



Annual Report

Office of State Treasurer Zach Conine

Fiscal Year
2022

July 1, 2021 – June 30, 2022

Zach Conine
State Treasurer



STATE OF NEVADA
OFFICE OF THE STATE TREASURER

December 12, 2022

Dear Governor Sisolak and Members of the Nevada Legislature:

Enclosed please find a copy of the Nevada State Treasurer's Office Fiscal Year 2022 Annual Report as required pursuant to NRS 226.120(2).

In Fiscal Year 2022, the State Treasurer's Office continued its work of effectively and efficiently serving Nevadans. Outlined within this report are the multitude of ways in which the Office's six Divisions 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 State Treasurer's Office staff. Through their efforts, we have consistently provided a high level of customer service, and I couldn't be prouder to work with them every day. Thank you for the opportunity to share more about the Treasurer's Office. Please do not hesitate to contact me should you need additional information or further clarification on any of the information provided in this report.

Sincerely,

A handwritten signature in black ink, appearing to be "ZC", written over a horizontal line.

Zach Conine
Nevada State Treasurer

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OVERVIEW

Pursuant to the Nevada Constitution and Nevada Revised Statutes, the State Treasurer’s Office (STO) is responsible for a number of state functions. Broadly, these responsibilities fall under one of six working groups, or Divisions, within the STO. The six Divisions of the STO are:

Operations

The Operation’s Division is responsible for managing the State Treasurer’s Office budget accounts, Tobacco Master Settlement Agreement (MSA), contracts and purchasing, human resources, IT, and day-to-day operations for the State Treasurer’s Office.

Cash Management

The Cash Management Division is responsible for managing the State’s banking relationships, reconciling bank transactions with State accounting records, managing the State’s electronic payments, and administering the State’s check distribution program.

Investment

The Investment Division is responsible for the investment of all public money, and the accounting of the General Portfolio, Local Government Investment Pool, and the Permanent School Fund.

Debt Management

The Debt Management Division is responsible for the issuance of debt obligations authorized on behalf of and in the name of the State (with limited exceptions), as well as the organization and facilitation of statewide pooled financing programs.

Unclaimed Property

The Unclaimed Property Division is responsible for receiving and safeguarding abandoned property due to Nevadans. The Division also processes and approves claims made by Nevadans for the return of their property.

College Savings

The College Savings Division is responsible for administering various college savings programs throughout the State, including: the five nationwide 529 College Savings Plans, Nevada Prepaid Tuition Program, Nevada College Kick Start Program, and Governor Guinn Millennium Scholarship Program. The Division is also responsible for the Student Loan Ombudsman Program, in addition to maintaining a comprehensive scholarship database, and administering 529 matching grant programs.

OPERATIONS DIVISION

Division Overview

The Operations Division oversees the day-to-day operations for the STO to include fiscal functions for 22 STO budget accounts, the submittal of the biennium budget request for 9 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 22 budget accounts including the preparation and submittal of 9 biennium budget requests for the State Treasurer, Prepaid Tuition Program, Millennium Scholarship Program, College Savings Program, College Savings Trust, Debt Management Program, and the Unclaimed Property 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 \$44 million in MSA funds in FY21 enabling Operations to distribute approximately \$17.6 million to Millennium recipients and \$26 million to the Healthy Nevada Program.

Human Resource Functions

The Operations Division oversees Human Resources (HR) for 46 State Treasurer's Office employees including planning, recruiting and selection, evaluation of employee performance, records, and 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 Treasurer's Office 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 State Treasurer's Office and its various programs. The Office has two designated IT staff who handle the day-to-day

help desk tickets, monitor, and administer the Office'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 State Treasurer's Office. This removed administrative functions from various programs allowing staff to focus on program initiatives to better serve Nevadans. The Operation Division's major accomplishments for Fiscal Year 2022 included the following efficiency initiatives: implemented an electronic signature process saving programs time and printing costs, streamlined the purchase order and travel processes, created HR onboarding packets and procedures for the Northern and Southern offices, upgraded all staff computers to Windows 11, and implemented a new IT help desk software system. The Division also piloted in the Las Vegas office a hybrid work model offering staff flexibility to work from home two days a week. Due to its success, the hybrid model will be rolled out to Carson City staff in fiscal year 2023. In addition, the Division spoke at the annual NASACT conference presenting on fraud prevention and initiated the approval of a fraud prevention State contract benefitting all Nevada agencies by creating a secure vendor desk system to be rolled out in fiscal year 2023.

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 Treasurer's Office has 39 bank accounts under analysis, with most of these accounts being zero balance accounts. The funds deposited into these accounts by other State agencies are transferred into the State's consolidation account on a daily basis, thus providing an efficient method for combining cash balances within one financial institution and minimizing non-invested cash balances. The Treasurer's Office also maintains 3 depository accounts with other financial institutions in order 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 Distributive School Account, 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 380 merchant accounts for 58 State agencies and with the transition to Wells Fargo Merchant Services, State agencies receive next day funding on all electronic transactions. In addition, Cash Management maintains a website for electronic payment acceptance featuring information and forms for assisting agencies through the merchant services process. In FY22, Cash Management continued to provide one-on-one training for agencies participating in the Merchant Services Program, assisting State agencies with Payment Card Industry Data Security Standards (PCI DSS), credit card reconciliation, dispute and fraud processing, best practices, and overall merchant services processes related to accepting electronic payments, such as credit and debit cards. The program also created and now maintains the State's operating manual for electronic payment acceptance that is being used by other government entities and states.

Major Accomplishments

In FY22, the Cash Management Division saw a large increase in electronic payments due to the Covid-19 pandemic with an additional 1.6 million transactions coming into the State's accounts. The

Treasurer's Office worked with agencies and their vendors to open an additional 12 bank accounts to accommodate the transactional growth and provide additional banking solutions and services. This allowed customization of banking products to fit the needs of the individual agencies, improving business efficiencies. The Merchant Services staff began to implement the new PCI DSS requirements for calendar year 2022 and NACHA requirements for micro transactions with each incoming ACH payment.

The Treasurer's Office 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 State Treasurer is responsible for the investment of public money. The Investment Division (“Investment”) 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 advisers.

