply to municipal securities
- **Investment Company Act of 1940 and Investment Advisers Act of 1940:**
 - Provisions do not apply to instrumentalities of a State or agents “acting in the course of official duty”
- **Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010:**
 - Advisers to municipal entities are subject to varying degrees of oversight by FINRA, the MSRB and applicable Bank Regulators

Importance of the 1933 and 1934 Acts Together

- Municipal securities are generally exempt from registration
- BUT anti-fraud provisions of both Acts *always* apply:
 - Section 17(a) – Fraudulent Interstate Transactions (1933 Act)
 - Section 10(b) – Manipulative and Deceptive Devices (1934 Act)
 - Rule 10b-5 – Employment of Manipulative and Deceptive Devices (1934 Act)
- Content is always subject to anti-fraud prohibitions of securities laws:
 - “It is unlawful to make *any untrue statement of a **material** fact or to omit to state a **material** fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading*”
 - *Interpretation:* You cannot misstate a **material** fact and you can’t fail to state a **material** fact IF that **material** fact would make the statement not misleading ... In other words, if that **material** fact would have caused the investor not to be misled...or maybe not to have invested
- Single most important concept in the federal securities laws relating to disclosure:
 - Applies to all 529 and ABLE disclosure materials
 - By analogy, applies to Auto-IRA disclosure materials

Section 3.

Considerations and Next Steps

Fundamental Considerations

- How will the Board implement the Program?
- Key factors provide direction:

	Independent Program	Join a Partnership
Program Control (private sector partners)	More favorable <i>[Board controls]</i>	Less favorable <i>[Initial decisions already made]</i>
Investment Design	More favorable <i>[Board controls]</i>	Less favorable <i>[Initial decisions already made]</i>
Timing	Less favorable <i>[Longer to implement]</i>	More favorable <i>[Expedited implementation]</i>
Participant Fees	Less favorable <i>[State size could limit interest]</i>	More favorable <i>[Economies of scale sooner]</i>
State Costs (upfront and ongoing)	Less favorable <i>[Start-ups are expensive]</i>	More favorable <i>[Economies of scale]</i>