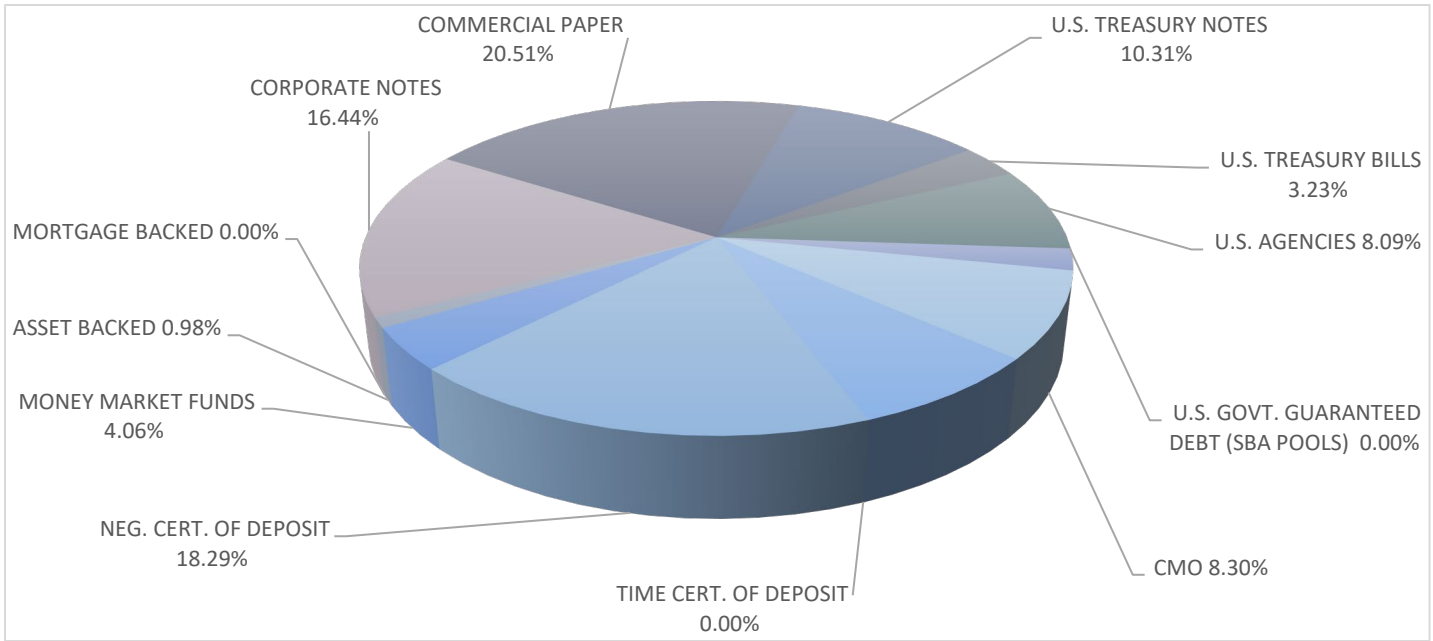
Duties

The investment of the State of Nevada’s General Portfolio is a function performed by the Division 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 advisers, Buckhead Capital Management and Western Asset Management.

The FY22 General Portfolio’s book value as of June 30, 2022, was \$7.801 billion. The following chart provides a breakdown of total investments held as of the end of FY22. Total realized earnings for FY22 were \$24.241 million, representing a yield of 0.61%.



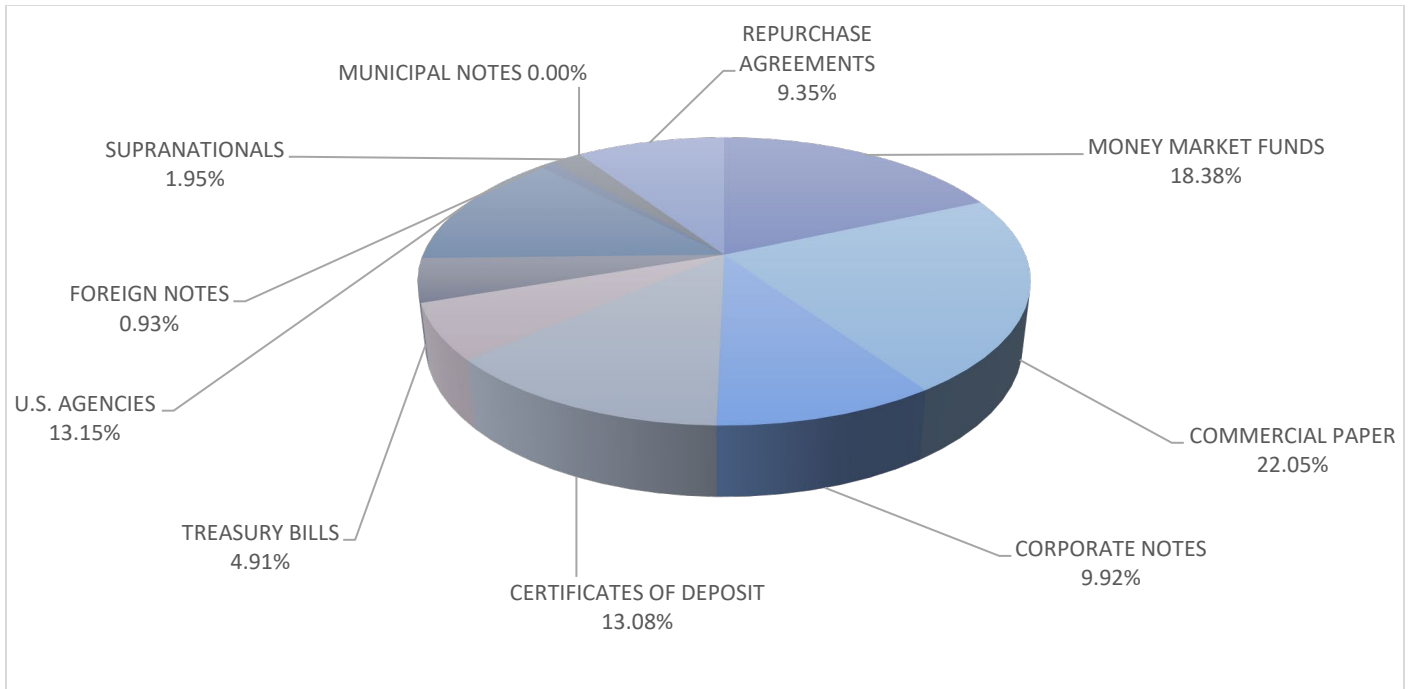
Local Government Investment Pool

Pursuant to NRS 355.165, the 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 a 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, 2022.



As of July 1, 2015, registered investment advisor, FHN Financial Services Mainstreet Capital Advisors (FHN), manages the LGIP Portfolio. The LGIP’s book value on June 30, 2022 was \$2.1 billion. 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 125 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 \$5 million. 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, 2022, the NVEST portfolios had a total book value of \$36.97 million and consisted of one (1) 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 Investment, 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 FY22, there were 328 public entities throughout the State participating in the Collateral Pool Program, with deposits in 14 financial institutions and a daily balance on June 30, 2022 of \$1.589 billion with pledged collateral of \$2.125 billion, which calculates to \$504 million 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 \$11.796 million in FY22.

As of June 30, 2022, the book value of the fixed-income investments of the Permanent School Fund totaled \$222.57 million, the public equity investments totaled \$194.9 million, and the private equity book value totaled \$26.51 million (excludes capital returned to NCIC since SSOF inception). The total portfolio as of June 30, 2022, totaled \$443.97 million.

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 88%, or \$44.6 million, of committed capital has been drawn from the Permanent School Fund as of June 30, 2022.

The SSOF is generating a 7.2% net annual return to the State's Permanent School Fund. On a gross basis, SSOF is generating an 10.2% Internal Rate of Return (IRR). As of June 30, 2022, the NCIC has contributed \$47.6 million and received \$39.4 million in distributions, resulting in \$8.2 million in net contributed capital.

As of June 30, 2022, 32 companies (20 of which remain active) have received investments from SSOF. This includes investments throughout the entire State as noted in the SSOF report. This is a total of \$815 million (18x multiplier) invested in Nevada and its partners which stretches far beyond the \$50

million capital invested via the Permanent School Fund. The Fund investments have supported 2,470 Nevada employees with an average annual wage of \$97,562, which is higher than the national average wage.

Major Accomplishments

During fiscal year 2022, the Investments 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 portfolio to benefit from the interest rate hikes the Federal Reserve began forecasting in November of 2021. As it became clear in the spring of 2022 that the Federal Reserve would be very aggressive and consistent in raising rates through the entire year. Maturities in our internally managed funds were well-positioned to be reinvested quickly at higher rates after each Fed meeting. We will continue to pursue opportunities presented in the shape and direction of the yield curve, while maintaining safety and liquidity as the funds' primary goals.

DEBT MANAGEMENT DIVISION

Division Overview

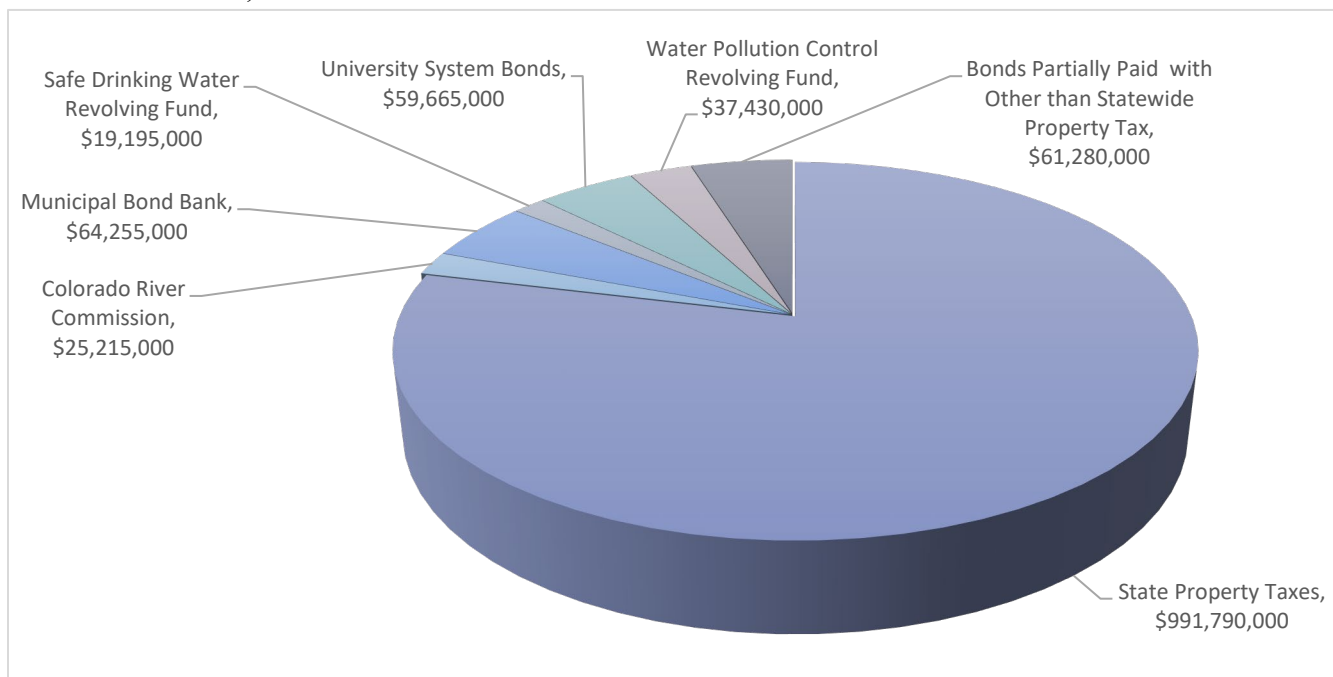
Pursuant to NRS 226, the State Treasurer is directly responsible for the issuance of any debt obligation authorized on behalf of and in the name of the State, except for issuances by the Colorado River Commission, the University of Nevada System, and the Department of Business and Industry which issue 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, 2022 was \$1,258,830,000.

The following chart illustrates the breakout of the State's \$1.26 billion Gross General Obligation Debt as of June 30, 2022.



During FY22, the Debt Management Division (“Debt Management”) processed debt service payments for existing GO debt totaling approximately \$188.3 million.

Gross General Obligation Debt FY22 Debt Service Payments			
	Principal	Interest	Total
State Property Taxes	\$117,103,000	\$41,754,549	\$158,857,549
Bonds Partially Paid with Revenues Other Than Property Tax	3,912,000	2,631,278	6,543,278
Clean Water Revolving Fund	4,595,000	1,578,425	6,173,425
Safe Drinking Water Revolving Fund	2,025,000	566,380	2,591,380
Municipal Bond Bank	3,225,000	2,596,212	5,821,212
Nevada System of Higher Education	4,115,000	2,403,325	6,518,325
Colorado River Commission	770,000	1,014,880	1,784,880
Total FY22 Debt Service	\$135,745,000	\$52,545,049	\$188,290,049

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 50% 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, 2022, the unaudited reserve amount within the Bond Fund was approximately \$201 million, which is equal to approximately 118% of the FY23 debt service on those general obligation bonds expected to be paid from property tax and prior to the issuance of additional 2022 bonds.

Debt Affordability Analysis

A committee comprised of representatives from the Governor’s Finance Office, the Department of Taxation, the State Treasurer’s Office, 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, 2022, the constitutional debt limit stood at \$3.34 billion. The outstanding debt subject to this limit was \$1.01 billion and the remaining constitutional debt capacity was \$2.33 billion.

Constitutional Debt Limitation and Capacity⁽¹⁾				
Effective June 30	Assessed Valuation	Debt Limitation	Outstanding Debt Subject to Limitation	Remaining Constitutional Debt Capacity
2018	\$123,398,562,960	\$2,467,971,259	\$1,025,895,000	\$1,442,076,259
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

⁽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 \$1.8 billion 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, 2022, the outstanding par amount of securities issued pursuant to the Act was \$64,255,000.

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 \$60,000,000. 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 \$1.0 billion. As of June 30, 2022, \$143,183,000 in bonds are guaranteed, or authorized by the State Board of Finance to be guaranteed, by the PSF.

Major Accomplishments

Bond Sales

In FY22, the Office successfully conducted two bond sales and one private placement comprised of nine series of bonds:

BONDS ISSUED IN FY2022						
	Series	Original Amount	New Money	PV Savings	TIC	Term
Capital Improvement, Historic Preservation, and Refunding Bonds	2021A	\$ 118,030,000	\$ 98,235,000	\$ 3,917,900	1.87%	20yrs
Natural Resources Bonds	2021B	\$ 12,465,000	\$ 12,465,000	\$ -	0.39%	3yrs
Open Space, Parks, and Natural Resources Bonds (Exempt)	2021C	\$ 7,340,000	\$ 7,340,000	\$ -	1.87%	20yrs
Open Space, Parks, and Natural Resources Bonds (Subject)	2021D	\$ 6,315,000	\$ 6,315,000	\$ -	1.77%	18yrs
Safe Drinking Water Revolving Fund Matching and Refunding Bonds	2021E	\$ 5,850,000	\$ 4,140,000	\$ 123,576	1.12%	13yrs
Clean Drinking Water Revolving Fund Matching Bonds	2021F	\$ 4,560,000	\$ 4,560,000	\$ -	0.68%	6yrs
State Infrastructure Bank (Matching)	2022A	\$ 40,000,000	\$ 40,000,000	\$ -	3.00%	5 Yrs
State Infrastructure Bank (Social)	2022B	\$ 35,000,000	\$ 35,000,000	\$ -	3.00%	5 Yrs
Historic Preservation Grants	2022C	\$ 1,000,000	\$ 1,000,000	\$ -	2.14%	1 Yr
		\$ 230,560,000	\$ 209,055,000	\$ 4,041,476		

The combined principal (or par value) amount of the bonds was \$230,560,000. The terms of the bonds ranged from 1 year to 20 years and the true interest costs (TIC) ranged from .39% to 3.00%, which represents rates below historical averages.

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 FY22, 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+	Aa2	AAA
Highway Revenue (IFT)	AA+	Aa2	AA+
Permanent School Fund Guarantee	N/A	Aaa	AAA

UNCLAIMED PROPERTY DIVISION

Division Overview

As of June 30, 2022, the Unclaimed Property Division (“Unclaimed Property”) was safeguarding more the \$1 billion 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 stock accounts, uncashed payroll checks, utility deposits, life insurance proceeds, and refunds.

Unclaimed Property operates three primary workgroups: Claims, Holder, and Audit.

- 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 team is responsible for receiving and processing reports and payments that are submitted as unclaimed property. (Businesses are referred to Holders, as the are “holding” others’ property).
- The Audit team 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 represents a modified version of the Revised Uniform Unclaimed Property Act of 2016 (which is adopted by the Uniform Law Commission).

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;

- 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; and
- Ensuring the proper usage of unclaimed property funds which have yet to be return to rightful owners, including transfers to the Education Trust Account, Millennium Scholarship Trust Fund and the State General Fund.