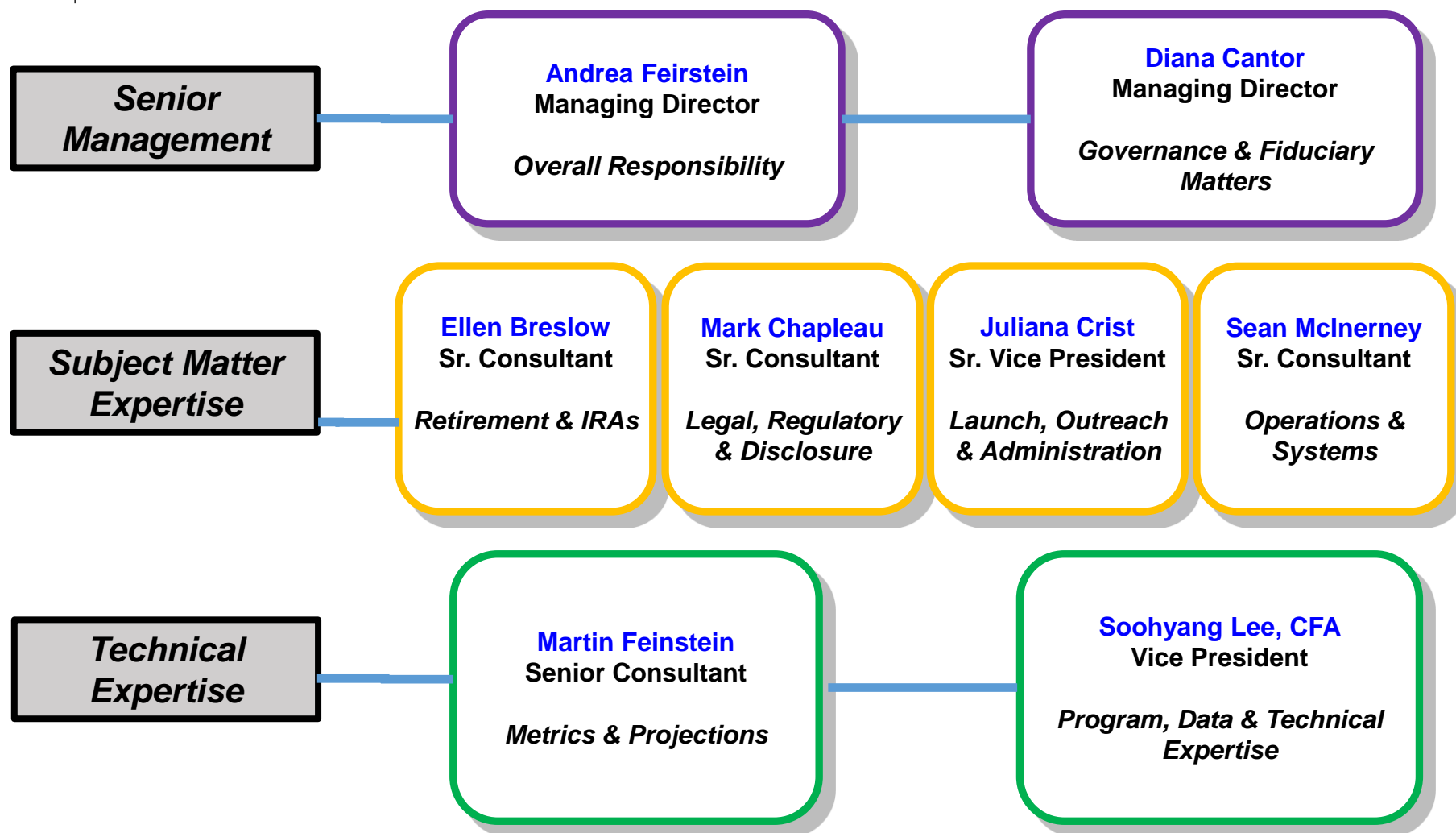
Next Steps

- **Design Decisions and Solicitations**
 - Set a target date for Program implementation
 - Begin outreach to potential private sector providers and other States
 - Determine need for other solicitations such as investment consulting and marketing / branding assistance
- **Program Matters**
 - Develop operating budget
 - Model projected growth and financial implications
 - Solidify entities for employer data and enforcement
- **Board Education and Processes**
 - Governance and Fiduciary training
 - Adoption of Governance Principles
 - Investment training
 - Adoption of Investment Principles and / or Investment Policy Statement
 - Retirement product training

Appendix.