Major Accomplishments

Owner Claims

Unclaimed Property paid 37,290 claims in FY22, and returned over \$42 million to rightful owners. In FY22, 69.2% of all claims were paid via Unclaimed Property’s online approval system, FastTrack, which represents a decrease of 2.8% from FY22, however the value of the claims not processed through the automated FastTrack process decreased from approximately \$4.8 million to approximately \$3.1 million. This, combined with the increased value of claims paid represents an increased number of properties and property values that claims processors were required to review. Concerted efforts by Treasurer Conine to promote the program through social media directly correlated with the significant increase in claims values.

Holder Audit and Outreach Initiatives

During FY22, the Audit team continued with initiatives implemented in the prior three years to increase awareness of reporting requirements and increase audits of business that have weak reporting histories and are at a higher risk of underreporting. Initiatives included:

- Increased the number of contracted outside audit firms from two to five. This increase allowed Unclaimed Property to broaden the audits performed on behalf of Nevada, as the additional firms include those that specialize in industries not previously audited for Nevada.
- Expanded the modified “self-audit” program which focuses on mid-sized businesses through the Unclaimed Property’s outside audit partners. In the third full year of the program, 62 self-audits holder reports were submitted to division. These represent business which had not previously submitted unclaimed property.
- Increased highlighting of the Voluntary Disclosure program, which offers waivers of penalties and interest to businesses who have not previously reported or have reported incorrectly. The program continues to evolve to focus on and provide education to Holders to improve accuracy and consistency of their reporting. The improvements made to the program have increasingly resulted in higher values reported and have resulted in 41 reports received for a total of nearly \$802,000 in property received.
- Contracted audits resulted in 203 holder reports being filed and the remittance of \$4.3 million in cash and 3.1 million shares of stock.

Holder Reporting and Collections

The Holder team focused on promoting compliance with required online reporting and payment submissions. As a result, 97% of reports received were submitted online in FY22. Other collection results include:

- Cash receipts from holder reports amounted to nearly \$83 million and security sales exceeded \$19.5 million;
- Over 317 million shares of stocks were taken into custody (up from approximately 32 million shares in FY21); and
- Over 590,000 individual owner properties were reported.

COLLEGE SAVINGS DIVISION

Division Overview

The College Savings Division (“College Savings”) administers four programs that assist Nevadans in planning for, saving for, and paying for higher education. The Division also provides 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 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.

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 grow tax-deferred and are federally tax-free when used for qualified educational expenses at eligible higher education institutions. This allows savings to grow faster, providing 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 four direct-sold plans managed by Ascensus College Savings: SSGA Upromise 529, Vanguard 529 College Savings Plan, USAA 529 College Savings Plan, and Wealthfront 529 College Savings Plan. The State also offers one advisor-sold plan, Putnam 529 for America. Nevada’s College Savings Plans are available to individuals from all fifty-states and at the end of FY22, collectively held 1,058,551 individual accounts and over \$34.5 billion in assets under management (AUM). This represents a 4% increase in accounts over FY21.

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, 2022:

	AUM	Total Accounts
Putnam 529 for America	\$422.9MM	17,867
Wealthfront 529 Plan	\$463.9 MM	26,024
USAA 529 College Savings Plan	\$4,689 MM	314,597
SSGA Upromise 529	\$1,410 MM	129,275
Vanguard 529 Plan	\$27,334 MM	570,788
TOTAL:	\$34,319.80 MM	1,058,551

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 SSGA Upromise 529 Account. The FY22 open enrollment period saw an increase in the number of approved applications. The total number of approved applications was 353, a 16% increase from last year's 304 applications that were approved during the FY21 open enrollment period.

The 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, Prepaid Tuition is one of only 11 prepaid tuition programs in the country. It is fully administered by the College Savings Division, and includes the marketing of Prepaid Tuition, 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 eligible in-state and out-of-state institutions.

Prepaid Tuition opens enrollment each year from November-April. During FY22, the Program enrolled 474 new students and the four-year university plan remained the most popular choice of plans, with 60.34% of purchasers choosing the four-year university plan for their loved one. The lump sum payment option (49.58%) exceeded the monthly payment options (27.00% extended monthly payments, 14.14% five-year payment option, and 9.28% 10-year payment option) as the most popular payment choice.

An actuarial report completed by an independent outside actuarial firm found the funded status of Prepaid Tuition as of June 30, 2021 to be 178.9%. At the conclusion of FY22, a total of 23,216 children were enrolled in Prepaid Tuition, and the Nevada Higher Education Tuition Trust Fund held assets of \$356 million, an increase of 474 children and a decrease of \$37.7 million, respectively, over the prior year. As of June 30, 2022, there were 3,527 students eligible to use their benefits, of which Prepaid Tuition paid out slightly over \$12 million in tuition benefits, relatively the same amount (increase of 0.01%) as FY 21.

College Kick Start

In Fall 2013, the Office launched the Nevada College Kick Start Program (“CKS”), which establishes an automatic \$50 scholarship for all public-school kindergarten students in the State. The scholarships are established using a portion of the program manager fees paid to College Savings, not taxpayer dollars. College Kick Start scholarships are held within a master account in the SSGA UPromise 529 Plan and is invested in the age-based portfolio, which most closely matches the age of the students. Parents may also link their child’s CKS scholarship to a separate SSGA UPromise 529 account. The Office 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 College Savings include: attendance at school events, direct mail sent to new CKS members, and ongoing written and email communications sent to all participants.

CKS was codified into law after the passage of Assembly Bill 475 (“AB475”) of the 79th Nevada Legislative Session. During its June 2022 Meeting, the College Savings Board of Trustees approved regulations necessary for the administration of the program.

As of June 30, 2022, there were 310,527 individual student scholarships created under the program, valued at \$15.5 million.

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 2022, 14,861 were eligible for the scholarship, and 7,377 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 \$7.6 million annually from the Abandoned Property Trust Account.

As administrator of the program, the Office:

- Operates the Millennium Scholarship’s database (MiSL: Millennium Scholarship Ledger), which collects, stores, and maintains data on Millennium Scholars. College Savings also hosts a dedicated website allowing students to access their accounts on MiSL.
- Collects initial eligibility data from all Nevada school districts, 175 private high schools, adult education programs, and home school applicants.
- Conducts outreach efforts throughout the State at college fairs, schools, private companies, PTA meetings, 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, meet the scholarship requirements and who commit to teaching in Nevada following graduation. Scholarship applications are reviewed by the selection committee and the College Saving Board selects the four winners of the scholarship. A virtual award ceremony is organized by College Savings to congratulate the recipients and the Guinn family is invited with the

State Treasurer as the host. 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 \$4500 to \$5000, 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 FY22, another four scholarships were awarded to one student each from UNR, Great Basin College, and two students from UNLV.

Student Loan Ombudsperson and College Navigator

Student Loan Ombudsperson

The Student Loan Ombudsperson 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.

On October 6, 2021, the US Department of Education announced the Public Service Loan Forgiveness Limited Waiver, which allows federal student loan borrowers to receive credit for past periods of repayment that would otherwise not qualify for Public Service Loan Forgiveness. Due to this announcement, the Student Loan Ombudsman received calls from student loan borrowers who needed more information and guidance on the limited waiver. The Student Loan Ombudsperson provided guidance on the application process to those borrowers who met the qualifications for the Limited Waiver and provided further information on student loans to those that did not meet the qualifications. Due to the abundance of applications that the US Department of Education has received, applicants have waited months to receive updates of their applications; however, in May 2022, one of the borrowers that the Student Loan Ombudsperson assisted received forgiveness of \$25,446.03. Other student loan borrowers that the Student Loan Ombudsperson has been assisting through this process are still waiting to hear back from the US Department of Education.

As part of the College Savings Division, the Student Loan Ombudsperson encourages students and families to begin planning for college expenses to secure the funding necessary to avoid student loans. The Student Loan Ombudsperson focused its efforts on providing information to students and their families 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 response to the reduction of COVID-19 mandates in CY21, schools and organizations began to allow for in-person presentations again; and so, the Student Loan Ombudsperson pivoted from only virtual platforms to providing education both in-person and through virtual platforms. The Student Loan Ombudsperson also partnered with organizations for outreach efforts, including the Consumer Financial Protection Bureau who together provided a free webinar to students and families that focused on paying for college, student loans, and money management. The Consumer Financial Protection Bureau is a U.S. government agency that makes sure banks, lenders, and other financial companies treat consumers fairly. Webinars were offered through Zoom and were streamed on Facebook Live. The ombudsperson has also made herself available to NSHE institutions, and in May 2021 providing office hours at Nevada State College on the 2nd Tuesday of each month.

The Student Loan Ombudsperson stayed up to date with changes and news concerning student loans and ensured that changes were being provided to the State Treasurer Office's social media followers, such as: the extensions of federal student loan pause, PSLF limited waiver, and other news. 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 with other State Student Loan Advocates, and with the Federal Student Aid (FSA) and state regulators once a month.

College Navigator

During the 80th Nevada Legislative Session, a College Savings Navigator position was created within the office. The goal of the College Navigator was to build relationships with staff and administration and provide institutions, school districts, community partners, students, and households with information on pursuing post-secondary education. The Navigator was 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 Program, the Nevada Prepaid Tuition Program, the Governor Guinn Millennium Scholarship Program, and other scholarship opportunities and financial aid options that allow Nevadans to plan for, save for, and pay for post-secondary education.

The College Savings Outreach Team within the State Treasurer's Office consists of a College Navigator, Student Loan Ombudsmen, Marketing Coordinator, Management Analyst, and Program Officer. In FY22, the College Savings Division hosted 58 virtual and 19 in-person initiatives within the State Treasurer's Office and partnered with other organizations to attend and/or co-host 88 in-person events and 16 virtual events. One of the largest projects was undertaken in collaboration with the Governor's Office. The Vax Nevada Days project awarded \$1.5MM in 529 funds via a vaccine scholarship giveaway. Although the project is still ongoing, the College Navigator has assisted 115 families in opening new 529 accounts, with \$1.38MM, or 92%, in funds have been.

The College Navigator also assisted with the Division’s first ever March Matchness campaign; a program created by the College Savings team to assist Nevadans with saving for postsecondary education. March Matchness required Nevadans to open a new 529 Nevada sponsored account. When individuals signed up for the program through the Treasurer’s Office, they were contacted by the College Navigator and given next steps to claim their matching funds. The office saw incredible success in the program, with 211 Nevadans taking advantage of the March Matchness incentive during its first year. Overall, the program helped Nevada families save over \$206,000 in Nevada sponsored 529 accounts.

The College Savings Outreach Team is responsible for spearheading many of the 529 account initiatives for the State Treasurer’s Office. During FY22, the Outreach Team was responsible for opening over four hundred Nevada sponsored 529 accounts totaling over \$1.7 million dollars for Nevada families to assist them in saving for postsecondary education. In addition, the College Navigator assisted the Outreach Team as they created a new, statewide Financial Literacy University Program that was administered throughout the state. The Division collaborated with community partners and organizations who are experts in various financial topics such as budgeting, saving, credit, debt and investing. These workshops provide vital information and resources for Nevadans when it comes to financial literacy. This year, the Division held three Financial Literacy University workshops: one virtual event and two in-person events that were held in Las Vegas and Reno. Participants who attended the financial literacy events were given a 529 account contribution for their participation.

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.

Financial Literacy

This fiscal year, the team developed Free Virtual Financial University. The one-day events were held in Reno and Las Vegas and were geared towards families with K-12 students; but all Nevadans were invited and encouraged to attend. The Treasurer’s Office worked in partnership with the University system, Andson, and Silver State Credit Union. The purpose was to teach financial techniques and provide resources to assist participants as they navigate their post-secondary journey and beyond. This includes planning, saving, and paying for major life milestones, e.g., college, buying a home, retirement and more! This six-hour seminar focused on the following topics: Budgeting and Saving, Credit and Debt, Home and Auto Insurance, Paying for College, and Retirement and Investments. All participants received lunch and a 529 incentive for attending the event.

Major Accomplishments

This year the Division hosted a “What Do You Want to Be When you Grow Up” Art contest for K-12 students statewide. In the inaugural year, the Office received over 750 applications from students

across the state. 15 winners were selected, each of which received a scholarship award into a 529 account.

The College Savings Division continued to host several in person, virtual, and hybrid outreach events. It is the Division's goal to meet the needs of our community post-pandemic. The nimbleness of the College Savings team resulted in ongoing virtual series hosted by College Savings, including Webinar Wednesdays, during which a new college savings topic is discussed; Millennium Mondays, which covers common questions surrounding the Millennium Scholarship; and panel discussions with local community leaders, wherein the State Treasurer moderates a panel of experts on different college savings topics, or hosts conversations with Nevada leaders. The heightened online presence has allowed College Savings to reach many more Nevadans than prior years' events and does so in a format that is accessible and convenient.

Below are social media statistics from the College Savings Division's efforts in FY22:

Impressions:

- The Nevada State Treasurer's Office social channels saw an increase in impressions during FY22. The accounts received a combined 6,578,002 impressions which represents an 81.7% increase from the previous year.
- Instagram impressions increased by 27%, Twitter impressions decreased by 24.8% and Facebook impressions increased by 102.3%.

Engagements:

- The Nevada State Treasurer's Office social channels received 78,468 engagements in FY22.
- Facebook engagements increased by 11.6%.

Total Audience:

- The Nevada State Treasurer's Office social channels saw a 13% increase in total followers during FY22. The total audience following for FY22 was 6,585.

NEVADA ABLE SAVINGS PROGRAM

Program Overview

The Office 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.

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 17 states in the National ABLE Alliance to help administer ABLE. The use of a multi-state consortium helps to keep fees low for participants and reduce the overall 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 Office, which allows for a streamlined approach to reaching potential participants and assisting current participants with questions.

Major Accomplishments

In FY22, the State Treasurer’s Office 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 31, 2022, the ABLE program had 2,907 accounts.

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

SPECIAL PROJECTS

Nevada Recovers Listening Tour

Throughout FY22, the Office undertook a number of special projects. For example, in response to the approximately \$6.7B in funding received through the American Rescue Plan Act, the Office partnered with the Governor’s office and the Legislature to design and administer the Nevada Recovers Listening Tour. The purpose of the Tour was to receive robust input and feedback from Nevadans throughout the State on how best the State could invest the incoming federal funding. Guided by the priorities and principles established in the “Every Nevadan Recovery Framework”, the Listening Tour planned to hold 75 events throughout the State over 75 days, beginning in August 2021 and concluding in mid-October 2021.

Events varied in their structure and venue, with some held virtually, and others held in person. Events were held with community stakeholder groups focused on specific topic areas, such as tourism and education. Community events were also held to solicit diverse input from residents, like those held in Henderson, Boulder City, Winnemucca, and Ely. The Tour also provided presentations to local governments about the Listening Tour and the process for constituents to share feedback.

The Listening Tour exceeded expectations by hosting 121 events in 44 Nevada locales. Approximately 7,000 Nevadans attended events and provided feedback. Ultimately, the State received approximately 4,500 idea submissions and 4,300 separate survey responses.

The most common points of feedback received, and heard at nearly every event, were:

- **Childcare availability.** Many residents expressed concerns about the lack of childcare locations and providers. Similarly, in instances where childcare was available, oftentimes it was cost prohibitive for working families.
- **Health access.** Many Listening Tour participants discussed challenges with the lack of available and qualified medical providers and specialists. Many participants also expressed concerns regarding a lack of mental health support and services not only for adults, but also children.
- **Broadband services.** During nearly every Listening Tour event, a comment was made regarding internet service for Nevadans. The feedback ranged from issues with being able to secure internet service in rural communities, to lack of continued access for low-income communities. Similar feedback indicated that telehealth and online services were helpful; however, many senior citizens lack the experience to properly use the technology to utilize these services, thus rendering them inaccessible to certain groups.