The AKF Nevada Team

The AKF Nevada Team

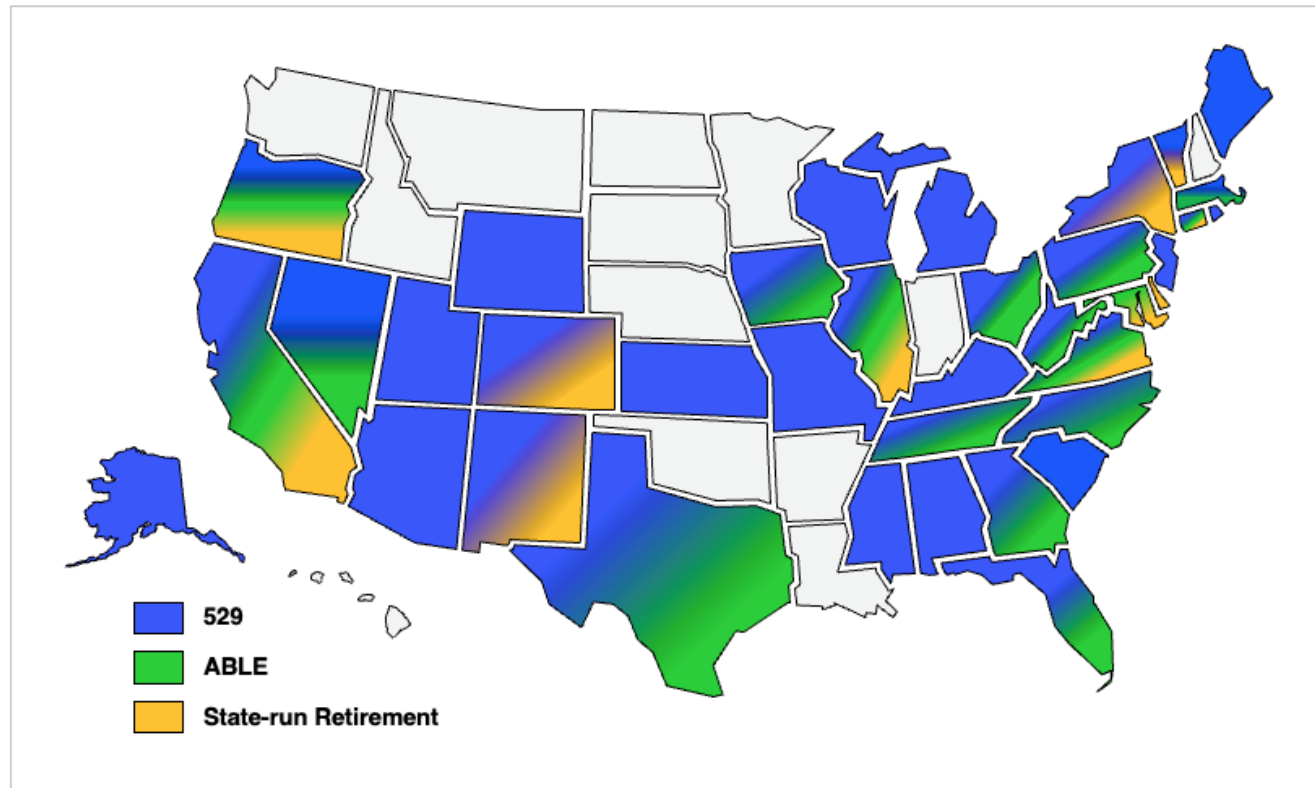


Note: Andrea Feirstein, Juliana Crist and Soohyang Lee are SEC- and MSRB-registered Municipal Advisors Other AKF Team members are not registered Municipal Advisors and do not provide municipal advisory services

Proprietary

Our National Footprint

- *Twenty-plus years working with State-run Investment Programs*
- *Municipal advisors* registered with MSRB and SEC
- Public sector clients only – our mission is aligned with the States
- Leading strategic advisor to *50 Public Administrators across 37 States*



On-Point Program Experience

- Engagements with *eleven State Auto-IRA Programs*
- Significant experience with *multi-State partnership structures*



National ABLE Alliance

STABLE ACCOUNT

AKF Legal Disclosure

Pursuant to Municipal Securities Rulemaking Board (“MSRB”) Rule G-42, on Duties of Non-Solicitor Municipal Advisors, Municipal Advisors are required to make certain written disclosures to clients and potential clients which include, among other things, Conflicts of Interest and Legal or Disciplinary events of AKF and its associated persons.

Conflicts of Interest

Compensation

AKF represents that in connection with the issuance of municipal fund securities, AKF receives compensation from its client issuers for services rendered on an hourly, retainer or fixed fee basis. Consistent with the requirements of MSRB Rule G-42, AKF hereby discloses that such forms of compensation may present a potential conflict of interest regarding AKF’s ability to provide unbiased advice regarding a municipal fund security transaction. This potential conflict of interest will not impair AKF’s ability to render unbiased and competent advice or to fulfill its fiduciary duty.

Other Municipal Advisor Relationships

AKF serves a wide variety of clients that may from time to time have interests that could have a direct or indirect impact on the interests of other AKF clients. AKF fulfills its regulatory duty and mitigates such conflicts by dealing honestly and with the utmost good faith with all clients.

If AKF becomes aware of any potential or actual conflicts of interest after this disclosure, AKF will disclose the detailed information in writing to the client or obligated person in a timely manner.

Legal or Disciplinary Events

AKF does not have any legal events or disciplinary history on its Form MA and Form MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation. You may electronically access AKF’s most recent Form MA and each most recent Form MA-I filed with the Securities and Exchange Commission at the following website: www.sec.gov/edgar/searchedgar/companysearch.html. If any material legal or regulatory action is brought against AKF, AKF will provide complete and detailed disclosure to its clients, thereby allowing each client to evaluate AKF, its management and personnel.

THE BOARD OF TRUSTEES OF THE
NEVADA EMPLOYEE SAVINGS TRUST

Agenda Item 7
July 22, 2024

Item: Board to direct State Treasurer staff to identify and contract with research firm to undertake a study on feasibility to include independent contractors in the Program.

Staff Recommendations:

Pursuant to Section 36.5 of Senate Bill 305 of the 2023 Legislative Session, the Board shall conduct a study on the feasibility of including independent contractors in the Nevada Employee Savings Trust Program. A report on the findings of the study must be delivered to the Director of the Legislative Counsel Bureau no later than December 31, 2024.

Staff is recommending the Board direct Staff to identify and contract with a qualified research firm to undertake the study to ensure the December 31, 2024 deadline is met.

Staff recommended motion:

Move to direct State Treasurer staff to identify and contract with a research firm to undertake a study on feasibility to include independent contractors in Program.

THE BOARD OF TRUSTEES OF THE NEVADA EMPLOYEE SAVINGS TRUST

Agenda Item 8 July 22, 2024

Item: Board to direct State Treasurer staff to submit report of the activities, operations and projected activities of the Board for the current calendar year.

Staff Recommendations:

Pursuant to Nevada Revised Statute 353D.240, on or before August 1 of each year, the Board of Trustees of the Nevada Employee Savings Trust ("the Board") shall prepare an annual report detailing the financials, operations, and activities of the Nevada Employee Savings Trust Program ("the Program") and Trust during the immediately preceding calendar year, as well as projected activities of the Program for the current calendar year. The report must be delivered to the Director of the Legislative Counsel Bureau, the Governor, and the Controller.

Staff is recommending the Board direct Staff to submit a copy of the included report of the activities, operations and projected activities of the Board for the current calendar year to the Director of the Legislative Counsel Bureau, the Governor, and the Controller prior to August 1, 2024.

Staff recommended motion:

Move to direct State Treasurer staff to submit report of the activities, operations and projected activities of the Board for the current calendar year.

Zach Conine
State Treasurer



Members
State Treasurer Zach Conine
Lt. Governor Stavros Anthony
Mary Beth Sewald
Joe Caldera
Andy Kao
William H. Palmer III

STATE OF NEVADA
THE BOARD OF TRUSTEES OF THE
NEVADA EMPLOYEE SAVINGS TRUST

August 1, 2024

Nicolas Anthony
Director of the Legislative Counsel Bureau
401 S. Carson Street
Carson City, NV 89701

Subject: Board of Trustees of the Nevada Employee Savings Trust Annual Report

Dear Director Anthony:

Pursuant to Nevada Revised Statute 353D.240, on or before August 1 of each year, the Board of Trustees of the Nevada Employee Savings Trust ("the Board") shall prepare an annual report detailing the financials, operations, and activities of the Nevada Employee Savings Trust Program ("the Program") and Trust during the immediately preceding calendar year, as well as projected activities of the Program for the current calendar year.

In June 2024, all appointed members of the Board were identified, and the first meeting of the Board was held on July 22, 2024. The Board expects to meet again in August, September, November, and December of 2024 in order to take the steps necessary to launch a fully operational Program by July 1, 2025.

Respectfully submitted,

A handwritten signature in black ink, appearing to be "ZC", followed by a long horizontal line.

Zach Conine
State Treasurer
Chair, Board of Trustees of the Nevada Employee Savings Trust

THE BOARD OF TRUSTEES OF THE
NEVADA EMPLOYEE SAVINGS TRUST

Agenda Item 9
July 22, 2024

**Item: Proposed Nevada Employee Savings Trust Board
Meeting Dates for Calendar Year 2024.**

Summary:

Please see attached the proposed meeting dates for the remainder of calendar year 2024.

Fiscal Impact: None by this action.

Staff recommended motion:

**To accept and approve the proposed Nevada Employee
Savings Trust Board Meeting Dates for Calendar Year 2024.**

Zach Conine
State Treasurer



Members
State Treasurer Zach Conine
Lt. Governor Stavros Anthony
Mary Beth Sewald
Joe Caldera
Andy Kao
William H. Palmer III

STATE OF NEVADA
THE BOARD OF TRUSTEES OF THE
NEVADA EMPLOYEE SAVINGS TRUST

AGENDA ITEM DEADLINE	AGENDA POSTING DATE	MEETING DATE
July 9, 2024	July 15, 2024	July 22, 2024
August 14, 2024	August 21, 2024	August 28, 2024
September 11, 2024	September 18, 2024	September 25, 2024
November 6, 2024	November 13, 2024	November 20, 2024
November 27, 2024	December 4, 2024	December 11, 2024

All meetings scheduled for 10:00am PT

Agency/Partner Instructions: Please provide one summary statement and all supporting documentation that you wish to be considered by the board members to Kirsten Van Ry, at KLvanry@nevadatreasurer.gov, no later than the agency deadline listed above.