The Nevada Recovers Listening Tour collected robust and varied information from Nevadans across the State. The feedback and input received from participants represents a holistic, statewide needs assessment highlighting the true needs of the State’s residents. The data collected informs and

supports not just ARPA decisions, but also helps prioritize government decisions at all levels of policy making.

Transforming Opportunities for Toddlers and Students (TOTS) Grant

The Transforming Opportunities for Toddlers and Students (TOTS) Grant Program was launched by the State Treasurer’s Office to support children with disabilities who faced disparate impacts from the COVID-19 pandemic and its associated economic impacts by allowing a more equitable recovery, building resiliency, and increasing opportunities for advancement after facing setbacks caused by the COVID-19 Pandemic.

Initially launched with \$5,000,000 in funding from the American Rescue Plan Act, eligible children with disabilities were eligible to receive grants of \$5,000 to use for expenses such as education, housing, transportation, employment training and support, assistive technology, personal support services, healthcare costs, financial management, and other qualified disability expenses.

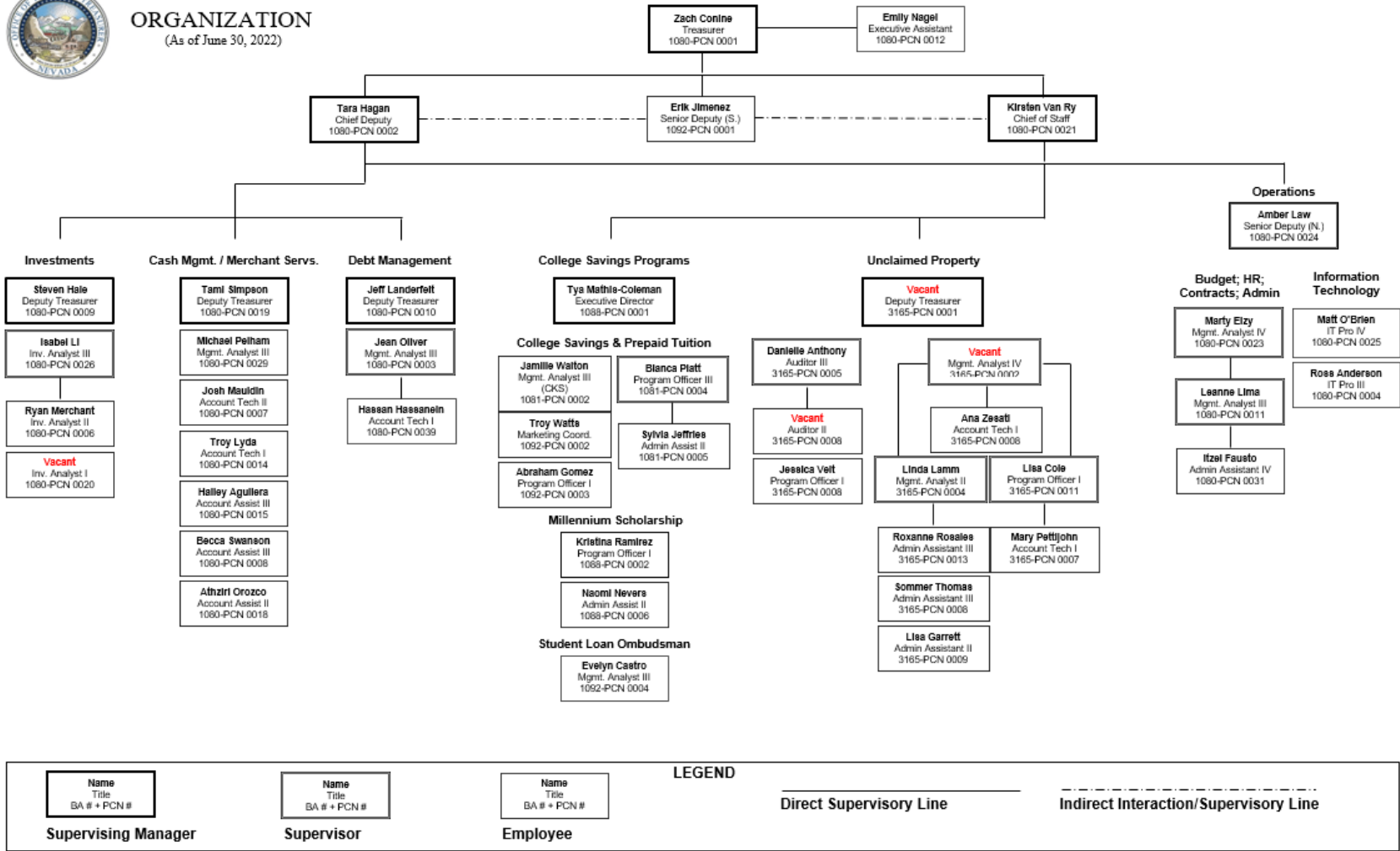
Being that assistance programs could potentially jeopardize an individual’s ability to qualify and/or maintain eligibility for benefits like Medicaid, Supplemental Security Income (SSI) and Social Security Disability Income (SSDI); grant funds were deposited directly into an ABLE Account to help the child and their family to pay necessary expenses or to enable the child to begin saving in a meaningful way.

As of June 30, 2022, the Treasurer’s Office had disbursed \$5,000,000 in grants to 1,000 Nevada children with disabilities. The Office continues to work through the additional \$7,000,000 in funding that was approved by the Interim Finance Committee to fund additional grants through the program.

ORGANIZATIONAL CHART



Office of the State Treasurer
ORGANIZATION
(As of June 30, 2022)



ZACH CONINE BIOGRAPHY

Zach Conine currently serves as Nevada’s 23rd State Treasurer. Elected on November 6th, 2018, Zach knows that responsible financial management is the key to ensuring long-term growth for the State. As Treasurer, Zach leads a team of 45 professionals that are responsible for investing the State’s and many local governments’ money, financing community assets and facilities, processing payments for public agencies, and collecting and returning unclaimed property. Additionally, Zach is responsible for Nevada College Savings Plans and administration of numerous scholarship programs and other services that help Nevadans’ plan, save, and pay for post-secondary education.

In addition to the daily management of the State Treasurer’s Office, Zach serves as a member of the State Board of Finance, the Executive Branch Audit Committee, and the Board of Trustees of the College Savings Plans of Nevada, and the State Infrastructure Bank, of which he serves as chair.

In his first year as Treasurer, the State has received two bond rating increases, the first since 2006; generated the highest investment returns for the State since the recession of 2008; and returned the largest amount of unclaimed property back to Nevadans since the inception of the State’s Unclaimed Property Program.

Prior to serving as State Treasurer, Zach built a successful business career in the gaming, finance, and consulting sectors. Over the course of his career, Zach has been committed to creating economic opportunities for local businesses and working families. As co-founder of a consulting business, he has helped dozens of small and medium sized businesses expand, increase efficiencies, and decrease expenses. In doing so, he assisted in the creation and preservation of more than 3,000 jobs in Nevada.

Zach graduated with a B.A. from Cornell University's School of Hotel Administration and holds a J.D. from the from UNLV's William S. Boyd School of Law. He and his wife Layke are happily raising their daughter Ruby, twin sons Rutherford and Theodore, and two dogs, Democracy and Liberty.

SENIOR STAFF BIOGRAPHIES

Chief of Staff

Kirsten Van Ry

Kirsten Van Ry currently serves as the Chief of Staff for the State Treasurer’s Office. Born and raised in Nevada, Kirsten holds baccalaureate degrees in mathematics and political science and a law degree from William S. Boyd School of Law. Prior to joining the office, Kirsten served as the Deputy Chief of Staff under former Nevada Lieutenant Governor Mark Hutchison. Kirsten’s previous positions include experience in legislative and community relations in Las Vegas and Carson City.

Chief Deputy Treasurer

Tara Hagan

Tara Hagan serves as the Chief Deputy Treasurer for the State Treasurer’s Office. Tara joined the Office in June 2012 as Deputy Treasurer - Finance. Her responsibilities as Chief Deputy Treasurer include working closely with the Debt Management, Investment Management, and Cash Management divisions, including assisting with investment and contract responsibilities related to the Nevada College Savings Plans. Tara previously served nearly five years as the Executive Director of the Nevada Deferred Compensation Program, where she was responsible for managing the daily operations. Prior to this position, Tara was the Regional Manager for Voya Financial Services (formerly ING Financial Services) where she was responsible for the relationship management of several government defined contribution plans in California and Nevada. Tara holds a Bachelor of Arts degree in journalism and political science from the University of Iowa.

Chief Policy Deputy

Erik Jimenez

Erik Jimenez currently serves as the Chief Policy Deputy in the State Treasurer’s office. In this role, Erik works on a variety of projects that range from infrastructure financing to increasing financial independence for marginalized communities. During the COVID-19 pandemic, he also helped administer the largest small business assistance program in Nevada history. Erik has previously represented various gaming, health care, education, energy, and transportation clients in front of the Nevada Legislature, and has also worked to enact numerous disability reforms in Nevada. Erik holds a bachelor’s degree in Political Science and a master’s degree in Public Administration and Policy from the University of Nevada Reno. Erik also serves on numerous government and non-profit boards, including serving as the Chair of the Advisory Committee for the Nevada Office of Minority Health and Equity, and was appointed by Governor Steve Sisolak to serve on the Nevada Statewide Independent Living Council.

Senior Deputy for Operations

Amber Law

Amber Law is a Certified Public Manager and has served in government finance since 2005. Prior to being appointed as the Senior Deputy Treasurer in 2021, Amber was the Deputy Treasurer of Cash Management and Merchant Services since 2016. Amber was raised in Nevada and is passionate about serving the great Silver State. She is trained in Lean Six Sigma and Kaizen and enjoys applying these principles to her civil service work. Amber oversees operations for the State Treasurer’s Office including Human Resources, IT, Budget, and Contract Management.

Deputy Treasurer – Cash Management

Tami Simpson

Tami Simpson began working in the Treasurer’s Office in October of 2011 in the Cash Management Division. With over 15 years of project management experience, she specializes in process improvement and the implementation of best practices, policies & procedures. From 2016 to 2018 Tami helped develop the Merchant Service Program by creating an Education and Outreach Program and a standardized Operating Manual for all participating State agencies. Tami’s duties include managing the Cash Management Division which oversees the State’s banking relationships, the reconciliation of bank transactions with state accounting records, the e-payment Merchant Services Program, and administers the state’s Check Distribution Program.

Deputy Treasurer – College Savings

Tya Mathis-Coleman

Tya serves as the organization’s Deputy Treasurer of College Savings. In this position her primary focus is on the education initiatives administered by the State Treasurer’s Office. Tya is a passionate servant leader who is committed to public education. Most recently Tya served as the Director of Recruitment for the Clark County School District. Tya is a native of Nevada and a proud product of the Clark County School District and the Nevada System of Higher Education. Tya strongly believes that together we can impact our community one child at a time. As the Deputy Treasurer of College Savings, Tya is responsible for ensuring all College Savings programs are effectively and efficiently managed. The Deputy Treasurer oversees administration, marketing, and execution of all programs, and guides and supports College Savings staff and vendors. Additionally, the Deputy Treasurer develops and maintains various community partnerships that advance College Savings goals.

Deputy Treasurer – Debt Management

Jeff Landerfelt

Jeff accepted the Deputy Treasurer of Debt Management position in February 2021. In this role, he will manage the issuance of State securities, rating agency relations, investor relations, and the administration of the Consolidated Bond Interest and Redemption Fund budgets. The Debt Management Division is responsible for collection and payment of various State obligations, post

issuance compliance of State securities with federal and State securities law and reconciliation of the State's debt portfolio accounting transactions. During fifteen years of State service, Jeff has held various audit, analyst, and management positions with the Gaming Control Board, the Secretary of State's Office, the Public Utilities Commission, and most recently, as an Audit Manager with the Division of Internal Audits. Previously, Jeff held various operations management and audit positions over twenty years in the ground transportation and heavy-weight air cargo industries. He is a U.S. Air Force veteran and holds undergraduate and graduate business degrees from California State University, Sacramento, and University of Oregon, respectively.

Deputy Treasurer – Investments

Steven Hale

Steven Hale serves as the agency's Deputy Treasurer for Investments. He is responsible for management and supervision of the investment activities conducted through and for the Treasurer's Office, including the state's \$7.5 billion General Portfolio and the \$2.1 billion Local Government Investment Pool, among others. He has a broad range of investment management experience in both the private and government sectors, including fixed income research, portfolio management and private investments. Steven received his Bachelor's degree in Economics from Brandeis University and MBA in Finance from Columbia University.

Deputy Treasurer – Unclaimed Property

Vacant

Financial Section

UNCLAIMED PROPERTY

Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Years Ended June 30, 2022 and June 30, 2021

Revenues	2022		2021
Unclaimed Property Receipts			
Utility Companies	\$ -	1	\$ -
Insurance Companies	-	2	-
Financial Institutions	353,696	3	425,905
Security Sales & Dividends	20,456,564	4	17,890,595
Local Governments	19,807	5	18,088
Other State Governments	-	6	-
Other Businesses	79,636,627	7	71,157,725
Audit Proceeds	5,270,306	8	6,288,756
Direct Payment From FDIC	-	9	-
Miscellaneous Sales	2,725	20	3,480
Penalties, Interest and Other	3,022,745	10	2,969,733
Total Revenues	<u>108,762,470</u>		<u>98,754,282</u>
Expenditures			
Payments to Claimants	42,076,532	11	40,728,480
Payments FDIC Claimants	1,449,406	12	8,200,370
Personnel Costs	936,494	13	947,974
Contractual Services	760,768	14	1,362,056
Operating Costs	218,395	15	205,236
Advertising and Public Relations	110,659	16	122,080
Total Expenditures	<u>45,552,254</u>		<u>51,566,196</u>
Other Financing Sources (Uses)			
Transfer to General Fund	(56,059,921)	17	(47,672,493)
Transfer to Educational Trust Fund	-	18	(115,963)
Transfer to Gov. Guinn Scholarship Fund	(7,600,000)	19	(7,600,000)
Total Other Financing Sources (Uses)	<u>(63,659,921)</u>		<u>(55,388,456)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	(449,705)		(8,200,369)
Beginning Balance, July 1	<u>1,449,406</u>		<u>8,200,369</u>
Ending Balance, June 30	<u>\$ 999,701</u>		<u>\$ (0)</u>

MILLENNIUM SCHOLARSHIP TRUST FUND
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Years Ended June 30, 2022 and June 30, 2021

Revenues	2022		2021
Tobacco Settlement Income	\$ 17,672,537	1	\$ 17,265,319
Appropriation	-	11	42,000,000
Interest Income	230,040	12	97,836
Prior Year Correction	-	13	12,018
Refunds	-	14	-
Total Revenues	<u>17,902,577</u>		<u>59,375,173</u>
Expenditures			
Scholarship Payments	38,780,748	3	44,260,392
Personnel	249,193	5	243,321
Travel	219	6	-
Administrative	134,682	7	124,126
Total Expenditures	<u>39,164,842</u>		<u>44,627,838</u>
Other Financing Sources (Uses)			
Transfer from College Savings Endowment Account	-	4	(2,000,000)
Transfer from Treasurer	384,094	8	367,446
Transfer from Unclaimed Property	7,600,000	2	7,600,000
Total Other Financing Sources (Uses)	<u>7,984,094</u>		<u>5,967,446</u>
Excess of revenues and other financing sources over expenditures and other financing uses	(13,278,170)		20,714,780
Beginning Balance, July 1	<u>43,598,469</u>	9	<u>22,883,688</u>
Ending Balance, June 30	<u>\$ 30,320,299</u>	10	<u>\$ 43,598,468</u>

PREPAID TUITION TRUST FUND

Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Years Ended June 30, 2022 and June 30, 2021

Revenues	2022		2021
Participant Contributions	\$ 13,238,793	1	\$ 14,057,311
Application Fees	28,402	2	50,300
Administrative Charges	26,500	3	25,500
Interest Income	5,035,600	4	37,188
Investment Gain (Loss)	15,343,398	5	11,045,950
Total Revenues	33,672,692		25,216,249
Expenditures			
Tuition Payments	12,034,687	6	12,033,406
Personnel Costs	245,901	7	226,941
Travel	636	8	-
Operating Costs	434,762	9	476,613
Contract Cancellation Refunds	3,458,938	10	2,759,120
Contract Rollover Payments	48,863	11	257,824
Total Expenditures	16,223,789		15,753,904
Other Financing Sources (Uses)			
Transfer from College Savings Endowment Account		12	-
Transfer from College Savings to Pay Operating	681,300	13	703,554
Total Other Financing Sources (Uses)	681,300		703,554
Excess of revenues and other financing sources over expenditures and other financing uses	18,130,204		10,165,899
Beginning Balance, July 1	238,604,541	14	228,438,641
Prior Period Adjustment			-
Ending Balance, June 30	\$ 256,734,745		\$ 238,604,540

COLLEGE SAVINGS

Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Years Ended June 30, 2022 and June 30, 2021

Revenues	2022		2021
Investment Management Fees	\$ 5,989,335	1	\$ 5,553,290
Gifts and Donations	-	2	-
Noncash Revenues	548,064	3	501,810
Settlement Income	-		-
Interest Income	107,676	4	62,775
Cost Allocation/Fund Transfers	1,623,048	5	2,933,708
Total Revenues	8,268,123		9,051,583
Expenditures			
Personnel	402,320	6	388,800
Operating	1,222,674	7	2,547,169
In-Kind Marketing		8	501,810
Total Expenditures	1,624,994		3,437,779
Other Financing Sources (Uses)			
Administrative Transfers			
College Savings	1,623,048	9	2,933,708
Millennium Scholarship	384,094	10	367,446
Prepaid Tuition	681,300	11	703,554
Transfer to Prepaid Tuition Trust Fund		12	
College Kick Start		13	
Cost Allocation		14	-
Settlement Expenses		15	
Total Other Financing Sources (Uses)	2,688,442		4,004,708
Excess of revenues and other financing sources over expenditures and other financing uses	9,331,571		1,609,096
Beginning Balance, July 1	12,115,997	16	10,506,901
Ending Balance, June 30	\$ 21,447,568		\$ 12,115,997

CONSOLIDATED BOND INTEREST & REDEMPTION FUND

Statement of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Years Ended June 30, 2022 and June 30, 2021

Revenues

Taxes	2022		2021
Real Property	172,208,278	1	163,062,428
Personal Property	19,926,143	1	17,374,074
Centrally Assessed Property	13,007,000	1	12,465,811
	205,141,421		192,902,313
Other			
Lease Purchase Building Rent	6,830,028	2	6,838,514
Interest Income	1,352,178	3	1,012,387
	8,182,206		7,850,901
Total Revenues	213,323,627		200,753,214

Expenditures

Personnel	387,373	5	341,726
Statewide Cost Allocation (SWCAP)	-	6	3,069
Professional Services	1,061,495	7	965,839
SIB Operating Expenses	8,219	7.1	
Trust Agent Fees	24,722	7	24,722
	1,481,809		1,335,356
Debt Service			
Bond Principal Redemption	137,215,000	8	148,124,000
Bond Interest Expense	50,645,367	9	54,423,655
	187,860,367		202,547,655
Total Expenditures	189,342,176		203,883,011

Other Financing Sources (Uses)

Transfers from State Agencies	12,985,710	10	13,232,373
Dept of Cons. & Natural Res. - Arbitrage			
US Treasury - Build America Bonds Subsidy		11	
State Treasurer's Assessment	155,575	12	250,055

Bond Proceeds for Cost of Issuance	1,063,745	18	944,302
Transfer to GF (AB3)- Budget Reduction			(9,000,000)
Total Other Financing Sources (Uses)	14,205,030		5,184,979
 Excess of revenues and other financing sources over expenditures and other financing uses	 38,186,481		 2,055,182
Beginning Balance, July 1	162,579,163	1082	155,840,505
Balance Forward Prior Year from other accounts		9999	-
Post Closing Adjustment			4,683,476
Ending Balance, June 30	200,765,644		\$ 162,579,163

MUNICIPAL BOND BANK BOND INTEREST & REDEMPTION FUND

Statement of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Years Ended June 30, 2022 and June 30, 2021

	<u>2022</u>		<u>2021</u>
Revenues			
Receipts from municipalities-Interest	\$ 2,596,212	1	\$ 3,047,237
Receipts from municipalities-Principal	3,225,000	9	4,615,000
Other			
Interest Income	1,644	2	2,208
Reimbursement of Expenses		3	-
Total Revenues	<u>5,822,856</u>		<u>7,664,445</u>
Expenditures			
Administrative Costs		4	-
Transfer to Administration	-	8	8,874
Trust Agent Fees		5	-
	<u>-</u>		<u>8,874</u>
Debt Service			
Bond Principal Redemption	3,225,000	6	4,615,000
Bond Interest Expense	2,596,213	7	3,047,237
	<u>5,821,213</u>		<u>7,662,237</u>
Total Expenditures	<u>5,821,212.50</u>		<u>7,671,111</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	1,644		(6,666)
Beginning Balance, July 1	<u>-</u>		<u>6,666</u>
Ending Balance, June 30	<u>\$ 1,644</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, 2022 and June 30, 2021

Revenues	<u>2022</u>		<u>2021</u>
Tobacco Settlement Income	\$ 26,508,805	1	\$ 25,897,978
Interest Income	197,114	2	181,228
Appropriations	-		-
Refund of Unused Grant Money	-	3	13,633
Transfer From Healthdivision	<u>2,163,230</u>	1 8	<u>1,900,903</u>
Total Revenues	<u>28,869,149</u>		<u>27,993,742</u>

Expenditures			
Operating	<u>67,889</u>	4	<u>58,748</u>
Total Expenditures	<u>67,889</u>		<u>58,748</u>

Other Financing Sources (Uses)

Transfer to Department of Health and Human Services

Administrative Services	644,086	1 9	660,968
Senior RX Program	262,643	5	375,482
Children & Disabled Persons	6,537,511	6	6,498,891
Aging Services	6,318,356	7	5,404,471
Disability RX	-	8	-
Differential Response	1,350,000	9	1,263,559
Child & Adolescent Services *	2,276,716	1 0	2,302,918
Autism	-	1	1,049,576
Family Resource Center	1,624,173	1 2	1,608,089

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	1	
Consumer Health Asst	4	353,675
Tobacco Cessation	1	902,046
Public and Behavioral Health	5	969,204
Transfer to Millennium Scholarship	6	-
Transfer to GF (AB3) - Budget Reduction	-	<u>16,851,440</u>
Total Other Financing Sources (Uses)	-	<u>38,240,319</u>
Excess of revenues and other financing sources over expenditures and other financing uses	5,947,514	(10,305,325)
Beginning Balance, July 1	1	39,793,420
Prior Year Adjustment	7	515,675
Ending Balance, June 30	-	<u>\$ 30,003,770</u>
	-	<u>\$ 35,951,284</u>